



# ANNUAL REPORT

2020

RAJTHANEE HOSPITAL  
PUBLIC COMPANY LIMITED

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**VISION**

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

**MISSION**

Providing services of medical standards and professional ethics by focusing on patients

**VALUES**

- **Quality** : working up to standard, accuracy, safety, swiftness without flaw to meet patients' expectation.
- **Unity** : working in harmony with friendliness and smooth cooperation
- **Pride** : Confident on and taking pride in our organization to cultivate the bond between staff and organization building "Rajthanee as our home"

## FINANCIAL HIGHLIGHTS

### Rajthanee Hospital Public Company Limited and Subsidiary

	2020	2019	2018
<b>Financial Position (THB. Million)</b>			
Total assets	1,899	1,685	1,879
Total liabilities	398	285	570
Total shareholders' equity	1,501	1,400	1,309
<b>Financial Performance (THB. Million)</b>			
Revenues from hospital operation	1,855	1,771	1,587
Total revenues	1,878	1,902	1,611
Net profit	414	396	258
Net profit attributable to equity holders of parent co.	412	396	255
<b>Key Financial Ratios</b>			
Gross profit margin (%) 1/	32.0	31.5	30.6
Net profit margin (%)	22.0	20.9	16.0
Return on average assets (%)	21.7	23.5	13.7
Return on average equity (%)	27.5	28.3	19.7
Total Debt to equity (x)	0.3	0.2	0.4
Interest coverage (x) 2/	2,111.4	113.7	32.6
<b>Per-share information</b>			
Earnings per share (THB)	1.37	1.32	0.85
Book value per share (THB)	5.0	4.7	4.4
Closing price at the end of year (THB)	23.70	25.25	18.60
Number of shares (million shares)	300	300	300

Note: 1/ Gross profit margin = Gross profit/ Revenues from hospital business

2/ Interest coverage ratio = EBITDA / interest expenses

## 1. GENERAL AND OTHER IMPORTANT INFORMATION

### RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED

Nature of business	Private hospitals with two operating hospitals : Rajthanee Hospital and Rajthanee Rojana Hospital
Head Office	111 Moo 3, Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya 13000
Company Registration No.	0107538000509
Tel.	035-335-555-71
Fax.	035-335-555 ext. 878
Website	www.rajthanee.com

### SECURITIES REGISTRAR

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

### EXTERNAL AUDITOR

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

### INTERNAL AUDITOR

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

## 2. POLICY AND BUSINESS OPERATION

### 2.1 Company Background and Major Milestones

#### 2.1.1 Incorporation of the Company

Rajthanee Hospital Public Company Limited (“the Company”) was established in 1990 to operate health care business. At the onset, the company’s name was “Ayutthaya Wetchakarn Co., Ltd.”. It was founded by a team of doctors, mostly graduated from Siriraj Hospital, together with leading businessmen in Phra Nakhon Si Ayutthaya. These founding members remained current major shareholders such as Doctor Wachira Wudhikulprapan, Doctor Porntip Wudhikulprapan and Doctor Surin Prasithirun.

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

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

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

#### 2.1.2 Major Milestones

Year	Major Milestones
1990	- Ayutthaya Vechakarn Company Limited was founded to operate hospital business under the name “Rajthanee Hospital”, with initial registered capital of Baht 10,000,000, at Baht 10 per share. The hospital is located on Rojana Road near Asia Highway and the City Hall of Phra Nakhon Si Ayutthaya.
1992	- The operation was commenced on June 29, 1992, with capacity of 33 patient beds.
1994	- The company applied for Social Security Program under Social Security Act B.E. 2537 (1994). With the confidence on Rajthanee hospital, number of insured persons has been increasing.
1995	- The company was converted to public company and renamed “Rajthanee Hospital Public Company Limited ”to prepare for the listing on the Stock Exchange of Thailand.
1999	- December 29, 1999, the Company was awarded ISO 9002: 1994 Certification.
2002	- October 8, 2002, the Company was awarded ISO 9001: 2000 Certification.

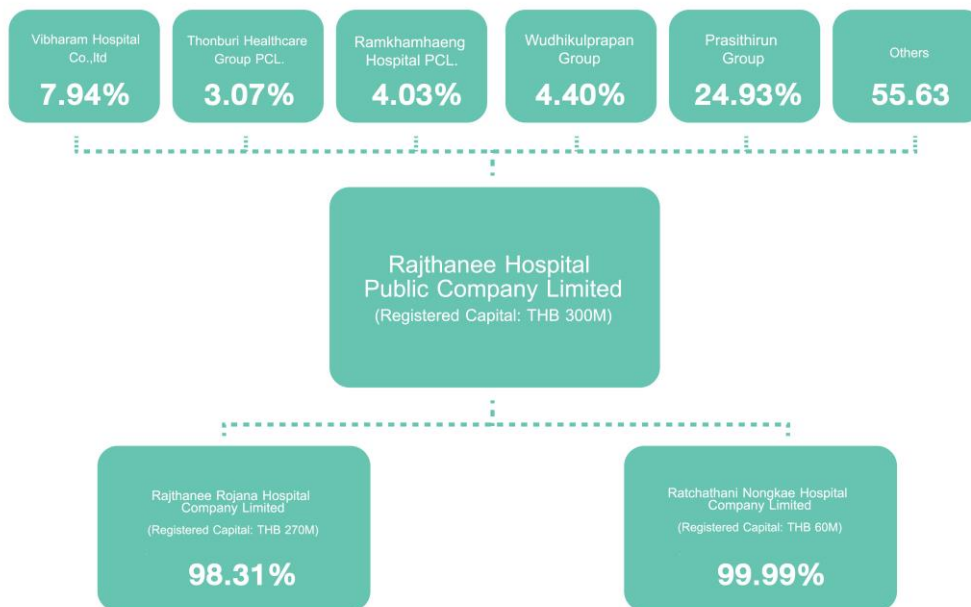


Year	Major Milestones
2009	- Due to crowded facilities, the Company invested on new building (Building C) to expand capacities.
2010	<ul style="list-style-type: none"> <li>- The Company was awarded the Environmental and Health Impact Assessment (EHIA), by the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment</li> <li>- Building C was open on 8 December 2010 to serve social security patients, pediatric patients, dental clinic and pharmacy store.</li> </ul>
2012	<ul style="list-style-type: none"> <li>- The Company was awarded the accreditation for Level 1 Hospital Accreditation (HA) on June 22, 2012.</li> <li>- The Company achieved the acknowledgement for Level 2 Hospital Accreditation (HA) on November 29, 2012.</li> </ul>
2013	- The Company was awarded the accreditation for Level 2 Hospital Accreditation (HA) on November 21, 2013.
2014	- The Company acquired 52.17% stake of Rojanavej Hospital Company Limited which was subsequently renamed to Rajthanee Rojana Hospital Company Limited and the hospital name was changed to Rajthanee Rojana Hospital. This hospital is located on Rojana-Wangnoi Road near Rojana Industrial Estate, capturing the potentials from nearby industrial estates.
2015	<ul style="list-style-type: none"> <li>- The Company launched cardiac catheterization service on January 7, 2015 and was granted permission as a cardiac referral center from National Health Security Office (NHSO) which enabling it to treat patients referred from other nearby hospitals under the National Health Security Scheme.</li> <li>- The registered capital was raised by 203,514,000 shares, from Baht 96,486,000 to Baht 300,000,000 for the issuance of 128,514,401 dividend shares and for the initial public offering of 74,999,599 shares.</li> <li>- February 27, 2015 the Company was awarded the accreditation of HA for 2-year period.</li> </ul>
2016	<ul style="list-style-type: none"> <li>- The Company's shares were listed on the Stock Exchange of Thailand on September 1, 2016.</li> <li>- The subsidiary increased its registered capital from Baht 230 million to Baht 270 million on November 15, 2016. The 4,000,000 new ordinary shares were offered to the existing shareholders at the ratio of 23 existing ordinary shares to 4 new ordinary shares, at Baht 25 each. As a result, the Company held 53.93% stake in the subsidiary.</li> </ul>
2017	- The Company was awarded the re-accreditation of HA for 3-year period on June 27, 2017.
2018	<ul style="list-style-type: none"> <li>- January 2018, the Company opened MRI Center, the first and only MRI center in Ayutthaya province.</li> <li>- The company was selected by Thaipat Institute to be one of ESG100 (Environmental, Social and Governance) ie a listed company with outstanding dedication to environment, society and good governance.</li> </ul>

Year	Major Milestones
	-The Company has acquired additional shares in subsidiary which ultimately increased its holding to 98.31%.
2019	The Company established a new subsidiary named "Ratchathanee Nong Khae Hospital Company Limited" located in Nong Khae district, Saraburi province to develop new hospital for both social security patients and general patients.

## 2.2 Structure of Company Group and Business Overview

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



### Note:

1. Shareholding in the company is as of 23 November 2020
2. Shareholding in Rajthanee Rojana Hospital Co., Ltd is as of 29 April 2020
3. Shareholding in Ratchathanee Nongkae Hospital Co., Ltd is as of 21 April 2020

## 2.3 Hospital Business Operation

The Company operates two hospitals, namely Rajthanee Hospital and Rajthanee Rojana Hospital. Both are in prime locations of Phra Nakhon Si Ayutthaya Province. Ayutthaya is surrounded by Pathum Thani, Suphan Buri, Ang Thong and Saraburi Provinces. There are 3 large industrial estates, namely Ban Wa (Hi-Tech) Industrial Estate, Bang Pa-in Industrial Estate and Saha Rattana Nakorn Industrial Estate located in Phra Nakhon Si Ayutthaya Province. Meanwhile, there are two industrial parks ie. Factory Land Wangnoi and Rojana Industrial Park. Therefore, Ayutthaya is one of densely populated provinces. The industrial

employees are the company's main patients. In addition, the Company has policy to allow social security patients to conveniently visit either hospital of the group regardless of which hospitals they insured.

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

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

The Company and its subsidiary have 353 registered beds with various types of patient rooms such as, VIP rooms, single rooms, special single rooms, common rooms, ICU and nursery, etc.

**Business summary as of December 31, 2020**

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

### 3. CHARACTERISTICS OF BUSINESS OPERATION

#### 3.1 Revenue Structure

Rajthanee Hospital Group's revenues have consistently increased during the past 3 years as illustrated in the table below.

Revenue from hospital business	Consolidated financial statements					
	2018		2019		2020	
	Bht mil.	%	Bht mil.	%	Bht mil.	%
Revenue from general patients <sup>1/</sup>						
Revenue from out-patients (OPD)	472	29.72	522	29.50	632	34.09
Revenue from in-patients (IPD)	439	27.68	519	29.30	449	24.17
<b>Total revenue from general patients</b>	<b>911</b>	<b>57.40</b>	<b>1,041</b>	<b>58.80</b>	<b>1,081</b>	<b>58.26</b>
Social Security scheme	676	42.60	730	41.20	774	41.74
<b>Grand Total</b>	<b>1,587</b>	<b>100.00</b>	<b>1,771</b>	<b>100.00</b>	<b>1,855</b>	<b>100.00</b>

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

#### 3.2 Characteristics of products or services

##### 3.2.1 Scope of medical services

###### Company's medical Centers:

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

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

#### **Internal Medicine Clinic and specialized medicine**

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

#### **Clinics and other medical services**

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

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

### 3.2.2 Medical services capacity

#### (1) Number of examination rooms and beds in service

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

The Company's service capacity as of 31 December 2020 is as follows:

Companies	Number of OPD rooms		Registered
	Examination rooms	Hemodialysis units	Hospital Beds
Rajthanee Hospital Public Company Limited	63	35	253
Rajthanee Rojana Hospital Company Limited	10	20	100
<b>Total</b>	<b>73</b>	<b>55</b>	<b>353</b>

#### (2) Utilization rate

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

##### Service capacity of the Out-Patient Department (OPD)

	2018	2019	2020
Number of examination room (average)*	65	68	72
Number of Hemodialysis units (average)*	47	47	54
<b>Utilization rate (%)</b>	<b>81.6</b>	<b>81.6</b>	<b>70.6</b>

### Service capacity of the In-Patient Department (IPD)

	2018	2019	2020
Number of beds in service *	234	260	282
Utilization rate (%)	76.2	75.5	63.4

Remarks: \* The number of examination rooms and hospital beds are annual average.

## 3.3 Marketing and Competition

### 3.3.1 Structure of healthcare service in Thailand

#### (1) Characteristics of healthcare service providers

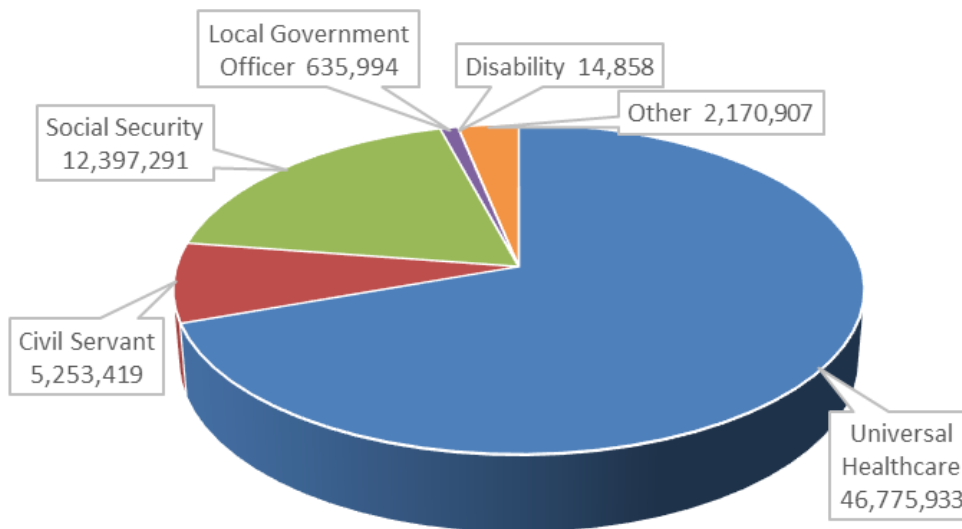
The healthcare services in Thailand can be categorized into two main groups.

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

#### (2) Healthcare schemes in Thailand

- **Social Security:** Provided by the Social Security Office under supervision of the Ministry of Labor, this scheme offers healthcare benefits to employees of the private sector. The benefits cover sickness, disability, injuries from hazardous incidents and death, both from work or non-work. Moreover, the social security benefits also cover maternity, child allowance, old-age and unemployment. Thailand kicked off the social security scheme in 1972 by establishing a compensation fund to take care of those suffered by occupational hazard in Bangkok. The coverage of the scheme expanded nationwide on July 1, 1988. Later, the Social Security Act B.E. 2533 (1990) has come into effect since September 2, 1990.
- **Universal Health Coverage Scheme:** Under management of the National Health Security Office, the Universal Health Coverage Scheme was established under the National Health Security Act B.E. 2545 (2002). It was aimed to provide healthcare services for those who are not in any other healthcare schemes. The scheme focuses mainly on medical services provision for general sickness
- **Welfare scheme for state and state enterprise employees:** Under supervision of the Comptroller General's Department, the Ministry of Finance, the program offers healthcare services for state workforce, including government officials and state enterprises' employees. The benefits for government officials cover medical allowance for spouses, parents and children not attaining of majority.

**Chart 1-1: Segmentation of capitation schemes as of 31 December 2020**



Source: National Health Security Office (NHSO)

**(3) Medical service standards** can be classified by patient service capability as follows:

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

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

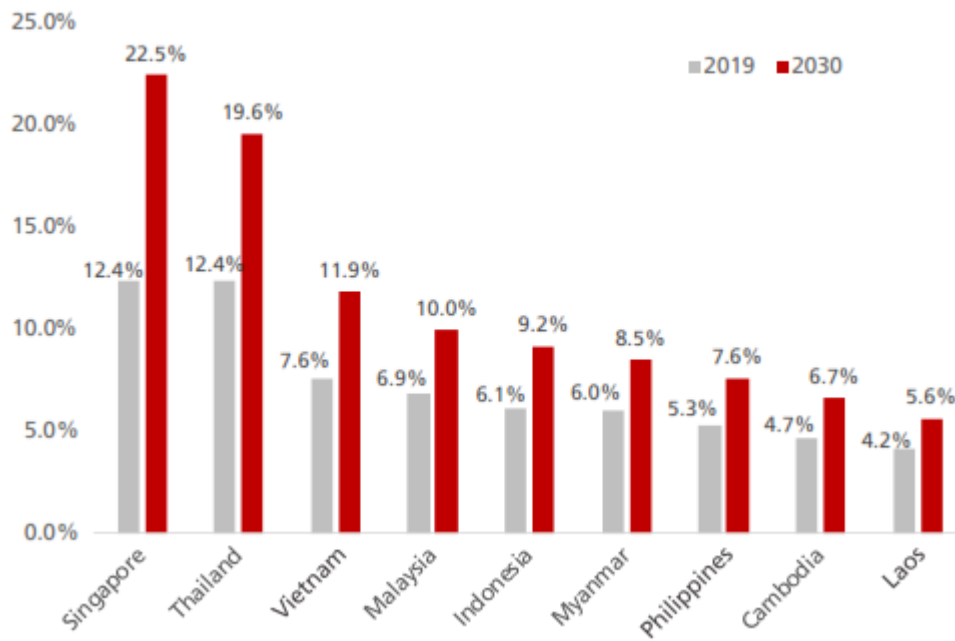
### **3.3.2 Business Outlook** (Source: research from DBS Vickers Securities (Thailand) Co., Ltd.)

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

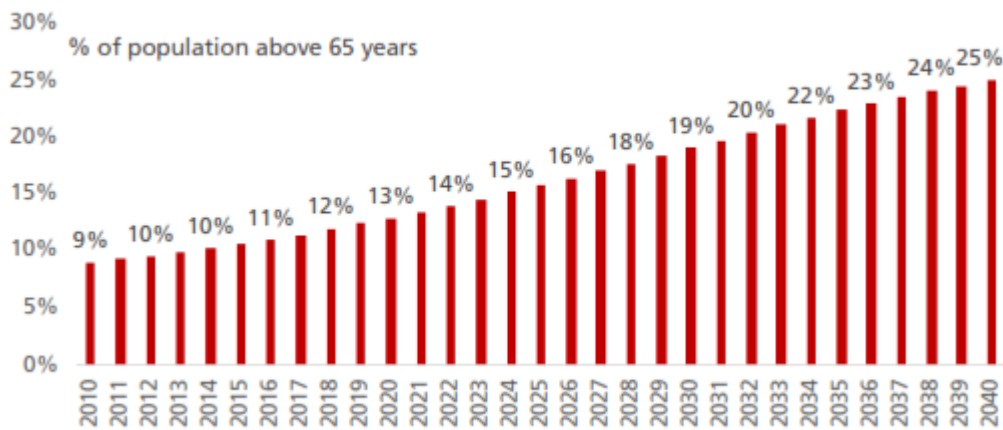
- i) Change in demographics to an ageing population.
- ii) Uptrend in non-communicable diseases (NCDs).
- iii) One of the top destinations for medical tourism.
- iv) Increasing demand for health insurance



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

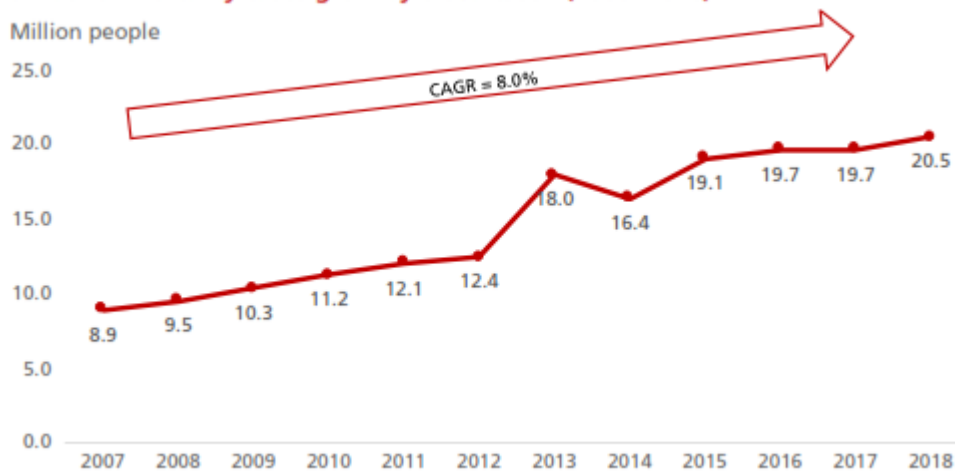


### Ageing population in Thailand



Source: Government Strategic Information Centre, DBSVTH

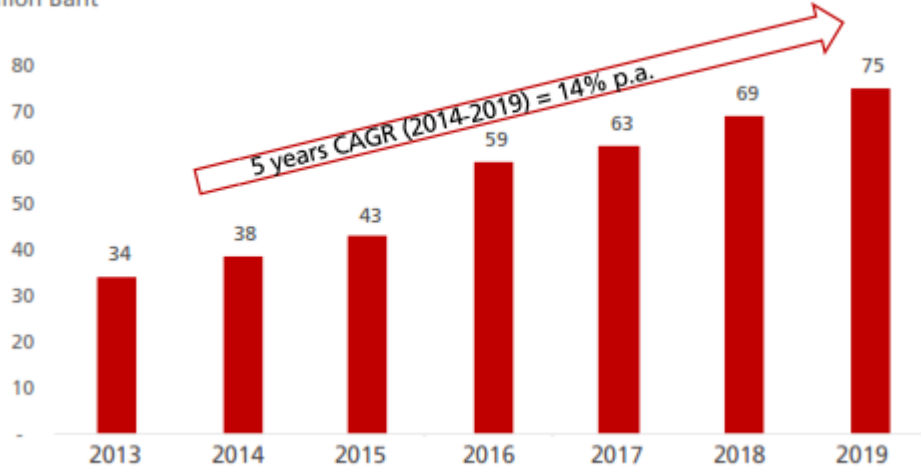
### Number of mortality cases grew by 8.0% CAGR (2008- 2018)



Source: NESDC, DBSVTH

### Health insurance premiums (2014-2019)

Million Baht



Source: OIC, DBSVTH

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

### Healthcare supply in Thailand (2018)

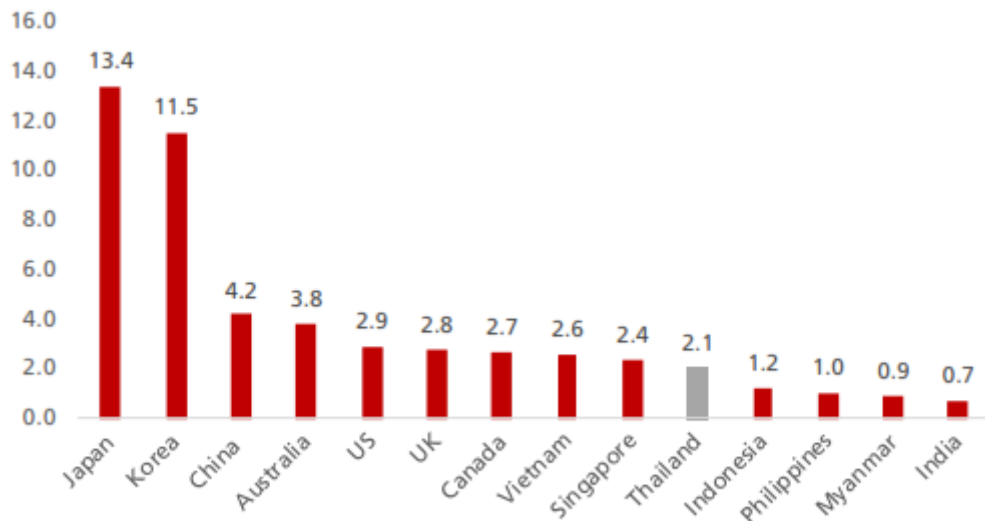
Healthcare Supply in Thailand (2018)	No. of hospitals	No. of beds	% chg y-o-y	CAGR 2014-2018
Public	1,051	122,203	3%	0.5%
Private	230	24,717	-22%	1.9%
<b>Total</b>	<b>1,281</b>	<b>146,920</b>		

Source: MOPH, DBSVTH

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

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

Hospital beds per 1k population

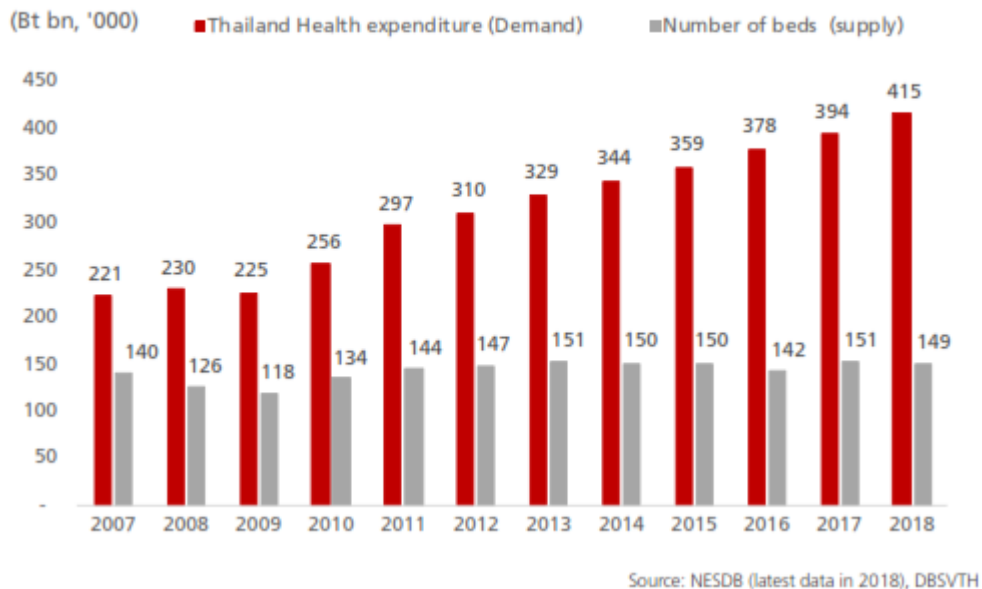


Source: WHO (latest data in 2017), DBSVTH

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

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

## Healthcare demand growing faster than supply



### 3.3.2 Target customers

#### (1) General customers

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

#### (2) Capitation customers

- **Customers under Social Security Scheme:** According to the Social Security Act B.E. 2533 (1990), for each payment of wages, the employer shall deduct wages of an insured person for contributions to the Social Security Fund and the insured person shall be able to receive free medical services from the contracted hospital that he or she has registered. There are two types of payments that the Social Security Office gives to the hospitals participating in the

Social Security Scheme, i.e. 1) capitation payment at fixed rate per insurer and 2) additional payments such as payment form high-cost care, chronic cases etc.

- **Customers under Universal Healthcare Scheme:** Currently, Rajthanee Hospital Group provides limited services to this category ie Heart Center and Hemodialysis Center.
- **Customers under Universal Coverage for Emergency Patients (UCEP):** This is the Government policy which implemented on April 1, 2017 that required all hospitals, either private or state hospitals, to provide free treatment to patients who require emergency medical care for up to 72 hours.

### 3.3.3 Competition

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

Number of insurers of Social Security Office in Ayutthaya under section 33 and section 39 at the end of 2020 are 354,979 people. Of these insurers, 193,901 registered with the hospital group.

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

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

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

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

The Company nevertheless has to compete with hospitals in Bangkok’s suburb area such as Paolo Rangsit or Phatra Thonburi which have renowned reputation. However, these suburb hospitals are

located distant to Ayutthaya clients comparing to the Company's hospitals, the Company remain to be more competitive.

### **3.3.4 Competition strategy**

#### **Quality of service**

With realization of the importance of this factor, the Company has cultivated the service mindset at all level of staff in order to maintain the sustainable high quality of service. Meanwhile, the Company regularly organizes training courses to review the process and procedure of service to reach its standards. Moreover, the Company's management emphasize that the staff must always consider the patients 'safety to be a priority. The Company also set standards of performance in accordance with the World Health Organization's (WHO) code of practice, which is applied along with its quality of service enhancement system. Apart from the quality of service of its staff, the Company also focuses on the improvement of its medical service quality. The Company always keeps up with the new trends of medical equipment technology to increase its examination and treatment capacity. At the same time, the Company recruits knowledgeable and experienced medical staff and nurses to join its team.

With continuous effort to enhance its quality of service, the Company's flagship hospital, i.e. Rajthanee Hospital, was awarded the Hospital Accreditation (HA) on February 27, 2015 and was renewed on June 27, 2017. Meanwhile, Rajthanee Rojana Hospital was awarded Level 2 Hospital Accreditation (HA) on January 21, 2018.

#### **Cost management**

The Social Security revenue contributed approximately 40%-45% of Company's hospital revenue whereby 40% of Social Security revenue was from fixed payment per insurer. Therefore, the hospitals and clinics under the scheme must be capable of cost management while keeping the quality of treatment to meet the standards and ensure medical ethics. Under the circumstance, the Company has policies to reduce expenses that are not related to medical service provided to its patients. In addition, the Company benefits from economies of scale as its two hospitals are located in the same area and can share certain types of resources, which improve efficiency and mutual benefits. For instance, they are able to share certain types of medical equipment and inventory management which enable them to use the other's equipment when in short. Likewise, their medical staff can rotate to work at both hospitals.

#### **Location**

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

## **Diversified Income Portfolio**

The company's income stream is from varied segments ie self-pay patients, contractual patients, patients under Workmen Compensation Fund and other capitation patients. This diversified portfolio helps mitigate risk when some segments are unfavorable for example the economic downturn tends to discourage self-pay patients' spending but the company has capitation patients to fulfill this loss.

### **3.4 Sources of supply**

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

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

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

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

#### **3.4.2 Medical equipment**

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

#### **3.4.3 Medical staff**

Important human resources of a hospital are medical staff, including physicians, nurses and practical nurse. The Company places great importance on these medical personnel and has policies to encourage them to work for the Company in the long run. For example, the Company offers justified and

competitive rates of remuneration and fringe benefits, i.e .medical treatment expenses and accommodation for physicians and nurses .Furthermore, the Company creates favorable organizational culture and pleasant work atmosphere as well as building a good relationship among its employees . Also, the Company provides its staff with scholarships and also encourages them to attend related training courses to widen their knowledge .Moreover, thanks to a strong and long relationship between the Company and medical schools and medical training organizations, the Company always gets attention from medical staff who likes to join its team.

### **3.5 Environmental and safety management**

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

#### **3.5.1 Environment and health promotion**

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

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

#### **3.5.2 Environment conservation**

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

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

#### **3.5.3 Safety measures**

The Company pays attention to safety measures to minimize risks as safety issues could be harmful to patients 'and staff's health .In terms of policy, the Company has certified occupational safety staff to monitor and give advice on safety measures .In addition, the Company conducts EVN Rounds on a regular basis to proactively determine risks, find their causes and prepare preliminary solutions .The data derived from the EVN Rounds is proposed to the monthly meeting of the safety, occupational



health and work environment committee .Moreover, safety training is provided to the representatives of each department so that they can assess risks in their own departments .

- **Public utilities reserve:** In case of emergencies, e.g. fires or floods, the Company has reserves of public utilities for the patients until the situations return to normal or until the patients are safely transferred to other hospitals. The details are as follows:
- **Power reserve:** The Company has a 448-KVA generator which is able to run 16 hours continuously. Moreover, fuel can be re-filled to keep the generator working. The generator's capacity is sufficient to serve key departments, e.g. Emergency Center, Surgery Center and Labor & Delivery Center, and other emergency systems, e.g. elevators, patient beds, refrigerators, water treatment system, lighting system. The generator starts generating electricity within five minutes after the main power system stops functioning.
- **Water reserve:** The Company's water storage is sufficient to satisfy demand for two days. There are also ground water resources in case of emergency.
- **Oxygen reserve:** In case the normal oxygen system does not function properly, the Company has oxygen reserve that is sufficient for around 24 hours of usage.

## **4. RISK FACTORS**

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

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

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

### **2. Risk of intense competition in the medical service market**

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

### **3. Risk of being filed lawsuits by patients**

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

### **4. Risk of default on payments of medical service fees**

In addition to patients under the capitation scheme, the Company also provides medical services to non-capitation patients. According to the ethics of medical service provision, the Company provides medical treatments to patients first before collecting the medical service fees. This practice can be

risky as there is a possibility that the Company may be unable to collect the medical service fees from the patients after the completion of the medical treatments.

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

#### **5. Risk of changes of Social Security Scheme policy**

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

#### **6. Risk of delay payment from Social Security scheme**

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

## 5. INFORMATION ON SECURITIES AND SHAREHOLDERS

### 5.1 Registered Capital and Paid-up Capital

The Company is a listed company with the ticker of “RJH ”and have registered and paid-up capital of Baht 300,000,000, dividing into 300,000,000 shares at a par value of Bath 1 per share .There is no issuance of any other class of shares of which rights and conditions are different from those of ordinary shares, and there is no issuance of securities other than ordinary shares.

### 5.2 Shareholders

The names of the top-10 major shareholders of the Company as of 23 November 2020 are as follows:

No.	Shareholders	No .of shares	(%)
1	<b>Prasithirun Group</b>	<b>74,790,382</b>	<b>24.93%</b>
1.1	Mr.Surin Prasithirun	40,661,805	13.55%
1.2	Ms.Phitraphee Prasithirun	9,591,800	3.20%
1.3	Ms.Phitramphai Prasithirun	9,327,800	3.11%
1.4	Ms.Phitrapha Prasithirun	9,327,800	3.11%
1.5	Mrs.Smorn Prasithirun	5,881,177	1.96%
2	<b>Wudhikulprapan Group</b>	<b>13,212,619</b>	<b>4.40%</b>
2.1	Mr.Wachira Wudhikulprapan	6,211,549	2.07%
2.2	Mrs.Pornthip Wudhikulprapan	4,500,085	1.50%
2.3	Mr.Wanat Wudhikulprapan	2,500,985	0.83%
3	Vipharam Hospital Company Limited <sup>(1)</sup>	23,815,039	7.94%
4	Ramkamhaeng Hospital Public Company Limited <sup>(2)</sup>	12,100,000	4.03%
5	Bualuang Long Term Equity Fund	10,872,800	3.62%
6	Thonburi Healthcare Group <sup>(3)</sup>	9,220,745	3.07%
7	Bualuang Basic Dividend LTF	6,782,600	2.26%
8	Thai NVDR Company Limited	6,209,300	2.07%
9	Bangkok Life Assurance Public Company Limited	4,965,200	1.65%
10	BBHISL NOMINEES LIMITED	4,920,600	1.64%

Source :The Stock Exchange of Thailand

### (1) Vibharam Hospital Company Limited

Vibharam Hospital Company Limited is a private hospital that held 7.94% of the Company's registered & paid up capital. Its major shareholders as of 26 May 2020 are Ramkhamhaeng Hospital Public Company Limited, Vibhavadi Medical Center Public Company Limited and Synphaet Company Limited, who held 50.00%, 33.73% and 9.39% respectively.

(2) **Ramkhamhaeng Hospital Public Company Limited** is a private hospital and has top-10 shareholders as of 15 February 2021 as follows:

<b>Ramkhamhaeng Hospital Public Company Limited,</b>			
<b>No.</b>	<b>Shareholders</b>	<b>No .of shares</b>	<b>(%)</b>
1	F&S 79 Co.,Ltd.	55,346,695	23.06
2	CYPRESS CONSOLIDATED HEALTHCARE PTE.LTD.	48,000,000	20.00
3	Chiangmai Ram Hospital Company Limited	17,246,000	7.19
4	Synphaet Company Limited	15,797,469	6.58
5	Vibhavadi Medical Center Public Company Limited	13,083,036	5.45
6	Mr.Pichaya Somboonsin	6,666,040	2.78
7	Mr.Siripong Leuagwarinkul	5,699,440	2.37
8	Mr.Trut Chen-im	4,329,540	1.80
9	Ms.Reukkhagee Kanchanapitak	4,213,720	1.76
10	Ms.Rhuechit Kanchanapitak	3,614,500	1.51

Shareholdings of Ramkhamhaeng Hospital Public Company Limited's holding companies are:

2.1 F&S 79 Company Limited is a private hospital operating "Eye Ear Nose Throat Hospital" and has shareholders that held more than 5% of the paid-up capital as of 18 August 2020 as follows:

<b>F&amp;S 79 Company Limited</b>			
<b>No.</b>	<b>Shareholders</b>	<b>No .of shares</b>	<b>(%)</b>
1	Ms.Chutima Angkachart	36,840	7.31
2	Ms.Rhuechit Kanchanapitak	30,000	5.95
3	Dr.Sakaorat Kunawitsarut	27,308	5.42

2.2 Chiangmai Ram Hospital Company Limited is a private hospital and has shareholders that held more than 5% of paid-up capital as of 25 April 2020 as follows:

<b>Chiangmai Ram Hospital Company Limited</b>			
<b>No.</b>	<b>Shareholders</b>	<b>No .of shares</b>	<b>(%)</b>
1	Chiangmairam Medical Business Company Limited	22,546,250	56.37
2	Ramkhamhaeng Hospital Public Company Limited	17,156,667	42.89

2.3 Synphaet Company Limited Chidambaram is a private hospital and has shareholders that held more than 5% of paid-up capital as of 14 August 2020, as follows

<b>Synphaet Company Limited</b>			
<b>No.</b>	<b>Shareholder</b>	<b>No .of shares</b>	<b>(%)</b>
1	Sinthanee Place Company Limited	42,395,246	42.40
2	Ramkhamhaeng Hospital Public Company Limited	32,948,889	32.95
3	Vibhavadi Medical Center Public Company Limited	10,000,000	10.00

2.4 Vibhavadi Medical Center Public Company Limited is a private hospital and has top-10 shareholders as of 11 May 2020 as follows:

<b>Vibhavadi Medical Center Public Company Limited</b>			
<b>No.</b>	<b>Shareholders</b>	<b>No .of shares</b>	<b>(%)</b>
1	Mr.Chaiyasit Wiriyamettakul	1,983,500,000	14.95
2	F&S 79 Company Limited	1,933,742,766	14.58
3	Synphaet Company Limited	1,172,639,166	8.84
4	Ramkhamhaeng Hospital Public Company Limited	962,605,200	7.26
5	Chaophya Hospital Public Company Limited	804,634,195	6.07
6	Vibharam Hospital Company Limited	564,043,133	4.25
7	Mr.Pijit Wiriyamettakul	383,000,000	2.89
8	Mr.Pisut Wiriyamettakul	313,000,000	2.36
9	Mr.Aurchart Kanjanapitak	174,802,916	1.32
10	Ms.Niramol Wiriyamettakul	172,380,000	1.30

The shareholdings of Vibhavadi Medical Center Public Company Limited's holding company are:

2.4.1 Chaophya Hospital Public Company Limited is a private hospital and has shareholders that held more than 5% of the paid-up capital as of 30 April 2020 as follows:

<b>Chaophya Hospital Public Company Limited</b>			
<b>No.</b>	<b>Shareholders</b>	<b>No .of shares</b>	<b>(%)</b>
1	Vibhavadi Medical Center Public Company Limited	2,395,416	5.44

### (3) Thonburi Healthcare Group Public Company Limited

Thonburi Healthcare Group Public Company Limited, a health-care company, held 3.07% in the Company. Its paid-up capital and major shareholders as of 13 March 2020 are as follows:

Thonburi Healthcare Group Public Company Limited			
No.	Shareholders	No .of shares	(%)
1.	Mrs. Jaruwat Wanasin	96,599,119	11.38
2	Ramkhamhaeng Hospital Public Company Limited	85,502,400	10.07
3	WJ INTERNATIONAL HOSPITAL MANAGEMENT Co., Ltd.	51,304,344	6.04
4	Dr .Amnuay Aunnanan	43,510,970	5.12
5	Mr.Asa Meaksawan	29,743,637	3.50
6	Mrs.Nawara Wanasin	26,736,663	3.15
7	Global Health Investment Co., Ltd.	21,413,340	2.52
8	Mr.Autchart Kanchanapitak	18,259,500	2.15
9	Thai NVDR Company Limited	15,618,059	1.84
10	F&S 79 Company Limited	8,695,656	1.02

**Notes:**

1. Dr.Bun Wanasin and Mrs .Jaruwat Wanasin hold shares in WJ International Hospital Management Co., Ltd .for 30% and 60%, respectively.
2. Global Health Investment Co., Ltd .is under Wanasin family who are major shareholders of Thonburi Healthcare Group Public Company Limited.

#### 5.3 Dividend Policy of the Company and the Subsidiary

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

The annual dividend payment is subject to approvals from shareholders ' meetings; while the interim dividend payment can be approved by the Company's board of directors, with the details of the interim dividend payment being subsequently reported to the following shareholder's meeting .

## 6. STRUCTURE OF ORGANIZATION

The structure of organization comprised of the Board of Directors and 3 committees: Executive Committee, Audit Committee and Nomination and Remuneration Committee .The members of the Board of Directors and the executives are highly-qualified persons that meet requirements pursuant to Section 68 of the Public Limited Company Act, B.E. 2535 (1992) and relevant notifications of the Capital Market Supervisory Board. The name list and the scope of authorities, duties and responsibilities as follows:

### 6.1. Board of Directors

As of 31 December 2020, the Board of Directors are as follows:

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

#### 6.1.1 The Company's authorized directors

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

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

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



### 6.1.2 The Board of Directors 'meetings

In 2020, the Company held various meetings of which attendance details are as follows.

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

Remark: AGM: 2020 Annual General Meeting of Shareholder

BOD: Meeting of the Board of Directors

AC: Meeting of the Audit Committee

NC: Meeting of the Nomination Committee

### 6.1.3 Shareholding of the Board of Directors

As of 23 November 2020:

	Names		Number of shares	%
1	Dr.Aurchart	Kanchanapitak	3,949,200	1.32
2	Ms.Vilailak	Aunyamaneerat	92,000	0.03
3	Dr.Wachira	Wudhikulprapan	6,211,549	2.07
4	Dr.Porntip	Wudhikulprapan	4,500,085	1.50
5	Dr.Surin	Prasithirun	40,661,805	13.55
6	Ms. Phitraphee	Prasithirun	9,591,800	3.20
7	Mr. Charoonsak	Sripochsomboon	614,277	0.20
8	Mr. Saran	Supaksaran	67,600	0.02
9	Mr. Teerasak	Naranong	-	-
10	Dr. Thanatip	Suppradit	-	-
11	Ms. Sudtida	Jirapatsakul	-	-
	<b>Total</b>		<b>65,688,316</b>	<b>21.88</b>

No directors hold shares more than 25% of the Company's issued shares

#### 6.1.4 Remuneration of the Directors

In 2020, the Company has paid directors' remuneration as follows:

	Names		2020 Meeting Allowance			2019 Bonus	Total
			Board of Directors	Audit Committee	Independent Directors		
1	Dr.Aurchart	Kanchanapitak	100,000	-	-	360,000	460,000
2	Ms.Vilailak	Aunyamaneerat	100,000	80,000	20,000	360,000	560,000
3	Dr.Wachira	Wudhikulprapan	100,000	-	-	360,000	460,000
4	Dr.Porntip	Wudhikulprapan	100,000	-	-	360,000	460,000
5	Dr.Surin	Prasithirun	100,000	-	-	248,000	348,000
6	Ms.Phitraphee	Prasithirun	80,000	-	-	360,000	440,000
7	Mr.Charoonsak	Sripochsomboon	100,000	-	-	360,000	460,000
8	Mr.Saran	Supaksaran	100,000	80,000	20,000	360,000	560,000
9	Mr.Teerasak	Naranong	100,000	80,000	20,000	360,000	560,000
10	Mr.Thanatip	Suppradit	100,000	-	-	248,000	348,000
11	Ms.Sudtida	Jirapatsakul	100,000	-	-	248,000	348,000
12	Ms.Smorn	Prasithirun	-	-	-	112,000	112,000
	<b>Total</b>		<b>1,080,000</b>	<b>240,000</b>	<b>60,000</b>	<b>3,736,000</b>	<b>5,116,000</b>

Remark:

1. Dr. Surin Prasithirun was appointed to replace Mrs.Smorn Prasithirun by the resolution of the 2019 Annual General Meeting. Both of them received the average bonus for the year 2019 according to their period of duty.
2. Dr.Thanathip Suppradit and Ms.Sudthida Jirapatsakul were appointed as directors and independent directors respectively by the resolution of the 2019 Annual General Meeting. Both of them received the average bonus for the year 2019 according to their period of duty.

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

#### 6.2 Executives

As of 31 December 2020, the Company's executives are as follows:

Names	Positions
1. Dr.Surin Prasithirun	Managing Director
2. Mr.Chatcharin Pinsuwan	Hospital Director
3. Mr.Kanokkrin Boonvisut	Deputy Hospital Director
4. Ms.Manassa Lartdumrongrak	Assistant Hospital Director (Accounting and Finance)
5. Ms.Kulyanat Pinkajay	Assistant Hospital Director (Nursing)
6. Ms.Benja Ruengsri	Accounting Manager

##### 6.2.1 Monetary remuneration

In 2020, the Company paid the remuneration to executives which includes salaries, bonuses, contributions to the social security fund, provident fund and other remuneration (not include director remuneration) totaling of Baht 22.78 million and the Company did not have policy to pay any other remuneration to the executives.

### 6.3 Company Secretary

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

### 6.4 Staff

#### 6.4.1 Number of Staff

The numbers of physicians and employees as of 31 December 2020 are:

The Company	31 December 2020	
	Full-time Physicians / Employees	Part-time Physicians /Employees
Physicians	47	203
Nurses	421	100
Medical technologists	66	39
Pharmacists	69	29
Others	283	40
<b>Total</b>	<b>886</b>	<b>411</b>

The Company's subsidiary	31 December 2020	
	Full-time Physicians / Employees	Part-time Physicians /Employees
Physicians	7	71
Nurses	62	12
Medical technologists	33	18
Pharmacists	11	15
Others	70	2
<b>Total</b>	<b>183</b>	<b>118</b>

#### 6.4.2 Remuneration for physicians and employees

In 2020, the Company paid the total amount of Baht 577.86 million to physicians in form of doctor fees and to employees in forms of salaries, bonuses, overtime, contributions to the social security fund and provident fund

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

#### **6.4.3 Provident Fund**

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

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

#### **6.4.4 Policy on staff development**

The Company realizes the importance of its staff development .Therefore, the Company's policy is to consistently promote the staff development by educating them in terms of work process and work techniques so as to allow them to work systematically and efficiently, including introducing evaluation system based on clear and efficient key performance index and reviewing the work process to be in line with the business plan .

The Company has a policy to appropriately appoint or promote the employees by their performances each year in order to support those who are knowledgeable and capable and a policy to encourage the employees to attend various training courses and seminars in relation to their works.

#### **6.4.5 Employee Retirement**

Employee retirement age is 60 years old.

## **7. CORPORATE GOVERNANCE**

The Company realizes the importance of good corporate governance, and is committed to follow the Principles of Good Governance Guideline in order to manage its business with transparency, to build confidence for all stakeholders and to compete efficiently at the international level. The Company therefore would like to report the following

### **7.1 The Rights of Shareholders**

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

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

1. An annual general meeting (AGM) is organized annually, within four months from the end of the previous fiscal year. The meeting invitation letters, attached by agenda details, are sent to the shareholders seven days prior to the AGM date. In addition, the AGM details are publicized on newspapers for three consecutive days beforehand. Each meeting agenda also includes comments from the Board of Directors.
2. Related details on meeting agenda are publicized on the Company's website in advance, with clarifications on the rights for meeting attendance and voting rights being provided.
3. Any shareholder who is unable to attend the AGM is eligible to ask an independent director or any individual to act as his or her representative, provided that he or she submitted any of the proxy forms attached to the AGM invitation letter.
4. A map of the AGM venue is shown in the invitation letter and the AGM date and time are appropriately set at the convenience of the shareholders. In addition, sufficient time is allocated for the AGM in order to facilitate the shareholders.
5. The shareholders are allowed to submit their comments, suggestions, and queries prior to the AGM.
6. During the AGM the shareholders are given time to make queries, provide suggestions or express their opinions independently and equally. In each AGM, the Company's directors and relevant executive management are present and be prepared to provide answers and clarification on discussed issues.

### **7.2 The Equitable Treatment of Shareholders**

The Company offers equal opportunities for all shareholders and determines their voting rights in the AGM in accordance with their stake-holding. The holding of one share is equal to one voting right. No actions limit/infringe the rights of the shareholders regardless of categories, i.e., major shareholders, minor shareholders, institutional investors, and foreign shareholders. The Company assigns independent directors to take care of minority shareholders. In light of this, the minority shareholders may express their suggestions, opinions or complaints to the independent directors who will consider the matters and take appropriate action. For the case of complaints, for instance, the independent

directors examine the facts and accordingly seek appropriate solutions. Regarding the case of suggestions on crucial matters that may affect the overall stakeholders or the Company's business operation, the independent directors shall consider proposing such matters as AGM meeting agendas.

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

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

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

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

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

### **7.3 The Roles of Stakeholders**

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

- a) **Shareholders:** The Company is committed to driving steady growth, raising its revenue and earnings, adding the Company's values, and thus maximizing returns for the shareholders.
- b) **Customers:** The Company emphasizes quality and standards of the products while taking care of and being responsible for customers faithfully and fairly.
- c) **Trade partners:** The Company has a policy to treat trade partners fairly in accordance with the mutually agreed trade conditions in order to tighten business relations that benefit all parties.
- d) **Competitors:** The Company promotes free and fair competition and behaves well within the decent competition rules.
- e) **Employees:** The Company has a policy to treat employees with equality and fair, providing them with appropriate remuneration and benefit packages as well as supporting their skill development programs.
- f) **Communities and Society:** The Company places great emphasis on the responsibility of the communities and society, running business with ethics and appropriately supporting social activities.
- g) **Environment:** The Company strictly follows environmental rules and regulations and continues to draft policies to control environmental impacts.

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

#### **7.4 Disclose and Transparency**

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

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

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

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

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

## **7.5 Responsibilities of the Board of Directors**

The Company's Board of Directors consists of qualified members who have key role in determining the Company's policies and direction. In addition, the Board also takes key role in supervising, auditing, and evaluating the Company's performance, i.e., independently ensuring the Company's performance in line with the Company's plans.

The Board of Directors currently consists of eleven directors, one of whom are executive directors, and ten are non-executive directors. The Company's Audit Committee is comprised of three independent members who act as shareholders' representatives, ensuring that the Company's operation run appropriately and transparently.

According to the Company's rules, in an AGM one-third of directors shall leave their positions. In case the total members of the Board could not be divided by three, the number of directors to leave the position shall be the closing number of one-third. In the first and second years after the Company has been listed, the Company shall use a lucky draw method to determine who would have to leave the resign. In the following years, directors who are in the position for the longest duration shall leave the position. It should be noted, however, that resigned directors can be reappointed.

The Company clearly divides roles and responsibilities of Boards of Directors and the executives. To elaborate, the Company's Board of Directors outline policies and oversees the performance of the executives on policy view while the executives oversee the Company's management functions in various aspects, ensuring that the Company's management operation is in the same direction as the policies. Therefore, the chairman of the Board of Directors and the managing director are different persons but both positions are appointed by the Company's Board of Directors in order to have most qualified persons.

Moreover, the Board of Directors also appoints the following committees to oversee the management, as follows:

- The Audit Committee: The Audit Committee consists of three members who help support the Board of Directors in terms of supervision and audit of the management operation, the internal control and compliance matters. The Audit Committee also completes financial reports in order to ensure that the Company's operation and information disclosure are transparent and reliable.
- The Executive Committee: The Executive Committee comprise of four members (three of them do not hold director position) who have duties to plan corporate directions and strategies, ensuring that they meet the objectives set by the Board of Directors. In addition, the Executive Committee also help facilitate management operation.
- The Nomination Committee: The Nomination Committee consist of three members who help support the Board of Directors in terms of recruiting directors and high-level executives with qualifications and ability to meet the Company's criteria and good governance.



The secretary to the Board of Directors is appointed to provide suggestions regarding relevant regulations that directors are supposed to know, facilitate Board of Directors activities, and ensure that all resolutions from the Board of Directors meetings are followed.

## **7.6 Roles, duties and Responsibilities of the Board of Directors**

The Company's Board of Directors consists of qualified members with extensive knowledge, skills and expertise in various fields and leading characteristics. The Board of Directors takes part in determining the Company's visions, missions, strategies, business policies and directions. In addition, the Board of Directors supervises the Company's operation, ensuring that it complied with the laws, objectives, regulations and the resolutions of the AGMs. In order to closely monitor and supervise the Company's operation, the Board of Directors sets up committees to monitor and oversee business operation.

- **Corporate governance principles**

The Company has corporate governance principles in written and approved by the Board of Directors. The Board of Directors regularly reviews policies and ensures that they are well followed. After the listing on the Stock Exchange of Thailand, the Company has followed the rules and regulations set forth by the Security Exchange Commission of Thailand and the Stock Exchange of Thailand. Its corporate governance report is disclosed in the annual report and the annual information disclosure form (i.e., 56-1 Form).

- **Code of Conduct and Ethics**

The Company determines the code of conduct and ethics for directors, management, and employees; such code of conduct shall be used as a reference for relevant parties to perform duties with integrity and fairness toward all parties, e.g., stakeholders, public and society. In addition, the Company also regularly sets up monitoring systems for practices on such code of conduct and ethics

Note that the Company announces the code and conduct and ethics for all employees to follow accordingly.

- **Conflicts of interest**

The Company prescribes the policies relating to conflicts of interest, based on the principle that any decision making about business activities must be based on the Company's interest and avoid any conflicts of interest. It is stipulated that the related persons are required to inform the Company about their relations or connections and are not allowed to participate in the decision making, nor are they authorized to approve such transactions.

The Audit Committee reports connected transactions and transactions with conflicts of interest to the Board of Directors. These transactions have been carefully and prudently reviewed to ensure that they comply with all rules and regulations set forth by the Stock Exchange of Thailand and/or the Security Exchange Commission of Thailand. Furthermore, all details about any connected transactions are disclosed in the financial statement, the annual report and the annual information disclosure form (56-1 Form).

Vibharam Hospital Co., Ltd., Thonburi Healthcare Group Plc. and Ramkhamhaeng Hospital Plc. currently are the Company's shareholders and operate the same businesses as the Company which may lead to conflicts of interest. To mitigate possible conflicts of interest, the Company, has stipulated in its charter that the directors, who represent shareholders of any entities engaging in similar or comparable businesses as the Company and/or the subsidiary and/or the controlling company, are not allowed to attend meetings nor vote any conflicted

issues. This rule is applicable to all kinds of connected transactions, whether or not such issues are the normal business operations e.g., branch expansions, acquisition of hospital business or not etc.

It should be noted that the amendment made to the aforementioned charter is subject to approval from an AGM with the majority of the votes casted by the present shareholders. Stakeholders of connected transactions have no right to cast votes.

- **Internal Control System**

The Company emphasizes the internal control system, both in the management and operation levels. For effective operation, the Company clearly identifies functions and scopes of operation authority of employees on the operating level and executives in a written form. Utilizations of the Company's assets are well controlled while duties of operating employees and supervisors, as well as performance appraisal, are clearly separated. The Audit Committee is appointed to oversee and review the Company's internal control system as well as the internal audit, ensuring that such practices are appropriate and effective. Furthermore, independent internal auditors are also appointed to monitor and inspect the Company's internal control system, with their auditing result being reported to the Audit Committee. This practice helps ensure that the Company's core operation is effectively conducted in compliance with the Company's guidelines.

## **7.7 The Board of Directors Meetings and Self-appraisal**

According to the Company's rules, the Board of Directors convene a meeting at least quarterly, with special meetings being called for if needed. The meeting invitation letters are sent to the members of Board of Directors at least seven days prior to the scheduled meetings. Clear agendas of each meeting, coupled with sufficient relevant details, are sent to directors prior to the meetings to allocate adequate time for them to study the agenda details.

As mentioned above, directors receive detailed agendas and relevant documents prior to every meeting so that they have sufficient time to study relevant information. The secretary to the Board of Directors is assigned to attend every meeting; he or she will then complete minutes of the meeting and subsequently submit it to the Chairman of the Board of Directors for his/her acknowledgement and verification. The acknowledged minutes will subsequently be put on the first agenda of the next meeting to seek the meeting's acknowledgement. Furthermore, the secretary to the Board of Directors is also in charge of compiling related information and filing meeting documents for future references.

Meeting resolutions are based on the majority votes. One director holds one voting right. Any directors, who are stakeholders of a matter on agenda, are neither to attend the meetings nor cast votes in that particular agenda. In case of equal votes, the chairman has the final say.

Moreover, the Board of Directors encourages performance evaluation at least once annually in order to enhance the Company's operation. Appraisal points are clearly identified and subsequently proposed to the meetings.

## **7.8 Remuneration**

The Company identifies remuneration policies for directors clearly and transparently. The remuneration package for each director is appropriately determined in accordance with his or her

duties and responsibilities. The package is sufficient to attract qualified directors to remain with the Company and such package is subject to approval of the Annual General Meeting.

Note that the Company discloses the remuneration packages offered to the directors and executives in compliance to the regulations provided by the Security Exchange Commission of Thailand and the Stock Exchange of Thailand.

## 7.9 Development of Directors and Executives

The Company has a policy to provide trainings for those in charge of overseeing the Company's overall operation, including directors, members of the Audit Committee, members of the Executive Committee as well as other executives. This policy is aimed at continued enhancement of the Company's operation. During the transition periods, replacements of the former directors are given clear guidelines and useful information in order to ensure that the new comers can continue to perform effectively under the good corporate governance framework.

## 7.10 Supervisions of the Subsidiary

Furthermore, the Company's representative directors or management must ensure that the subsidiaries disclose information, i.e., about all connected transactions and connected persons, acquisitions and disposal of assets and any other transactions involved by the subsidiaries, accurately and completely. Also, the representatives have to make sure that such information disclosure and aforementioned transactions are conducted well under the Company's set principles. Finally, the representative directors or management also have to supervise the subsidiaries regarding complete, accurate and auditable financial statement, which can be completed within the identified deadline.

In supervising the operations of Rajthanee Rojana Hospital Company Limited and Ratchathani Nongkae Hospital Company Limited, the Company appointed its representatives namely 1. Mr.Wachira Wudhikulprapan, 2. Mr.Surin Prasithirun 3. Mr.Charoonsak Sripochsomboon and 4. Ms.Phitraphee Prasithirun to control and oversee the operations of the subsidiary. But Ms.Phitraphee Prasithirun is not director of Ratchathani Nongkae Hospital Company Limited

Moreover, the Company also has a policy to assign an independent auditor to inspect the operations of the subsidiary in order to prevent any mistakes and ensure transparent operations as necessary and appropriate. The auditing is periodically performed, with auditing reports being submitted to the Audit Committee.

## 7.11 Auditor Fees

The Company paid audit fees to CWWP Company Limited (the "auditor"), details as follow:

Year 2020	RJH	Two subsidiaries	Total
Annual audit and review of quarterly financial statements	1,190,000.00	550,000.00	1,740,000.00
Other non-audit fee i.e. travelling and overtime	171,897.64	148,938.34	320,835.98
<b>Total expenses</b>	<b>1,361,897.64</b>	<b>698,938.34</b>	<b>2,060,835.98</b>

## **8. COPORATE AND SOCIAL RESPONSIBILITIES**

### **8.1. Policy overview**

The Company recognizes the importance of sustainable growth of the Company's business while integrating anti-corruption measures with its corporate social responsibility. The Company aims to run a business with concern for stakeholders, economy, society and environment based on ethics and moral principles. The Company believes that running a business with social responsibilities will benefit both society and the Company's growth.

### **8.2. Operation and reporting**

#### **8.2.1 CSR in process**

It is the Company's policy to operate its business with responsibilities for society, environment and stakeholders.

#### **1. Fair business practices**

The Company realizes the importance of honesty and fairness in all aspects, including general procurement, medicine and medical supply procurement, medical equipment selection and internal management at the hospitals. The whole work process is transparent and accountable.

Moreover, the Company supports fair competition and opposes any behavior that obstructs such competition. The Company does not offer any bribe to vendors in procurement of medicine, medical supplies or medical equipment. In addition, the Company recognizes intellectual property rights and requires its employees to follow laws or regulations related to intellectual property. For example, the Company uses genuine computer software. Meanwhile, the Company runs campaigns against corruption, extortion and bribery.

#### **2. Anti-corruption**

The Company puts an emphasis on tackling dishonest behavior, corruption and bribe offering or accepting. Meanwhile, the Company encourages its entire staff to come up against all types of dishonest behavior and corruption. The guidelines fighting corruption are set as follows:

##### **2.1 Announcement of anti-corruption policies**

To tackle corruption, the Company draws up written guidelines, which is recorded in "the hospital's work rules and regulations" and conveys the message to its directors, executives and employees for acknowledgement and practice. Furthermore, anti-corruption is one of the topics that are emphasized the Company's new staff orientation to ensure their acknowledgement and practice. If an employee is found guilty of corruption, his or her employment will be terminated.

##### **2.2 Corruption risk evaluation**

- The Board of Directors made a list of the Company's risks sorted by level of the risk in order to prepare internal audit and operational risk management plans.

- Internal audit is carried out according to the risk evaluation plan. Internal auditors are outsourced from experienced audit firms. The qualifications of the auditors comply with laws and regulations to ensure their efficient and transparent auditing. The auditors work together with the Company's Audit Committee.

### **2.3 Corruption control and prevention**

- The Company has regulations governing procurement, employment, contract signing and disbursement with specifications of budget limits, authorized parties and objectives of each item which requires clear evidence. Moreover, internal audit is carried out by experienced and qualified internal auditors.
- The Company's internal control ranges from finance, accounting, data recording to other procedures related to finance and accounting, to ensure that all financial transactions are performed as authorized and transparent.
- Money donation to charity or to public shall be for public charity only and clear evidence shall be presented. The donation procedure shall be in accordance with the Company's rules and regulations.
- Gift presentation or acceptance and business meal hosting shall be transparent, legal and follow normal business practice or traditions with appropriate value.

### **2.4 Corruption risk report**

The Company's directors, executives and employees have a duty to report of any corrupt practices that are related to the Company to their supervisors and cooperate in any investigation.

### **2.5 Screening and tackling corruption**

The Company's Audit Committee makes examinations and re-checks to ensure the Company's good governance that is in accordance with anti-corruption policies for hospitals and related laws. If the audit committee finds or have doubts of any cases of suspected fraud that may affect the Company's transparency, the Audit Committee is free to report what it has found to the directors or the managing directors for timely problem solving. If any director, executive or employee does not comply with the Company's policies or violate their code of ethics, the Company will find an appropriate way or measure to treat that person. The measures range from disciplinary punishment based on the Company's code of conduct to legal actions.

### **2.6 Protection of the person who informed corruption clues**

The Company protects and treats fairly the person who informed corruption clues and the person who cooperates in the corruption reporting and investigation to save him or her from possible impact.

## **8.3 Respect for human rights**

The Company pays attention to and respect for human rights. The Company's physicians, nurses and staff are requested to treat the patients and customers with equality, without any discrimination.

8.3.1 All of the patients are treated equally, disregard for their race, skin color, sex, age, religion, physical status, mental status or social status. Stakeholders can express their opinions and complaints can be made through appropriate channels.

8.3.1 The Company focuses on and respects rights of the patients. Rights of the patients are informed at the new staff's orientation to ensure that the staff acknowledge and understand the rights of patients for appropriate practice. Meanwhile, the declaration of patients' rights is displayed across the hospitals.

8.3.3 The Company monitors its business to ensure that it is not involved in human rights violation, e.g. child labor and sexual harassment.

#### **8.4 Fair treatment to employees**

The Company attaches importance to human resource development and fair treatment of employees.

8.4.1 The Company complies with labor laws and respects the employees' human rights-based rights.

8.4.2 The Company ensures fair hiring process and hiring conditions. Compensation and performance appraisal are considered under a fair evaluation process.

8.4.3 The Company supports employees in knowledge expansion to ensure highest efficiency. The Company has human resource development plans, according to the organization's strategies, provides the employees with internal and external training, fosters positive attitude and professional ethics as well as building the spirit of teamwork.

8.4.4 The Company provides its employees with welfare benefits as required by laws, e.g. social security, compensation fund, provident fund, as well as other additions to the legal requirements, e.g. additional medical expenses to social security benefits, group insurance for accident-prone staff, funeral expenses, uniforms, accommodation for medical staff, annual leaves, etc.

8.4.5 The Company provides favorable work environment, e.g. air-conditioning system on underground floor and laundry service room, to ensure that its staff work in a safe and happy atmosphere.

8.4.6 The Company provides annual check-ups, according to their age, sex and work environment, to its entire staff. Also, the Company promotes prevention of epidemic and easily-transmitted diseases, e.g. flu and hepatitis B virus, by having all staff vaccinated.

8.4.7 To ensure safety and hygiene at workplace, the Company hires professional-level safety officers and sets up the committee of safety, occupational health and work environment. Accident-prevention measures and safety awareness are raised while training and hygiene promotional campaigns are conducted. In addition, the Company sets up a 5S committee to ensure hygienic conditions and safety at workplace.

8.4.8 The Company allows its staff to express their opinions by dropping their notes at the opinion boxes or writing a letter of complaints about unfair practice, which are delivered directly to the hospitals' directors, while giving protection for the reporters of the issues.

8.4.9 The Company strengthens the staff's bond with the organization by holding the "Happy Work Place" activity.

### **8.5 Responsibilities for consumers**

The Company attaches importance to and has determined effort to develop its operations and services to meet quality standards and consumers' satisfaction with a sense of responsibility, honesty and attention.

8.5.1 The Company's physicians and medical staff are knowledgeable and have expertise in various fields to provide quality treatment and service at fair charges.

8.5.2 The Company stresses the importance of patient confidentiality and does not violate patient confidentiality.

8.5.3 The Company aims to create relationship between the Company and consumers by holding activities to provide knowledge about healthcare and to ensure sustainable relationship.

8.5.4 The Company is open for consumers' opinions to get feedback for further improvement to meet requirements and expectations of consumers. The consumers are able to give their feedback via several channels, e.g. opinion box, phone, letter, email and the hospitals' website.

8.5.5 The Company aims to properly provide the patients with quality and standard services and consistently complies with hospitals' standards and regulations. The Company receives the hospital accreditation (HA) and the laboratory accreditation (LA).

### **8.6 Environmental care**

The Company is determined to be an environmentally-friendly organization and strictly follows related environmental laws and regulations. Furthermore, the Company establishes policies and sets up the committee of safety, occupational health and work environment to monitor and examine safety- and environment-related units of the hospitals, with realization that safe and hygienic buildings in good environment will enable the staff to work efficiently while the patients will receive convenient services.

Environment in society and community is another aspect to which the Company pays attention. The Company's projects are designed to be in a good environment and obtained the environmental and health impact assessment (EHIA) approval on December 23, 2010 from the Office of Natural Resources and Environmental Policy and Planning, the Ministry of Natural Resources and Environment. Naresuan University is the Company's consultant. The Company focuses on constructing buildings without impact on the environment, the public or the community nearby. Moreover, the Company keeps up with improvement and reports environment impact to the Office of Natural Resources and Environmental Policy and Planning and authorities involved every six months up until now.

In addition, the Company strictly follows the Ministry of Public Health's ministerial regulations on infectious waste disposal B.E. 545 (2002) and the Ministry of Natural Resources and Environment's announcement on types of buildings and sources of pollution of which wastewater disposal to public water resources shall be monitored and other related laws.

### **8.7 Development of society and community**

The Company attaches importance to responsibilities for community and society. Therefore, the Company formulates policies on social cooperation and development with an emphasis on services and campaigns for healthcare in society. Moreover, the Company has policies to support educational institutes.

- 8.7.1 The Company provides staff for the mobile health units advocated by state agencies in Phra Nakhon Si Ayutthaya province, e.g. Governor, Provincial Red Cross, and Provincial Social Security Office, to improve public knowledge about healthcare.
- 8.7.2 The Company gives lectures on health-related topics, e.g. high blood pressure, cervical cancer, hepatitis virus, children and allergies and expectant mother care, at its hospitals. The public and those interested are invited to attend the lectures.
- 8.7.3 The Company holds health promotion activities to companies at the nearby industrial estates, at nearby communities.

### **8.8 Technology and medical technology**

As the Company operates healthcare service business, treatment of patients is its important mission. Apart from attaining the hospital accreditation (HA), the Company organizes activities for its medical staff to apply medical technology and other technology in treatment of the patients to achieve higher safety standards, better results and appropriate examination and treatment. Technological innovations are as follows:

- 8.8.1 Underpants for women's pelvic exam: Beforehand sarongs were used but they did not cover some body parts and the patients felt embarrassed and lacked confidence. The underpants make all patients very satisfied.
- 8.8.2 Little pillows: Small pillows help prevent pressure sores and obviously reduce the chances of pressure sores.
- 8.8.3 Cushions for patients who have wounds at anus or buttocks: The cushions help relieve the patients' pain.
- 8.8.4 "Warning calendar": The calendar shows the expiry dates of disinfectants and sterilized medical equipment to meet infectious control standards.
- 8.8.5 CR Plate: The CR Plate is used for skull and cervical spine lateral cross table to reduce the radiation exposure to the patients and the staff.
- 8.8.6 Contrast media injection into 32-slice computed tomography helps to clarify the images which improve the accuracy of diagnosis.
- 8.8.7 Educational activities for World Kidney Day
- 8.8.8 Educational activities for World AIDS Day

### **8.9 Activities for social and environmental benefits (CSR after Process)**



- Expanding the green areas including small parks in front of the hospitals' buildings, wards and other areas as appropriated
- Donate to foundations , schools, red cross, football club and tennis club
- Allowing the disabled to use the hospitals' areas to sell their goods without charging rents
- Awarding scholarships to medical nurse students every year
- Awarding scholarships to employee's children from kindergarten to bachelor's degree

## 9. INTERNAL CONTROL AND RISK MANAGEMENT

### 9.1 Overview of Internal Control System

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

An independent internal auditor is responsible for independent inspection and assess of the Company's internal control operation as well as reviewing whether the Company complies with regulatory. For the year 2020 the Company has appointed Resourceful Co., Ltd. as its independent internal auditor to inspect and assess the internal control system within the Company. The independent internal auditor provided suggestions and the Company continued to improve its internal control, taking such suggestions from the independent internal auditor into consideration.

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

1. Doctor's remuneration
2. Payroll and benefits
3. Dentist's remuneration
4. Fixed asset system
5. Computer system ("BIT" program)
6. Progress of Rajthanee Nong Khae Hospital

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

Moreover, the Company's auditor, i.e., CWWP Co., Ltd. who audited 2020 financial statements have no observations on the internal control system.

### 9.2 Internal Control System

The Company employed Resourceful Co., Ltd. as its independent internal auditor who inspected the operations of all departments within the Company and its subsidiary. The audit reports were presented to the Audit Committee. The Audit Committee reviews the internal control report with the independent internal auditor in order to give advice on policies as well as internal control system. It

should be noted that the Audit Committee shall convene at least four meetings annually and prepare the Audit Committee's report, which will be subsequently reviewed by the Board of Directors and disclosed in the Company's annual reports.

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

## 10. CONTROL OF INSIDER INFORMATION

The Company has a policy and procedure to supervise directors and executives regarding insider trading information. The policy and procedure aimed at preventing directors or management from using undisclosed insider information for their own benefits are discussed below:

- Inform directors and management of their duties to report details about securities possessions of their own, spouses, and minority children to the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, according to Article 59, and Penalties according to Article 59 and Penalties according to Article 275 of the Securities and Stock Exchanges Act B.E. 2535.
- Directors and executives are required to report any changes made to their securities possessions to the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, according to Article 59 of the Securities and Stock Exchanges Act B.E. 2535, within three working days from the date the changes are made. A copy of such report shall also be submitted to the Company on the same day when such report is submitted to the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.
- The Company ensures that all directors be careful in making transactions for buying, selling, transferring or accepting the transfer of the Company's shares during the period before disclosing the financial statements or the financial position to the public.

Anyone who violates the aforementioned rules and takes advantages of insider information is subject to penalty, e.g., written warnings, salary cuts, employment suspensions without pay and permanent employment termination. Degrees of penalties are determined, based on intentions and degrees of violence.

## 11. RELATED PARTY TRANSACTION

The connected transactions involved among the Company, subsidiary, persons/juristic persons during the year ending 31 December 2019 and as of 31 December 2020 can be summarized below:

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

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
1	Vibharam Hospital Co., Ltd.	Medical service provider	<ul style="list-style-type: none"> <li>• As of 23 November 2020, Vibharam Hospital Co., Ltd. held 7.94% of the Company's shares. Vibharam Hospital Co., Ltd. 's major shareholders are : Ramkhamhaeng Hospital Plc. (50.00%) and Vibhavadi Hospital Plc. (33.73%)</li> <li>• Dr. Auchart Kanjanapitak is the director of both the Company and Vibharam Hospital Co., Ltd.</li> <li>• Dr. Auchart Kanjanapitak has been appointed as the Company's director since 27 April 2018</li> </ul>
2	Ramkhamhaeng Hospital Plc.	Medical service provider	<ul style="list-style-type: none"> <li>• As of 23 November 2020, Ramkhamhaeng Hospital Plc. directly held 4.03% of the Company's shares and indirectly via Vibharam Hospital Co., Ltd who held 7.94% of the Company's shares.</li> <li>• Dr. Auchart Kanjanapitak is the director of both the Company and Ramkhamhaeng Hospital Plc.</li> <li>• Dr. Auchart Kanjanapitak has been appointed as the Company's director since 27 April 2018</li> </ul>
3.	The Medicpharma Co., Ltd	Distributor of medicine and medical supplies	<ul style="list-style-type: none"> <li>• Dr. Auchart Kanjanapitak is the director of both the Company and Medicpharma Co., Ltd.</li> <li>• Dr. Auchart Kanjanapitak has been appointed as the Company's director since 27 April 2018</li> </ul>
4	Charoenpaiboon City Co., Ltd.	Distributor of electrical appliances	<ul style="list-style-type: none"> <li>• Have the same major shareholders. As of 23 November 2020, SriPOCHSOMBOON Group held 2.45% of the Company's shares and also held 100% of Charoenpaiboon City Co., Ltd.'s shares.</li> </ul>

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
5	La Cremongs Publishing Ltd., Part.	Printing service provider	<ul style="list-style-type: none"> <li>Have the same major shareholders. As of 23 November 2020, Wudhikulprapan Group held 4.40% of the Company's shares and also held 90% of La Cremongs Publishing Ltd., Part's shares.</li> </ul>
6	Bophit Vejchakarn Co., Ltd.	Hemodialysis service provider	<ul style="list-style-type: none"> <li>Have the same major shareholders. Wudhikulprapan Group held 4.40% of the Company's shares and also held 5% of Bophit Vejchakarn Co., Ltd.'s shares</li> </ul>
7	Sabuy Technology Public Company Limited	Online top up machine	<ul style="list-style-type: none"> <li>Mr.Saran Supaksaran is the director of both the Company and Sabuy Tachnology PLC.</li> <li>Mr.Saran Supaksaran has been appointed as the Company's director since 27 April 2014</li> </ul>
8	Pairoj Pharmacy	Distributor of medicine	<ul style="list-style-type: none"> <li>Mr. Pairoj Watcharakornytin, the owner of Pairoj Pharmacy, is Mrs. Chuleewan Watcharakornytin's husband. She used to be an Assistant to Hospital Director- Technical Service Department and has retired since 31 December 2018</li> </ul>
9	Rajthanee Rojana Hospital Co., Ltd. ("the subsidiary")	Medical service provider	<ul style="list-style-type: none"> <li>Rajthanee Rojana Hospital Co., Ltd. is the Company's subsidiary of which the Company holds 98.31% of shares.</li> <li>As of 31 December 2020, the Company and the subsidiaries have the same following directors: <ol style="list-style-type: none"> <li>Dr.Surin Prasithirun</li> <li>Dr.Wachira Wudhikulprapan</li> <li>Mr.Charoonsak Sripochsomboon</li> <li>Ms.Phitraphee Prasithirun</li> </ol> </li> </ul>
10	Dr. Porntip Wudhikulprapan	-	<ul style="list-style-type: none"> <li>The Company's director</li> <li>The Company's advisor of which the contract has expired since 31 December 2018</li> </ul>

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
11	Dr. Surin Prasithirun	-	<ul style="list-style-type: none"> <li>The Company's major shareholder as well as director and Managing Director of all the group companies ie. the Company, Rajthaneer Rojana Co.Ltd and Ratchathani Nongkae Hospital Co. Ltd</li> <li>The Company's advisor of which the contract has expired since 31 December 2019</li> </ul>
12	Rangsipan Co., Ltd.	Provide services for industrial machinery and equipment	<ul style="list-style-type: none"> <li>Dr. Auchart Kanjanapitak is the director of both the Company and Rangsipan Co., Ltd.</li> <li>Dr. Auchart Kanjanapitak has been appointed as the Company's director since 27 April 2018</li> </ul>
13	Coffee Planet Co., Ltd	Drink and bakery service	Dr. Surin Prasithirun , the Company's major shareholder (13.55%) and Managing Director , hold 14.56% shares of Coffee Planet Co., Ltd. In August 2020, he sold all of his shares in Coffee Planet Co., Ltd. to Ms Pitrapai Prasithirun and Ms Pitrapa Prasithirun. Both of them are also the Company's shareholders with 3.11% holdings each.
14	Ratchathani Nongkae Hospital Co.,Ltd	Medical service provider	<ul style="list-style-type: none"> <li>Ratchathani Nongkae Hospital Co., Ltd. is the Company's subsidiary of which the Company holds 99.99% of paid-up capital.</li> <li>As of 31 December 2020, the Company and the subsidiaries have the same following directors: <ol style="list-style-type: none"> <li>Dr.Surin Prasithirun</li> <li>Dr.Wachira Wudhikulprapan</li> <li>Mr.Charoonsak Sripochsomboon</li> </ol> </li> </ul>
15	Bangkok Cancer Specialized Hospital	Medical service provider	<ul style="list-style-type: none"> <li>Dr. Auchart Kanjanapitak is the director of both the Company and Bangkok Cancer Specialized Hospital</li> <li>Dr. Auchart Kanjanapitak has been appointed as the Company's director since 27 April 2018</li> </ul>
16	Medtech Medical (Thailand) Co.,Ltd.	Selling medical equipment	<ul style="list-style-type: none"> <li>Ms.Phitrapee Prasithiran , the Company's director, was an Assistant Managing Director of Medtech Medical (Thailand) Co., Ltd. during October 1, 2020 – January 31, 2021.</li> </ul>

**2. Connected transactions involved by the Company and the subsidiary and connected persons in fiscal years ending 31 December 2019 and 31 December 2020**

**2.1 General transactions or transactions to support the Company's core business that will continue in the future**

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
1. Vibharam Hospital Co., Ltd.	<p><u>Expenses related to patients referred to Vibharam Hospital Co., Ltd.</u></p> <p><u>Outstanding payable at the end of the period</u></p>	0.003  -	-  -	<p>In the past, the Company had to refer cases that beyond the Company's capacity mostly cardiac cases to Vibharam Hospital Co., Ltd, who was high-tier hospital. The pricing as well as terms &amp; conditions were under fair market's conditions and in line with the rates that Vibharam Hospital Co., Ltd. charged to other counterparty under similar conditions.</p> <p>However, number of referral cases to Vibharam Hospital Co., decreased significantly as the Company already launched its own Heart Center in 1Q 2015.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified as the pricing was set in line with the market's conditions. It was a normal transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>



Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
2. Bophit Vejchakarn Co., Ltd.	<p><u>Expenses related to hemodialysis services:</u> The subsidiary, in collaboration with Bophit Vejchakarn Co., Ltd. provided hemodialysis services, based on the agreed revenue sharing basis.</p> <p><u>Outstanding payable at the end of the period</u></p>	21.21  6.46	23.38  6.52	<p>Bophit Vejchakarn Co., Ltd was founded by a group of medical personnel, e.g., doctors, nurses and etc., with extensive experience and knowledge in hemodialysis services. The Company's subsidiary partnered with Bophit Vejchakarn Co., Ltd to provide hemodialysis services. The pricing as well as terms and conditions were under fair market's conditions and in line with the rates Bophit Vejchakarn Co., Ltd agreed with other counterparty.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified, with agreed revenue sharing. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
3. La Cremongs Publishing Ltd., Part.	<p><u>Expenses related to purchase of printing matters:</u> The Company and its subsidiary hired La Cremongs Publishing Ltd.,Part. to print documents, such as purchase order forms and etc.</p> <p><u>Outstanding payable at the end of the period</u></p>	0.76  0.06	0.56  0.08	<p>La Cremongs Publishing Ltd., Part.provided printing services concerning general paper documents for The Company's day-to-day operation, such as purchase order forms etc. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. The pricing, as well as terms and conditions, was equivalent to the service prices quoted by other general service providers. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
4. Charoenpaiboon City Co., Ltd.	<p><u>Expenses related to electrical appliances :</u> The Company purchased electrical appliances from Charoenpaiboon City Co., Ltd for hospital business.</p> <p><u>Outstanding payable at the end of the period</u></p>	0.89	0.43	<p>Charoenpaiboon City Co., Ltd sell electrical appliances. This group was distributors of electrical appliances in Phra Nakhon Si Ayutthaya for many years with good reputation of product warranty. Being located nearby the Company, Charoenpaiboon City Co., Ltd can deliver products in timely manner. The Company purchased electrical products for hospital operation. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. The pricing, as well as terms and conditions, was equivalent to the prices for the products sold by other sellers. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
		0.03	0.003	

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
5. Pairoj Pharmacy	<p><u>Medicine expenses:</u> The Company purchased general medicines from Pairoj Pharmacy to provide treatment for patients.</p> <p><u>Outstanding payable at the end of the period</u></p>	-	-	<p>Since the Company can buy medicine at small volume from this shop, it helps reduce the burden to carry stock and the risk from dead stock. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p>However, the management discontinued policy to purchase medicines from Pairoj Pharmacy since 3Q 2015, except for emergency cases. If this were the case, it was required to have price comparisons and approval from authorized persons as stipulated in the Company's rules and regulations.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified as the Company needed medicines for treatment purposes. The pricing, as well as terms and conditions, was equivalent to that for other transactions done with other general sellers. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
6. The Medicpharma Co., Ltd.	<p><u>Medicine expenses :</u> The Company and its subsidiary purchased medicine from The Medicpharma Co., Ltd. to provide treatment for patients.</p> <p><u>Outstanding payable at the end of the period</u></p>	2.30	2.55	<p>The Medicpharma Co., Ltd. distributed high-quality medicine and medical supplies. The Company needed such products for providing treatment services for its patients. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
		0.75	1.12	

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
7. Directors, Executive Directors	<p><u>Medical service fee discounts:</u> The Company offered discounts to the Company's directors, executive directors as well as other connected persons</p> <p><u>Outstanding receivable at the end of the period</u></p>	1.15  -	1.89  -	<p>The persons who are eligible for discounts are :</p> <ol style="list-style-type: none"> <li>1. Director</li> <li>2. Director's parents, spouses and children</li> <li>3. Director's siblings</li> <li>4. Executive Director</li> <li>5. Executive Director's parents, spouses and children</li> </ol> <p><b>Comments from the Audit Committee</b> The transaction was considered as personnel's welfare and work motivation.</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
8. Rajthanee Rojana Hospital Co., Ltd.				
8.1 Rajthanee Rojana Hospital Co., Ltd.	<u>Diagnosis and treatment income</u> : The subsidiary's social security insurers can utilize services at the Company's hospital. Besides the general healthcare services, the Company also earned income from the subsidiary for Covid-19 specimen collection.	76.73	117.69	The pricing policy between the Company and its subsidiary were of the same conditions as the following: <ul style="list-style-type: none"> <li>• <u>OPD</u> : 30% discount except 1) doctor fee and pharmaceutical fee that the discount rates are 50% each 2) Hospital Service Fee &amp; Nurse Service Fee are THB 100 each 3) no discount for MRI service</li> <li>• <u>IPD</u> : 25% discount except doctor fee , pharmaceutical fee and MRI service that there are no discount</li> </ul> <p><b>Comments from the Audit Committee</b></p> The transaction was necessary and justified as it helped the social security patients to conveniently use the service. The pricing between each other was reasonable and acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.
	<u>Accounts receivable at the end of the period</u>	29.98	28.60	
	<u>Diagnosis and treatment expenses</u> : The company's social security insurers can utilize services at the subsidiary's hospital	116.12	117.74	
	<u>Outstanding payable at the end of the period</u>	42.96	31.86	

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
8.2 Rajthanee Rojana Hospital Co., Ltd.	<p><u>Expenses from product purchases:</u> The Company bought medicines, drinking water</p> <p><u>Outstanding payable at the end of the period</u></p>	0.01  -	0.01  -	<p><b>Comments from the Audit Committee</b></p> <p>The transaction was necessary and justified as the pricing between each other was reasonable and acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
8.3 Rajthanee Rojana Hospital Co., Ltd.	<p><u>Medicine sales revenue:</u> The Company sold medicines to its subsidiary for treatment purposes</p> <p><u>Balance at the end of the period</u></p>	0.004  -	0.006  -	<p>The Company lent its subsidiary medicines for emergency cases without any fee charged. In addition, the Company has sold medicines at cost plus 20% profit since October 1, 2015. Mostly, these borrowing or selling medicines were the items that the subsidiary carrying stock at low level due to minimal usage. In case of medicine borrowing, there were reports reconciled on monthly basis and the borrowing were reimbursed in form of either medicine or cash payment.</p> <p><b>Comments from the Audit Committee</b></p> <p>The transaction was necessary and justified as the subsidiary needed medicines for emergency cases. The transaction volumes were marginal and the 20% profit margin was deemed reasonable and acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
8.4 Rajthanee Rojana Hospital Co., Ltd.	<p><u>Telecommunication Revenue:</u> The Company and its subsidiary shared telecommunication service in order to have access to each other's data for consolidated financial statement purpose.</p> <p><u>Balance at the end of the period:</u></p>	0.06  0.005	0.06  0.01	<p>The Company and its subsidiary shared telecommunication service in order to have access to each other's data for consolidated financial statement purpose. The sharing cost was 50:50.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified and it was acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions, and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
9. Ramkhamhaeng Hospital Plc.	<p><u>Medicine and medical supplies expenses:</u> The Company purchased medicine and medical supplies, e.g. gloves, needles, and etc., for patient treatment purposes.</p> <p><u>Outstanding payable at the end of the period</u></p>	0.42  0.13	28.82  5.36	<p>Ramkhamhaeng Hospital Plc. sold standard medicine and medical supplies. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It was a normal business transaction with general trade terms and conditions, and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
	<u>Maintenance cost for golf carts:</u> ie. changes of brake pads, tire replacement and etc.  <u>Outstanding payable at the end of the period</u>	0.39  -	0.26  -	The maintenance services with Ramkhamhaeng Hospital Plc. were to keep golf carts in good conditions.  <b>Comments from the Audit Committee</b> The transaction was necessary and justified because Ramkhamhaeng Hospital Plc. was the seller of the Company's golf carts.
	<u>Expense for purchase of golf carts and medical equipment :</u>  <u>Outstanding payable at the end of the period</u>	2.03  0.22	4.92  1.63	<ul style="list-style-type: none"> <li>• The Company purchased golf carts to facilitate the patients commuting between the hospital buildings and the parking lots.</li> <li>• Medical equipment was necessary for treatment purpose</li> </ul> The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.  <b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions and are useful to the Company's business operation.



Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
	<u>Income from Covid-19 Specimen Collection</u>  <u>Outstanding receivable at the end of the period</u>  <u>Cost of COVID-19 lab test</u>  <u>Outstanding payable at the end of the period</u>	-  -  -  -	26.68  17.26  1.29  1.29	<p>For income, Ramkhamhaeng Hospital Plc.hired the Company to collect specimen from Covid-19 patients under investigation (PUI) . Vice versa, the Company sent specimen of its own PUI to Ramkhamhaeng Hospital Plc. for lab testing. By that time, the Company group has not yet set up Covid-19 lab.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions. The Company no longer sent specimen to Ramkhamhaeng Hospital Plc. since its subsidiary's lab was set up</p>
10. Sabuy Technology PLC.	<u>Income from online top-up machine</u>  <u>Outstanding payable at the end of the period</u>	0.02  -	0.02  0.002	<p>The Company installed a top-up kiosk for the convenience of staff and customers</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>
11. Dr.Porntip Wudhilulprapan	<u>Expense for advisor : to give advice on input of disease code (ICD)</u>  <u>Outstanding payable at the end of the period</u>	-  -	-  -	<p>The Company hired Dr.Porntip Wudhikulprapan due to her extensive experience on social security system and quality control. The remuneration was Baht 100,000 per month.</p> <p><b>Comments from the Audit Committee</b> To improve social security and quality control functions. However, her contract has expired since 31 December 2018</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
12. Dr.Surin Prasithirun	<u>Expense for advisor:</u> advisor to the Company's Hospital Director  <u>Outstanding payable at the end of the period</u>	0.15  -	-  -	<p>Dr. Surin Prasithirun has extensive experience on healthcare management. The remuneration was Baht 150,000 per month.</p> <p><b>Comments from the Audit Committee</b> To improve hospital business management. However, the contract was expired on 31 January 2019 and he was subsequently appointed as Managing Director</p>
13. Rangsipan Co., Ltd.	<u>Maintenance and repair expenses:</u>  <u>Outstanding payable at the end of the period</u>	0.08  0.07	0.07  -	<p>The Company entered into a contract with Rangsipan Co., Ltd. for maintenance of medical equipment.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>
14. Coffee Planet Co., Ltd	<u>Service income:</u> for land rent, water and electricity  <u>Outstanding receivable at the end of the period</u>	0.04  0.04	0.50  0.04	<p>For the Company's clients to have recreational place while waiting for services and to generate income on the vacant land.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It is 3 year rental agreement and is beneficial to the Company's business operations.</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
15. Bangkok Cancer Specialized Hospital	<u>Expenses for referring patients:</u>	0.17	0.08	<p>The Company referred cancer cases to Bangkok Cancer Specialized Hospital as some types of cancer were beyond the Company's capacity.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>
	<u>Outstanding payable at the end of the period</u>	0.17	-	
16. Medtech Medical (Thailand) Co.,Ltd.	<u>Expenses for the purchase of medical equipment and medical supplies:</u> The Company bought medical supplies such as gloves, needles, etc.	-	4.08	<p>Medtech Medical (Thailand) Co.,Ltd. sells high-quality medical supplies. The Company needed those products for patient treatment. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because that provides support to business partners for the benefit of general business partners.</p>
	<u>Outstanding payable at the end of the period</u>	-	0.12	
	<u>Other income:</u> The company received academic support	-	0.01	

## 2.2 General transactions that will discontinue in the future - no-

## 2.3 Financing transactions

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
1. Rajthanee Rojana Hospital Co., Ltd.	<p><u>Short -term loan:</u> The Company lent to subsidiary for working capital purpose.</p> <p>Balance at the beginning</p> <p>- Lending during the period</p> <p>- Repayment during the period</p> <p><u>Balance at the ending</u></p> <p>Accrued interest receivable at the beginning</p> <p>- Interest income</p> <p>- Interest received during the period</p> <p><u>Accrued interest receivable at the ending</u></p>	<p>102.80</p> <p>32.80</p> <p>70.00</p> <p>-</p> <p>102.80</p> <p>0.10</p> <p>1.28</p> <p>1.19</p> <p>0.19</p>	<p>70.00</p> <p>102.80</p> <p>-</p> <p>32.80</p> <p>70.00</p> <p>0.19</p> <p>1.83</p> <p>1.77</p> <p>0.25</p>	<p>Interest rate : 2.15%</p> <p><b>Comments from the Audit Committee</b></p> <p>The transaction was necessary and justified as the subsidiary needed funding for its working capital. The interest rate was approximate to the prevailing commercial banks' deposit rate plus the Company's financing cost. Since the Company had excess liquidity and the subsidiary's financing cost was higher than the Company's, the inter-company borrowing was cost-saving on consolidated basis.</p>
2. Ratchathani Nongkae Hospital Co.,Ltd	<p><u>Advance to Subsidiary</u></p> <p><u>Outstanding receivable at the end of the period</u></p>	<p>-</p> <p>-</p>	<p>31.00</p> <p>31.00</p>	<p>Since the subsidiary was during the project development without any income and the paid-up capital was insufficient.</p> <p><b>Comments from the Audit Committee</b></p> <p>The transaction was necessary and justified. Meanwhile, the subsidiary was due to increase capital in 2021 and will repay this advance</p>

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2019	2020	
3. Rajthanee Rojana Hospital Co., Ltd.	<u>Advance from subsidiary</u>	-	0.53	The advance was for Covid-19 specimen collection service to the subsidiary. The credit term was due upon the receipts from National Health Security Office to the subsidiary. The outstanding balance was due to the reconciliation of number of patients.  <b>Comments from the Audit Committee</b> The transaction was necessary and justified. Meanwhile, the company has paid off the advance in the following month.
	<u>Outstanding payable at the end of the period</u>	-	0.53	

## 12. MANAGEMENT DISCUSSION AND ANALYSIS

Operation : Consolidated Profit & Loss Statement			
Unit : THB million	31-Dec 2020	31-Dec 2019	% change
Revenue from Non-Social Security	1,081.02	1,041.26	4%
Revenue from Social Security	774.47	729.57	6%
<b>Revenue from Hospital Operations</b>	<b>1,855.50</b>	<b>1,770.84</b>	<b>5%</b>
Cost of Hospital Operations	1,261.61	1,213.45	4%
Gross Margin	593.89	557.38	7%
<i>% Gross Margin</i>	<i>32.0%</i>	<i>31.5%</i>	<i>1%</i>
<i>% Gross Margin (exclude non-recurring cost)</i>	<i>31.2%</i>	<i>32.5%</i>	<i>-1%</i>
Administrative Expenses	163.27	188.19	-13%
EBITDA *	542.67	493.11	10%
<i>% EBITDA *</i>	<i>29.2%</i>	<i>27.8%</i>	<i>1%</i>
Other Income	22.90	32.25	-29%
Profit from Disposal of Land	-	98.74	-100%
Financing Cost	0.26	4.34	-94%
Earnings Before Tax	453.26	495.84	-9%
Corporate Tax Expense /(Income)	39.64	99.30	-60%
<b>Net Profit</b>	<b>413.62</b>	<b>396.54</b>	<b>4%</b>
<b>Net Profit excl. non-recurring items</b>	<b>358.28</b>	<b>357.73</b>	<b>0%</b>
<i>% Net Profit / Total Revenue</i>	<i>22%</i>	<i>21%</i>	<i>1%</i>
<i>% Net Profit excl. non-recurring items / Core Revenue</i>	<i>20%</i>	<i>20%</i>	<i>0%</i>
Non-Controlling Interests	1.13	0.65	73%
<b>Net Profit Attributable to The Company</b>	<b>412.49</b>	<b>395.89</b>	<b>4%</b>

\* Non-cash items included depreciation and accounting adjustment

### Revenue from Hospital Operations

For the whole year 2020, income increased by 5% to THB 1,856 million driven by revenue from SW sector and Covid-19 test. Amid Covid-19 pandemic, OPD & IPD income decreased by 6% and 14% respectively. Number of OPD visits decreased by 11% while income per head edged up from THB 1,700 to THB 1,800. IPD visits decreased considerably by 23% but income per head increased from THB 36,000 to THB 41,000. This was mainly due to the decline of income proportion from pediatrics department which yielded income per head lower than the average and used to constitute most of IPD income. In addition, most of admitted patients during Covid-19 pandemic were unavoidable serious cases. However, revenue from COVID-19 test for THB 140 million helped turn around non-SW revenue to the growth territory, 4% increase.

For SW revenue, 2020 revenue increased by 6% yoy stemming from the increase of both registered insurers and base payment rate. Hospitals' social security insurers increased by 5,900 persons despite the decrease of Ayuthaya province's insurers. Annual base payment rate increased by THB 140 per insurer. In addition, 2020 SW revenue included the under-record of previous year SW revenue, mostly Chronic Case, for THB 21 million.

### **Cost of Hospital Operations**

In view of whole year gross margin, the margin increased from 31.5% of 2019 revenue to 32%. This was attributable to healthy Covid-19 margin and THB 21 million extra revenue from the under-record of previous year SW revenue. Meanwhile, 2019 cost was dampened by provision for employee benefits for THB. 8.1 million following the change of labor law. Without considering this employee benefit provision and given the under-record SW revenue were to be recognized in the underlying year 2019 instead of 2020, the gross margin of 2019 and 2020 would have been 33% and 31% respectively. It was remarkable that Adjust RW revenue was recognized at THB 10,679 per score lower than the actual receipt of THB 12,000. The reason for recording lower-than receipt rate was because in the past years Social Security Office reduced the rate in the last quarter. So far, the receipt was until October statement. The difference between actual receipt and recorded rate was approximately THB 25 million.

### **Administrative Expenses**

Administrative expenses decreased substantially by 13% because 2019 expenses included adjustment of over-record of previous year SW income for THB 24 million. Without considering this adjustment, 2019 administrative expenses would be on par with 2020.

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

For EBITDA (not included other income), 2020 posted margin of THB 543 million or increased by 10% yoy. EBITDA margin was 29% comparing to 28% yoy. This healthy margin was mainly attributable to Covid-19 margin which was higher than conventional OPD. In addition, it was also because the under-record of last year SW revenue was received this year for THB 21 million.

### **Financing Cost**

The financing cost decreased because there was loan for financing additional investment in subsidiary. This loan was paid off in the 2<sup>nd</sup> quarter of previous year. For 2020, there was only short-term borrowing because credit term of Covid-19 revenue which constituted 12% of non-SW revenue was extended longer than conventional OPD & IPD.

### **Net Profit**

2020 posted impressive performance with net profit of THB 414 million, increased by 4%, amid Covid-19 threat and high-base net profit of 2019. The Company sold land in 2019 with net profit after tax of THB 79 million. In summary, 2020 promising performance was driven by Covid-19 test income, increased SW insurers, higher rate of base payment and under-record of previous year SW revenue to be recorded this year. In addition, the Company 2020 tax expense was at much lower rate than previous year because of deferred tax income. According to Tax Royal Decree No. 695, the Revenue Department extended to corporate entities a 50% additional expense deduction for investments made in new machinery during 2020. This benefit will be equally recognized for the period of 5 years. The Company earned total tax benefit for THB 41 million (net of the first year amortization) which was recorded as deferred tax income. In term of cash flow, the Company can save tax THB 10 million annually.

<b>Financial Position : Consolidated Balance Sheet</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>% Change</b>
<b>Unit : THB million</b>	<b>2020</b>	<b>2019</b>	
Cash and Temporary Investments	58.31	223.42	-74%
Trade Receivables	329.74	298.63	10%
Inventories	36.04	31.09	16%
Property, Plant and Equipment	1,272.27	966.84	32%
Goodwill	87.80	87.80	0%
Other assets	115.17	77.63	48%
<b>Total Assets</b>	<b>1,899.34</b>	<b>1,685.41</b>	<b>13%</b>
Trade Payable	154.47	136.50	13%
Interest-Bearing Debts / Leasing	70.89	0.91	7651%
Employee Benefit Obligation	56.02	56.25	0%
Other Liabilities	116.70	91.93	27%
<b>Total Liabilities</b>	<b>398.08</b>	<b>285.60</b>	<b>39%</b>
Total Shareholders' Equity of the Company	1,496.14	1,395.82	7%
Non-Controlling Interests	5.11	3.99	28%
<b>Total Shareholders' Equity</b>	<b>1,501.25</b>	<b>1,399.80</b>	<b>7%</b>

The consolidated total assets as of 31 December 2020 increased from end of 2019 by 14%. The increase was mainly due to investment in fixed assets and accrued Covid-19 income. 2020 capex were: OPD & IPD facilities renovation, medical equipment as well as energy saving i.e. solar roof which can save electricity by THB. 4-5 million annually from 2021 onward. Some of these investments were eligible for tax benefit as mentioned above.

Total liabilities as of 31 December 2020 increased by 41% from end of 2019 stemmed from THB 70 million promissory note borrowing from bank as the expected receipt from Covid-19 income were delay.

The shareholders' equity at the end of 2020 increased from more profit contributed.



<b>Consolidated Cash Flow Statement</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>%</b>
<b>Unit : THB million</b>	<b>2020</b>	<b>2019</b>	<b>Change</b>
Profit before Income Tax	453.26	495.84	-9%
Adjustment to Profit before Income Tax for Cash Received (Paid) from Operations	120.52	25.52	372%
Profit from Operation Activities before Changes in Operating Assets and Liabilities	573.79	521.36	10%
(Increase) Decrease in Operating Assets	97.45	(140.60)	-169%
Cash Received (Paid) from Operation Activities	671.24	380.76	76%
Cash Received from Interest Income	0.93	1.87	-50%
Cash Paid for Income Tax	(74.93)	(83.57)	-10%
Cash Received from Withholding Tax	8.24	-	0%
<b>Net Cash and Cash Equivalents Increase (Decrease)</b>	<b>605.49</b>	<b>299.06</b>	102%
Cash Flows from Investing Activities	(417.32)	189.85	-320%
Cash Flows from Financing Activities	(252.90)	(655.70)	-61%
<b>Net Cash and Cash Equivalents Increase (Decrease)</b>	<b>(64.74)</b>	<b>(166.78)</b>	<b>-61%</b>
Cash and Cash Equivalents at Beginning of the Year	123.05	289.83	-58%
Cash and Cash Equivalents at Ending of the Year	58.31	123.05	-53%

Cash flow from operation before changes of operating assets and liabilities (working capital) increased substantially by 10% to THB 574 due to the improved performance. However, the earnings before tax of previous year was higher than 2020 because part of last year profit was from land disposal of THB 99 million. After realizing working capital, cash flow from operating activities increased substantially by 76% yoy. 2019 working capital was negative (spending) for THB 141 million while 2020 was positive (receipt) for THB 97 million. Working capital spending in 2019 was mainly from the investment in money-market mutual fund in 2019 whereas 2020 was the redemption at approximately the same amount, THB 100 million. Without taking into account these trading mutual funds, cash flow from operating activities would have been increased by 19% yoy stemming from the improved profit.

In regard to investing activities, the Company yielded positive cashflow for THB 189.85 million in 2019 because of cashflow from land sale for THB 183 million together with the withdrawal of fixed deposit for THB 250 million whereas the investment in fixed assets was merely THB 250 million. In 2020, the Company invested in fixed assets for THB 401 million.

For financing activities, 2019 cashflow spending for THB 655.70 million because the Company has repaid short-term and long-term loans in the aggregate amount of THB 344 million and paid dividend for THB 300 million. Comparing to 2020, the Company borrowed short-term loan for THB 70 million and paid dividend for THB 315 million, totaling net spending on financing activities for THB 253 million.

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

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

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

Return on assets and return on equity was marginally decreased from previous year despite of higher profit. This was due to investment in assets during 2020 increased at higher rate than the increase of profit. This investment was for the sake of future tax benefit.

In respect of 2020 liquidity, the ratios were on par with last year except trade payable turnover which increased from 54 days to 61 days.

For financial risk perspective, it was at low leverage with debt to equity ratio of merely 0.3x which was on par with previous year.

## **13. REPORT OF THE AUDIT COMMITTEE AND REPORT OF THE ACCOUNTABILITY OF THE BOARD OF DIRECTORS TO THE COMPANY'S FINANCIAL REPORTS**

### **Report of the Audit Committee**

The Board of Directors of Rajthanee Hospital Public Company Limited appointed the Audit Committee, which comprised of 3 independent directors, namely Ms. Vilailak Aunyamaneerat as Chairman of the Audit Committee, Mr. Teerasak Naranong and Mr. Sarun Supaksaran as members of the Audit Committee. The main duties and responsibilities of the Audit Committee are to ensure that the Company's financial statements are in accordance with accounting standards and have accurate and sufficient disclosure, ensure that the Company maintain internal control system that assesses the risks and ensures suitable and efficient risk controls, ensure compliance with related regulations and laws, as well as mitigate conflicts of interest between the Company and related persons upon the entry into transactions.

In 2020, the Audit Committee held four meetings to carry out duties as assigned, the most important being:

1. Reviewing the financial statements of the Company and the subsidiary which were reviewed or audited by the external auditors before presenting to the Board of Directors. As reviewed and accepted explanations from the external auditor and the management, the Audit Committee was of the opinion that the aforementioned financial statements were prepared according to accounting standards with accurate and complete disclosure of important facts and also approved the plan on auditing and reviewing the consolidated financial statements for the year of the Company and the subsidiary;
2. Considering and giving opinions on appointing the external auditor and fixing the annual audit fees to the Board of Directors for further approval by the annual general meeting of shareholders. The Audit Committee was of the opinion that the person nominated as the auditor is qualified in terms of knowledge, capability and is sufficiently independent from the Company and the subsidiary;
3. Holding conferences with the external auditor without the management involved so that the external auditor could freely report on any problems or limitations as a result of the auditing and reviewing the consolidated financial statements of the Company and the subsidiary. The external auditor reported that there were no notions, problems or limitations of significance;
4. Considering and giving opinions on appointing the internal auditor, a qualified external company, as the Company's internal auditor. The internal auditor was evaluated based on the team, sufficient number of staff, experience, knowledge and capabilities, as well as independency, to carry out audits of the various departments within the Company according to the guidelines for assessment of the sufficiency of the internal control system;
5. Considering and giving opinions on transactions with related persons to be in compliance with applicable laws and regulations;

6. Considering and approving the annual internal audit plan and advising on the enhancement of the Company's internal control system to be in compliance with applicable laws and regulations;
7. Considering and accepting explanations from the internal auditor as per the internal audit report, this was appointed as per the recommendation of the Audit Committee. The Audit Committee reported and provided suggestions on important issues to the Board of Directors; and
8. Reviewing and assessing the sufficiency of the internal control systems annually. The Audit Committee is of the opinion that the internal control systems are suitable and sufficient in risk mitigation in accordance with the policies of the Company.

The Audit Committee has carried out the duties as assigned with care and to the best of our abilities for the benefit of the Company, the shareholders and all stakeholders.

**Ms. Vilailak Aunyamaneerat**

Chairman of the Audit Committee

## **Report of the Accountability of the Board of Directors to the Company's Financial Reports**

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and information as appears in the annual report. The financial statements have been prepared in accordance with the generally accepted accounting principles, using appropriate and consistent accounting policies. The financial statements have been prepared with caution and have been evaluated for appropriateness of the overall presentation of the financial statement.

There was sufficient information disclosure in the notes to the financial statements. The Board of Directors has set up an efficient and effective internal control system to ensure that all accounting transactions have been recorded correctly and comprehensively, and that there has been a record-keeping system of assets to protect the Company from any material fraud or damage.

The Board of Directors has the opinion that the overall internal control system of the Company was at a satisfactory level, which resulted in confidence in the reliability of the financial statements of the Company and its subsidiaries as at 31 December 2020

**Dr. Surin Prasithirun**

Managing Director

**Dr. Aurchart Kanchanapitak**

Chairman of the Board

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

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

**Opinion**

I have audited the accompanying consolidated financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED and its subsidiaries (“the Group”) and the separate financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED (“the Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in shareholders’ equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED and its subsidiaries and the separate financial position of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Key Audit Matters**

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

### Recognition of Medical Service Revenues from the Social Security Office

The Group Companies receive medical service revenues from the Social Security Office per the accounting policies stated in the notes to the financial statements No. 5.16. The Group Companies earn the medical service revenues from the Social Security Office in term of insured persons who select the medical service with the hospital and the medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care. The Group Companies receive revenues from the Social Security Office based on the calculation and the rates determined by the notifications of the Medical Committee prescribed under the Social Security Act, B.E. 2533. The said estimation of the medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care is significant accounting estimate that required the management to be highly judgmental. There are uncertainties since the future revenues depend on the number of insured persons registered with the hospital, the statistic information on the services provided by the hospital and the information on the patients' health evaluation scores which required specialists' consideration on the severity of diseases rate for used to estimate revenue. Furthermore, it depends on the consideration of the Social Security Office, which is time consuming to collect the information from all medical service providers under the Social Security Office and depends on the allocation of the Social Security Office in each year. Therefore, my audit is concentrated on the said revenue recognition since it presented significant risk to the financial statements.

Therefore, my audit procedures have included obtain an understanding of the revenue estimation process involved in the medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care. Review the sources and reliability of the information of insured persons and the information on the patients' health evaluation scores applied in the calculation of the medical service revenue estimation. Assess the appropriateness of the severity of diseases rate. Test the accuracy of the management's medical service revenue estimation by comparing with the criteria, procedures and conditions under the announcements issued by the Social Security Office. Analyze the reasonableness of the previous medical service revenue estimation. Analyze the causes for the difference between the medical service revenue estimation recognized in the period in comparison to the revenues received from the Social Security Office after their consideration. Review the medical service revenues for the payments received after the accounting period.

## **Other Information**

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

(Miss Waraporn Intaraprasit)

Certified Public Accountant, Registration No. 7881

CWWP Company Limited

Bangkok,

22 February 2021

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

Unit : Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	6	58,313,251.45	123,050,329.78	24,526,754.21	92,712,126.55
Other Current Financial Assets/Current Investments	7	-	100,367,074.28	-	100,367,074.28
Trade and Other Current Receivables	8	342,512,099.83	312,510,906.06	339,763,709.59	302,210,399.05
Short-term Loans to Subsidiary	29.3	-	-	70,000,000.00	102,800,000.00
Inventories	9	36,043,212.03	31,085,160.73	29,244,741.14	25,792,477.54
Current Tax Assets		239.32	5,152,373.15	-	-
Other Current Assets	7	3,631,886.72	3,381,137.81	2,766,481.41	2,357,711.76
<b>TOTAL CURRENT ASSETS</b>		<b>440,500,689.35</b>	<b>575,546,981.81</b>	<b>466,301,686.35</b>	<b>626,239,789.18</b>
<b>NON-CURRENT ASSETS</b>					
Other Non-Current Financial Assets	10	10,000,000.00	-	10,000,000.00	-
Investments in Subsidiaries	11	-	-	669,432,660.00	669,432,660.00
Other Long-term Investments	10	-	10,000,000.00	-	10,000,000.00
Other Non-Current Receivables	8	1,406,441.18	2,889,941.67	643,185.00	1,776,060.00
Property, Plant and Equipment	12	1,272,266,182.21	966,842,137.69	895,087,046.64	651,263,170.53
Right-of-Use Assets	13.1	817,029.59	-	119,631.46	-
Goodwill	14	87,802,508.74	87,802,508.74	-	-
Intangible Assets	15	9,114,003.10	9,278,995.84	8,736,065.46	8,490,732.71
Deferred Tax Assets	16	57,741,702.62	21,897,166.13	48,347,851.50	14,878,073.74
Other Non-Current Assets		19,686,473.15	11,148,765.20	118,050.00	18,050.00
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,458,834,340.59</b>	<b>1,109,859,515.27</b>	<b>1,632,484,490.06</b>	<b>1,355,858,746.98</b>
<b>TOTAL ASSETS</b>		<b>1,899,335,029.94</b>	<b>1,685,406,497.08</b>	<b>2,098,786,176.41</b>	<b>1,982,098,536.16</b>

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

Unit : Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term Borrowings from Financial Institutions	18	70,000,000.00	-	70,000,000.00	-
Trade and Other Current Payables	19	240,954,228.34	196,759,270.83	225,821,008.68	209,509,673.42
Current Portion of Lease Liabilities	13.2	439,970.53	409,307.26	47,341.85	-
Corporate Income Tax Payable		28,894,908.58	27,554,750.25	24,507,391.19	27,554,750.25
Current Provisions for Employee Benefit	20	-	671,781.16	-	587,721.43
<b>TOTAL CURRENT LIABILITIES</b>		<b>340,289,107.45</b>	<b>225,395,109.50</b>	<b>320,375,741.72</b>	<b>237,652,145.10</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease Liabilities	13.2	454,660.71	505,365.05	74,653.69	-
Deferred Tax Liabilities	16	-	73,414.86	-	73,414.86
Non-Current Provisions for Employee Benefit	20	56,018,613.92	56,250,966.51	55,276,078.91	55,393,593.74
Other Non-Current Liabilities		1,321,069.00	3,380,030.01	1,321,039.00	3,380,000.01
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>57,794,343.63</b>	<b>60,209,776.43</b>	<b>56,671,771.60</b>	<b>58,847,008.61</b>
<b>TOTAL LIABILITIES</b>		<b>398,083,451.08</b>	<b>285,604,885.93</b>	<b>377,047,513.32</b>	<b>296,499,153.71</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital	21				
Authorized Share Capital					
300,000,000 Ordinary Shares, par value @ Baht 1.00		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Issued and Paid-up Share Capital					
300,000,000 Ordinary Shares, par value @ Baht 1.00		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Share Premium on Ordinary Shares		1,092,894,156.63	1,092,894,156.63	1,092,894,156.63	1,092,894,156.63
Retained Earnings					
Appropriated					
Legal Reserve		30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Unappropriated		426,925,757.23	326,604,198.48	298,844,506.46	262,705,225.82
Other Components of Shareholders' Equity		(353,682,491.57)	(353,682,491.57)	-	-
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>1,496,137,422.29</b>	<b>1,395,815,863.54</b>	<b>1,721,738,663.09</b>	<b>1,685,599,382.45</b>
Non-Controlling Interests		5,114,156.57	3,985,747.61	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,501,251,578.86</b>	<b>1,399,801,611.15</b>	<b>1,721,738,663.09</b>	<b>1,685,599,382.45</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,899,335,029.94</b>	<b>1,685,406,497.08</b>	<b>2,098,786,176.41</b>	<b>1,982,098,536.16</b>

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

Unit : Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	Notes	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>REVENUES</b>					
Revenue from Hospital Operations		1,855,499,104.45	1,770,836,229.75	1,648,225,165.28	1,635,755,586.88
Interest Income		930,021.61	4,756,789.88	2,671,805.87	5,914,996.87
Gain from Disposal of Non-current Assets Held for Sale		-	98,738,356.48	-	98,738,356.48
Other Income		21,971,244.80	27,493,298.39	20,002,553.85	25,879,759.95
<b>TOTAL REVENUES</b>		<b>1,878,400,370.86</b>	<b>1,901,824,674.50</b>	<b>1,670,899,525.00</b>	<b>1,766,288,700.18</b>
<b>EXPENSES</b>					
Cost of Hospital Operations		1,261,606,618.00	1,213,453,860.10	1,163,961,442.70	1,161,680,664.93
Administrative Expenses		163,271,865.08	188,189,113.51	126,616,417.25	155,340,846.13
Finance Costs		257,024.22	4,337,973.58	160,508.57	1,938,305.08
<b>TOTAL EXPENSES</b>		<b>1,425,135,507.30</b>	<b>1,405,980,947.19</b>	<b>1,290,738,368.52</b>	<b>1,318,959,816.14</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>453,264,863.56</b>	<b>495,843,727.31</b>	<b>380,161,156.48</b>	<b>447,328,884.04</b>
Tax (Expense) Income	24.1	(39,641,302.85)	(99,304,105.39)	(31,867,654.10)	(89,414,014.57)
<b>PROFIT FOR THE YEAR</b>		<b>413,623,560.71</b>	<b>396,539,621.92</b>	<b>348,293,502.38</b>	<b>357,914,869.47</b>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>					
<b>Components of Other Comprehensive Income that will not be reclassified to Profit or Loss</b>					
Gain (loss) on Remeasurements of Defined Benefit Plans - Net of Tax	24.2	2,826,407.00	(5,789,626.66)	2,845,778.26	(5,712,910.82)
<b>Total Components of Other Comprehensive Income that will not be reclassified to Profit or Loss - Net of Tax</b>		<b>2,826,407.00</b>	<b>(5,789,626.66)</b>	<b>2,845,778.26</b>	<b>(5,712,910.82)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR - NET OF TAX</b>		<b>2,826,407.00</b>	<b>(5,789,626.66)</b>	<b>2,845,778.26</b>	<b>(5,712,910.82)</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<b>416,449,967.71</b>	<b>390,749,995.26</b>	<b>351,139,280.64</b>	<b>352,201,958.65</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>					
Equity holders of the Company		412,494,824.38	395,886,683.72		
Non-Controlling Interests		1,128,736.33	652,938.20		
<b>TOTAL</b>		<b>413,623,560.71</b>	<b>396,539,621.92</b>		
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO:</b>					
Equity holders of the Company		415,321,558.75	390,098,353.56		
Non-Controlling Interests		1,128,408.96	651,641.70		
<b>TOTAL</b>		<b>416,449,967.71</b>	<b>390,749,995.26</b>		
BASIC EARNINGS PER SHARE		1.37	1.32	1.16	1.19

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2020

CONSOLIDATED FINANCIAL STATEMENTS

	Unit : Baht							
	Issued and Paid-up Share Capital	Share Premium on Ordinary Shares	Retained Earnings		Other Components of Shareholders' Equity Part of the Changes The Proportion of Subsidiary	Equity Attributable to Owners of the Company	Non-Controlling Interests	Total
			Appropriated Legal Reserve	Unappropriated				
Notes								
<b>Balance as at 1 January 2019</b>	<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>236,505,844.92</b>	<b>(353,682,491.57)</b>	<b>1,305,717,509.98</b>	<b>3,334,105.91</b>	<b>1,309,051,615.89</b>
<b>Comprehensive Income (Expense) for the year</b>								
Profit for the year	-	-	-	395,886,683.72	-	395,886,683.72	652,938.20	396,539,621.92
Other Comprehensive Income (Expense) for the year	-	-	-	(5,788,330.16)	-	(5,788,330.16)	(1,296.50)	(5,789,626.66)
<b>Total Comprehensive Income (Expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>390,098,353.56</b>	<b>-</b>	<b>390,098,353.56</b>	<b>651,641.70</b>	<b>390,749,995.26</b>
<b>Transactions with Owners</b>								
<b>Contributions by and Distributions</b>								
Dividends	22	-	-	(300,000,000.00)	-	(300,000,000.00)	-	(300,000,000.00)
<b>Total Contributions by and Distributions</b>		<b>-</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>-</b>	<b>(300,000,000.00)</b>
<b>Total Transactions with Owners</b>		<b>-</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>-</b>	<b>(300,000,000.00)</b>
<b>Balance as at 31 December 2019</b>	<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>326,604,198.48</b>	<b>(353,682,491.57)</b>	<b>1,395,815,863.54</b>	<b>3,985,747.61</b>	<b>1,399,801,611.15</b>
<b>Balance as at 1 January 2020</b>	<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>326,604,198.48</b>	<b>(353,682,491.57)</b>	<b>1,395,815,863.54</b>	<b>3,985,747.61</b>	<b>1,399,801,611.15</b>
<b>Comprehensive Income (Expense) for the year</b>								
Profit for the year	-	-	-	412,494,824.38	-	412,494,824.38	1,128,736.33	413,623,560.71
Other Comprehensive Income (Expense) for the year	-	-	-	2,826,734.37	-	2,826,734.37	(327.37)	2,826,407.00
<b>Total Comprehensive Income (Expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>415,321,558.75</b>	<b>-</b>	<b>415,321,558.75</b>	<b>1,128,408.96</b>	<b>416,449,967.71</b>
<b>Transactions with Owners</b>								
<b>Contributions by and Distributions</b>								
Dividends	22	-	-	(315,000,000.00)	-	(315,000,000.00)	-	(315,000,000.00)
<b>Total Contributions by and Distributions</b>		<b>-</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>-</b>	<b>(315,000,000.00)</b>
<b>Total Transactions with Owners</b>		<b>-</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>-</b>	<b>(315,000,000.00)</b>
<b>Balance as at 31 December 2020</b>	<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>426,925,757.23</b>	<b>(353,682,491.57)</b>	<b>1,496,137,422.29</b>	<b>5,114,156.57</b>	<b>1,501,251,578.86</b>

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2020

SEPARATE FINANCIAL STATEMENTS

Unit : Baht

	Notes	Issued and Paid-up Share Capital	Share Premium on Ordinary Shares	Retained Earnings		Total
				Appropriated Legal Reserve	Unappropriated	
<b>Balance as at 1 January 2019</b>		<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>210,503,267.17</b>	<b>1,633,397,423.80</b>
<b>Comprehensive Income (Expense) for the year</b>						
Profit for the year		-	-	-	357,914,869.47	357,914,869.47
Other Comprehensive Income (Expense) for the year		-	-	-	(5,712,910.82)	(5,712,910.82)
<b>Total Comprehensive Income (Expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>352,201,958.65</b>	<b>352,201,958.65</b>
<b>Transactions with Owners</b>						
<b>Contributions by and Distributions</b>						
Dividends	22	-	-	-	(300,000,000.00)	(300,000,000.00)
<b>Total Contributions by and Distributions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>(300,000,000.00)</b>
<b>Total Transactions with Owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(300,000,000.00)</b>	<b>(300,000,000.00)</b>
<b>Balance as at 31 December 2019</b>		<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>262,705,225.82</b>	<b>1,685,599,382.45</b>
<b>Balance as at 1 January 2020</b>		<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>262,705,225.82</b>	<b>1,685,599,382.45</b>
<b>Comprehensive Income (Expense) for the year</b>						
Profit for the year		-	-	-	348,293,502.38	348,293,502.38
Other Comprehensive Income (Expense) for the year		-	-	-	2,845,778.26	2,845,778.26
<b>Total Comprehensive Income (Expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>351,139,280.64</b>	<b>351,139,280.64</b>
<b>Transactions with Owners</b>						
<b>Contributions by and Distributions</b>						
Dividends	22	-	-	-	(315,000,000.00)	(315,000,000.00)
<b>Total Contributions by and Distributions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>(315,000,000.00)</b>
<b>Total Transactions with Owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(315,000,000.00)</b>	<b>(315,000,000.00)</b>
<b>Balance as at 31 December 2020</b>		<b>300,000,000.00</b>	<b>1,092,894,156.63</b>	<b>30,000,000.00</b>	<b>298,844,506.46</b>	<b>1,721,738,663.09</b>

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

Unit : Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	Notes	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before Income Tax		453,264,863.56	495,843,727.31	380,161,156.48	447,328,884.04
Adjustment to Profit before Income Tax for Cash Received (Paid) from Operations					
Bad Debts and expected credit loss of Trade Receivables		2,617,385.19	1,378,039.00	1,450,148.26	643,324.00
Loss from Obsolete Inventories		304,783.28	217,732.83	119,950.26	56,149.75
(Gain) Loss from the Termination of Lease		(4,401.10)	-	-	-
Depreciation for Property, Plant and Equipment		105,753,377.56	87,287,085.47	84,405,359.87	69,319,437.89
Depreciation for Right-of-Use Assets		558,975.61	-	47,852.65	-
Amortization for Intangible Assets		2,447,987.33	2,278,426.26	1,911,401.84	1,429,715.70
(Gain) from Disposal of Non-Current Assets Held for Sale		-	(98,738,356.48)	-	(98,738,356.48)
(Gain) Loss from Disposal of Assets		(769,153.09)	(5,979,962.57)	(501,483.09)	(217,839.92)
Loss on Written-off of Fixed Assets		267,701.00	-	-	-
Loss on Written-off of Trade and Other Current Receivables		3,560,305.09	24,206,776.72	2,919,210.36	23,147,607.80
Written-off Withholding Tax to Expense		34,623.02	-	-	-
Loss from Disposal of Other Current Financial Assets		251,682.56	(646,893.91)	251,682.56	(646,893.91)
Unrealized (Gain) Loss from Trading Securities		-	(367,074.28)	-	(367,074.28)
Employee Benefit Expense		6,173,872.00	16,299,115.59	5,943,833.56	16,044,693.66
Interest Income		(930,021.61)	(4,756,789.88)	(2,671,805.87)	(5,914,996.87)
Interest Expense		257,024.22	4,277,953.58	160,508.57	1,938,305.08
Front-end Fee		-	60,020.00	-	-
Profit from Operation Activities before Changes in Operating Assets and Liabilities		573,789,004.62	521,359,799.64	474,197,815.45	454,022,956.46
(Increase) Decrease in Operating Assets					
Cash Paid for Purchase of Trading Securities		-	(300,000,000.00)	-	(300,000,000.00)
Cash Received from Disposal of Other Current Financial Assets		100,115,391.72	200,646,893.91	100,115,391.72	200,646,893.91
Trade and Other Current Receivables		(36,178,884.05)	(65,428,553.43)	(41,858,864.22)	(68,168,823.62)
Inventories		(5,262,834.58)	(2,300,590.71)	(3,572,213.86)	(2,552,638.31)
Other Current Assets		(250,748.91)	(617,003.63)	(408,769.65)	(815,333.77)
Other Non-Current Receivables		1,483,500.49	3,902,062.24	1,132,875.00	3,796,331.00
Increase (Decrease) in Operating Liabilities					
Trade and Other Current Payables		39,971,324.90	26,901,979.84	17,749,205.65	41,185,813.25
Non-Current Provisions for Employee Benefit		(3,544,997.00)	(3,832,950.64)	(3,091,847.00)	(2,950,950.64)
Other Non-Current Liabilities		1,121,039.00	128,562.38	1,121,039.00	128,532.38
Cash Received (Paid) from Operation Activities		671,242,796.19	380,760,199.60	545,384,632.09	325,292,780.66
Cash Received from Interest Income		930,021.61	1,873,365.23	846,179.01	1,753,235.25
Cash Paid for Income Tax		(74,925,936.94)	(83,572,230.25)	(69,169,650.34)	(78,419,857.10)
Cash Received from Withholding Tax		8,240,787.68	-	-	-
<b>NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES</b>		<b>605,487,668.54</b>	<b>299,061,334.58</b>	<b>477,061,160.76</b>	<b>248,626,158.81</b>



RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

Unit : Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	Notes	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash Received from Current Investments	-	(350,000,000.00)	-	(350,000,000.00)	
Cash Paid for Current Investments	-	600,000,000.00	-	600,000,000.00	
Cash Received from Short-term Loans to Subsidiary	-	-	32,800,000.00	-	
Cash Paid for Short-term Loans to Subsidiary	-	-	-	(70,000,000.00)	
Cash Received from Sale of Non-Current Assets Held for Sale	-	182,764,600.00	-	182,764,600.00	
(Increase) Decrease in Deposit at Bank Used as Collateral	-	1,875,000.00	-	-	
Cash Paid for Investments in Subsidiary	-	-	-	(59,999,970.00)	
Cash Paid for Other Long-term Investment	-	(10,000,000.00)	-	(10,000,000.00)	
Cash Paid for Purchase of Property, Plant and Equipment	(401,368,687.79)	(239,221,074.69)	(326,412,530.94)	(161,547,265.05)	
Cash Paid for Advance for Fixed Assets	(14,500,000.00)	(2,839,254.50)	(100,000.00)	-	
Cash Received from Sale of Property, Plant and Equipment	830,186.91	6,185,972.57	830,216.91	415,411.22	
Cash Paid for Purchase of Intangible Assets	(2,282,994.59)	(3,904,161.60)	(2,156,734.59)	(3,888,111.60)	
Cash Received from Interest Income	-	4,989,726.02	1,761,821.92	6,176,172.57	
<b>NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES</b>		<b>(417,321,495.47)</b>	<b>189,850,807.80</b>	<b>(293,277,226.70)</b>	<b>133,920,837.14</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash Received for Short-term Borrowings from Financial Institutions	165,000,000.00	60,000,000.00	165,000,000.00	60,000,000.00	
Cash Paid for Short-term Borrowings from Financial Institutions	(95,000,000.00)	(80,000,000.00)	(95,000,000.00)	(60,000,000.00)	
Cash Received from Long-term Borrowings	-	20,000,000.00	-	-	
Cash Paid for Long-term Borrowings	-	(344,218,061.92)	-	(251,401,698.18)	
Cash Paid for Other Accounts Payable of Fixed Assets	(7,269,832.47)	(6,348,746.42)	(6,898,399.47)	(4,951,345.55)	
Cash Paid for Lease Liabilities	(511,484.92)	(347,453.40)	(45,488.57)	-	
Cash Paid for Front-end Fee	-	(60,020.00)	-	-	
Cash Paid for Interest Expense	(247,051.64)	(5,179,721.67)	(150,535.99)	(2,773,255.14)	
Cash Paid for Dividends	(314,874,882.37)	(299,541,478.61)	(314,874,882.37)	(299,541,478.61)	
<b>NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES</b>		<b>(252,903,251.40)</b>	<b>(655,695,482.02)</b>	<b>(251,969,306.40)</b>	<b>(558,667,777.48)</b>
<b>NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)</b>		<b>(64,737,078.33)</b>	<b>(166,783,339.64)</b>	<b>(68,185,372.34)</b>	<b>(176,120,781.53)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>123,050,329.78</b>	<b>289,833,669.42</b>	<b>92,712,126.55</b>	<b>268,832,908.08</b>
<b>CASH AND CASH EQUIVALENTS AT ENDING OF THE YEAR</b>	6	<b>58,313,251.45</b>	<b>123,050,329.78</b>	<b>24,526,754.21</b>	<b>92,712,126.55</b>

# RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 1. General Information

#### 1.1 Company Information

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

#### 1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### 2. Basis of Preparation the Financial Statements

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

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

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

Company's Name	Percentage of Shareholdings		Country of Incorporation	Type of Business
	As at	As at		
	31 December 2020	31 December 2019		
Rajthanee Rojana Hospital Co., Ltd.	98.31	98.31	Thailand	Healthcare Services
Rajthanee Nongkhae Hospital Co., Ltd.	99.99	99.99	Thailand	Healthcare Services

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

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

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

### 4. New and Amended Financial Reporting Standards

#### 4.1 New Financial Reporting Standards that became effective in the current period

The Group has adopted the revised and new financial reporting standards and interpretation, which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. The adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group's financial statements. The Group has adopted and discloses the new accounting policies that have been applied from 1 January 2020 as in Note 5.3, 5.5 and 5.12.

The Group has adopted these financial reporting standards from 1 January 2020 under the modified retrospective approach and the comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognised in the statement of financial position as at 1 January 2020. However, the Group did not perform the adjustment with the retained earnings as at 1 January 2020. There is not material impacts of the change in accounting policies due to the adoption these financial reporting standards on the adjustment of retained earnings as at 1 January 2020.

## Impacts on the Financial Statements

The impact of first-time adoption of new financial reporting standards on the consolidated and separate financial position as at 1 January 2020 are as follows:

	(Unit : Baht)			
	Consolidated Financial Statements			
	The impacts of			
	As at	TFRS 9	TFRS 16	As at
	31 December 2019			1 January 2020
<b>Statement of Financial Position</b>				
<u>Current Assets</u>				
Current Investments	100,367,074.28	(100,367,074.28)	-	-
Trade and Other Current Receivables	312,510,906.06	(1,247,998.48)	-	311,262,907.58
Other Current Financial Assets	-	100,367,074.28	-	100,367,074.28
<u>Non-Current Assets</u>				
Other Non-Current Financial Assets	-	10,000,000.00	-	10,000,000.00
Other Long-term Investments	10,000,000.00	(10,000,000.00)	-	-
Property, Plant and Equipment	966,842,137.69	-	(880,160.25)	965,961,977.44
Right-of-Use Assets	-	-	1,146,428.64	1,146,428.64
<u>Current Liabilities</u>				
Current Portion of Lease Liabilities	409,307.26	-	106,233.66	515,540.92
<u>Non-Current Liabilities</u>				
Lease Liabilities	505,365.05	-	160,034.73	665,399.78

(Unit : Baht)

	Separate Financial Statements			
	As at 31 December 2019	The impacts of		As at 1 January 2020
		TFRS 9	TFRS 16	
<b>Statement of Financial Position</b>				
<u>Current Assets</u>				
Current Investments	100,367,074.28	(100,367,074.28)	-	-
Trade and Other Current Receivables	302,210,399.05	(602,019.04)	-	301,608,380.01
Other Current Financial Assets	-	100,367,074.28	-	100,367,074.28
<u>Non-Current Assets</u>				
Other Non-Current Financial Assets	-	10,000,000.00	-	10,000,000.00
Other Long-term Investments	10,000,000.00	(10,000,000.00)	-	-
Right-of-Use Assets	-	-	167,484.11	167,484.11
<u>Current Liabilities</u>				
Current Portion of Lease Liabilities	-	-	47,852.60	47,852.60
<u>Non-Current Liabilities</u>				
Lease Liabilities	-	-	119,631.51	119,631.51

#### 4.1.1 Financial Instruments

##### Classification and Measurement

As at 1 January 2020 (the date of initial application), the Group's management has assessed which business models applied to the financial assets and liabilities held by the Group and has classified the financial assets and liabilities as below:

	(Unit : Baht)		
	Consolidated Financial Statements		
	Fair value through profit or loss	Amortised cost	Total
As at 1 January 2020			
<u>Financial Assets</u>			
Cash and Cash Equivalents	-	123,050,329.78	123,050,329.78
Trade and Other Current Receivables	-	311,262,907.58	311,262,907.58
Other Current Financial Assets	100,367,074.28	-	100,367,074.28
Other Non-Current Financial Assets	10,000,000.00	-	10,000,000.00
Other Non-Current Receivables	-	2,889,941.67	2,889,941.67
Total	110,367,074.28	437,203,179.03	547,570,253.31
<u>Financial Liabilities</u>			
Trade and Other Current Payables	-	196,759,270.83	196,759,270.83

(Unit : Baht)

	Consolidated Financial Statements		
	Fair value through profit or loss	Amortised cost	Total
Lease Liabilities	-	1,180,940.70	1,180,940.70
Total	-	197,940,211.53	197,940,211.53

(Unit : Baht)

	Separate Financial Statements		
	Fair value through profit or loss	Amortised cost	Total
As at 1 January 2020			
<u>Financial Assets</u>			
Cash and Cash Equivalents	-	92,712,126.55	92,712,126.55
Trade and Other Current Receivables	-	301,608,380.01	301,608,380.01
Other Current Financial Assets	100,367,074.28	-	100,367,074.28
Short-term Loans to Subsidiary	-	102,800,000.00	102,800,000.00
Other Non-Current Financial Assets	10,000,000.00	-	10,000,000.00
Other Non-Current Receivables	-	1,776,060.00	1,776,060.00
Total	110,367,074.28	498,896,566.56	609,263,640.84
<u>Financial Liabilities</u>			
Trade and Other Current Payables	-	209,509,673.42	209,509,673.42
Lease Liabilities	-	167,484.11	167,484.11
Total	-	209,677,157.53	209,677,157.53

Financial assets and liabilities measured at amortised cost approximate fair value.

#### Impairment of Financial Assets

##### Trade receivables

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

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced. The Group's management has considered that the recognition of credit losses of trade receivables does not have any significant impact on the adjustment of retained earnings as at 1 January 2020.

##### 4.1.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 Leases. The right-of-use assets were measured at amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using incremental borrowing rates. The Group and the Company's incremental borrowing rates applied to the lease liabilities as at 1 January 2020 was ranged between 4.00% to 4.50% and 4.00%, respectively.

The lease liabilities as at 1 January 2020 can be reconciled to the operating lease commitments disclosed applying TAS 17 as at 31 December 2019, as follows:

	(Unit : Baht)	
	Consolidated	Separate
	Financial Statements	Financial Statements
Operating lease commitments disclosed		
as at 31 December 2019	12,984,193.00	9,464,999.00
<u>Less</u> Short-term Leases Recognised on a Straight-line Basis as Expenses	(279,484.00)	(279,484.00)
<u>Add</u> Purchase or Extension Options Reasonably Certain to be Exercised	179,760.00	179,760.00
<u>Less</u> Contracts Reassessed as Service Agreements	(12,601,989.00)	(9,185,515.00)
<u>Less</u> Deferred Interest Expenses	(16,211.61)	(12,275.89)
Additional Lease Liabilities from TFRS 16 Adoption	266,268.39	167,484.11
Finance Lease Liabilities as at 31 December 2019	914,672.31	-
Lease Liabilities Recognised as at 1 January 2020	1,180,940.70	167,484.11
Consist of:		
Current Lease Liabilities	515,540.92	47,852.60
Non- Current Lease Liabilities	665,399.78	119,631.51
	1,180,940.70	167,484.11

#### **4.2 Financial Reporting Standards that became effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial

reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

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

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

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

### **5.2 Cash and Cash Equivalents**

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

### **5.3 Trade and Other Current Receivables**

#### Accounting policies adopted since 1 January 2020

Trade and other current receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 5.5.

#### Accounting policies adopt before 1 January 2020

Trade and other current receivables are stated at the net realizable values.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and analyzing the aging of receivables.

### **5.4 Inventories**

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

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

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

### **5.5 Financial Instruments**

#### Accounting policies adopted since 1 January 2020

#### Classification and measurement of financial assets



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

Financial assets are subsequently measured in the following categories:

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

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

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

- Financial assets at FVTPL

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

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

#### Classification and measurement of financial liabilities

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

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

#### Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards

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

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

#### Impairment of financial assets

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

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

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

#### Offsetting of financial instruments

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

#### Accounting policies adopt before 1 January 2020

##### Current Investments

Current investments include fixed deposits with an original maturity over 3 months after the acquisition date and investments in marketable fixed income funds.

Current investments in debt instrument is marketable securities held for trading. It is classified as current asset and shown at fair value. Gain or loss from the security valuation is record under profit or loss.

Different between net cash received and book value will be record to profit or loss when the investments were sold.

#### Investments

Other long-term investments are investments in non-marketable equity instruments, which the Company considered as general investment, recorded under the cost method net of allowance for impairment (if any).

#### 5.6 Investments in Subsidiaries

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

#### 5.7 Non-current Assets Classified as Held for Sale

Non-current assets classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Assets as held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

#### 5.8 Property, Plant and Equipment

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

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

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

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

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

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

#### 5.9 Goodwill

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

#### 5.10 Intangible Assets

##### Computer software

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

#### 5.11 Impairment of Non – Financial Assets

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

An impairment loss is recognized in profit or loss.

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

#### 5.12 Leases

- Leases – where the Group is the lessee

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

The Group recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and

estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

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

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

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

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

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

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

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

measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

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

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### 5.13 Borrowing Costs

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

#### 5.14 Employees Benefit

##### Short-term Benefits

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

##### Long-term Employee Benefits

###### - Defined Contribution Plans

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

###### - Defined Benefit Plans

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

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

### 5.15 Provision of Liabilities

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

### 5.16 Recognition of Revenues

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

### 5.17 Recognition of Expenses

- Expenses are recognized on an accrual basis.

### 5.18 Income Taxes

#### Income Taxes

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

#### Current Tax

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

#### Deferred Tax

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

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

#### 5.19 Earnings per share

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

#### 5.20 Appropriation of Retained Earnings

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

#### 5.21 Fair Value Measurement

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

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

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

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

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

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

#### 5.22 Significant Accounting Judgments and Estimates



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

**Accrued Medical Service Revenues**

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

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

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

**Impairment of Investments**

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

**Property, Plant and Equipment and Depreciation**

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

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

**Intangible Assets and Amortized**

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

**Deferred Tax Assets**

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

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

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

#### **Fair value**

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

## **6. Cash and Cash Equivalents**

Consist of:

	(Unit : Baht)			
	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Cash	890,310.00	1,429,249.00	810,986.00	1,354,660.00
Current Deposit Accounts	40,759.91	(55,071.00)	4,983.39	2,983.39
Savings Deposit Accounts	57,382,181.54	121,676,151.78	23,710,784.82	91,354,483.16
Total	<u>58,313,251.45</u>	<u>123,050,329.78</u>	<u>24,526,754.21</u>	<u>92,712,126.55</u>

## **7. Other Current Financial Assets / Current Investments**

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Trading Securities – Fixed Income Funds				
Cost value	-	100,000,000.00	-	100,000,000.00
<u>Add (Deduct) Unrealized Profit (Loss)</u>	-	367,074.28	-	367,074.28
Fair value in Fixed Income Funds	-	100,367,074.28	-	100,367,074.28
Total	-	100,367,074.28	-	100,367,074.28

For the year ended 31 December 2020 and 2019, other current financial assets /current investments have the movement as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Beginning Carrying Amount	-	-	-	-
Reclassification Due to the Adoption of TFRS 9	100,367,074.28	-	100,367,074.28	-
As at 1 January 2020	100,367,074.28	-	100,367,074.28	-
Purchase of Trading Securities	-	300,000,000.00	-	300,000,000.00
Disposal of Trading Securities	(100,115,391.72)	(200,646,893.91)	(100,115,391.72)	(200,646,893.91)
Gain from sale of Trading Securities	(251,682.56)	646,893.91	(251,682.56)	646,893.91
Change of Fair Value of Trading Securities	-	367,074.28	-	367,074.28
Ending Carrying Amount	-	100,367,074.28	-	100,367,074.28

The fair value measurement of trading securities which are investments in opened-end mutual fund using the net asset value that announced by the fund as at the date of statement of financial position.

## 8. Trade and Other Current Receivables

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Accrued Medical Service Revenues				
Social Security Office	166,444,610.50	165,091,199.65	146,722,458.60	149,381,990.33
Accrued Revenue	2,799,359.40	4,049,033.50	2,853,477.90	7,377,522.50
Unbilled Trade Receivables	169,243,969.90	169,140,233.15	149,575,936.50	156,759,512.83
Trade Receivables	163,293,680.55	130,738,662.97	148,949,553.38	132,528,558.55
<u>Less Allowance for expected credit</u>				
loss of trade receivables	(2,794,402.19)	(1,245,119.00)	(1,582,965.26)	(647,344.00)

Trade Receivables - Net	160,499,278.36	129,493,543.97	147,366,588.12	131,881,214.55
Other Receivables	12,768,851.57	13,877,128.94	42,821,184.97	13,569,671.67
Total	342,512,099.83	312,510,906.06	339,763,709.59	302,210,399.05

Trade receivables were classified by aging as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Trade Receivables within due period	75,514,421.18	54,534,572.17	64,396,624.07	52,634,256.99
Trade Receivables classified by overdue period as follows				
- Less than 3 months	43,128,786.17	46,108,175.19	49,064,241.37	51,056,714.00
- Over 3 months to 6 months	15,543,993.10	20,138,007.86	12,353,969.60	24,223,114.86
- Over 6 months to 9 months	23,139,501.82	6,323,510.20	19,475,346.52	2,713,942.20
- Over 9 months to 12 months	2,530,519.43	1,398,936.50	1,487,041.02	573,768.00
- Over 12 months to 24 months	2,657,836.80	1,564,562.30	1,557,827.30	715,017.25
- Over 24 months	778,622.05	670,898.75	614,503.50	611,745.25
Total	163,293,680.55	130,738,662.97	148,949,553.38	132,528,558.55
<u>Less</u> Allowance for expected credit loss of trade receivables	(2,794,402.19)	(1,245,119.00)	(1,582,965.26)	(647,344.00)
Net	160,499,278.36	129,493,543.97	147,366,588.12	131,881,214.55

For the year ended 31 December 2020 and 2019, allowance for expected credit loss of trade receivables have the movement as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Beginning Balance	(1,245,119.00)	(1,117,162.39)	(647,344.00)	(1,011,828.39)
Effects of the adoption of TFRS 9	(1,247,998.48)	-	(602,019.04)	-
As at 1 January 2020	(2,493,117.48)	(1,117,162.39)	(1,249,363.04)	(1,011,828.39)
Increase during the Year	(1,536,268.71)	(1,286,732.00)	(850,946.22)	(660,532.00)
Decrease during the Year from Received	166,882.00	40,173.00	2,817.00	17,208.00
Decrease during the Year from Write - off	1,068,102.00	1,118,602.39	514,527.00	1,007,808.39
Ending Balance	(2,794,402.19)	(1,245,119.00)	(1,582,965.26)	(647,344.00)

Other Receivables and Other Non-Current Receivables consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Other Receivables</b>				
Prepaid Expense	1,764,983.38	1,162,279.67	1,533,784.23	911,403.49
Others	11,003,868.19	12,714,849.27	41,287,400.74	12,658,268.18
Total	12,768,851.57	13,877,128.94	42,821,184.97	13,569,671.67
<b>Other Non-Current Receivables</b>				
Loan for Education	1,406,441.18	2,889,941.67	643,185.00	1,776,060.00
Total	1,406,441.18	2,889,941.67	643,185.00	1,776,060.00

## 9. Inventories

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
				(Unit : Baht)
Medicines and Medical Supplies	30,460,691.67	26,323,574.93	24,642,905.58	21,348,121.59
Medical Supplies – Radiodiagnosis	47,157.22	46,919.40	33,335.70	24,934.76
Medical Supplies – Laboratory	5,907,547.99	4,966,356.39	4,760,090.36	4,491,061.43
Total	36,415,396.88	31,336,850.72	29,436,331.64	25,864,117.78
<u>Less</u> Allowance for Declining in				
Value of Inventories	(372,184.85)	(251,689.99)	(191,590.50)	(71,640.24)
Net	36,043,212.03	31,085,160.73	29,244,741.14	25,792,477.54

For the year ended 31 December 2020 and 2019, allowance for decline in value of inventories have the movement as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Beginning Balance	(251,689.99)	(120,663.88)	(71,640.24)	(15,490.49)
Increased during the Year	(304,783.28)	(247,563.61)	(119,950.26)	(56,149.75)
Reversed during the Year	-	29,830.78	-	-
Loss on Written-off to Expense	184,288.42	86,706.72	-	-
Ending Balance	<u>(372,184.85)</u>	<u>(251,689.99)</u>	<u>(191,590.50)</u>	<u>(71,640.24)</u>

## 10. Other Non-Current Financial Assets / Other Long-term Investments

Consist of:

(Unit : Baht)

Company's Name	Type of Business	Paid-up Share Capital	% Share- Holding	Fair Value	
				Consolidated and Separate Financial Statements	
				As at 31 December 2020	As at 31 December 2019
Wellness City Company Limited	Property Development for Sale	120,000,000.00	3.75	4,500,000.00	4,500,000.00
<u>Less Loss from Fair Value Measurement</u>				<u>(4,500,000.00)</u>	<u>(4,500,000.00)</u>
Net				-	-
Nan-Ram Hospital Company Limited	Healthcare Services	150,000,000.00	6.67	10,000,000.00	10,000,000.00
Total				<u>10,000,000.00</u>	<u>10,000,000.00</u>

## 11. Investments in Subsidiaries

Consist of:

(Unit : Baht)

Name of Company	Type of Business	Paid-up Share Capital	% Share- Holding	Separate Financial Statements	
				Cost Method	
				As at 31 December 2020	As at 31 December 2019
Rajthanee Rojana Hospital Company Limited	Healthcare Services	270,000,000.00	98.31	609,432,690.00	609,432,690.00
Rajthanee Nongkhae Hospital Company Limited	Healthcare Services	60,000,000.00	99.99	59,999,970.00	59,999,970.00
Total				<u>669,432,660.00</u>	<u>669,432,660.00</u>

In accordance with the Board of Directors' meeting number 6/2019, on 13 August 2019 has passed the resolution to approve the establishment of a new company, namely, Rajthanee Nongkhae Hospital Company Limited to be located in Nong Kae District, Saraburi Province. Its main activity is hospital operation. The Company invested Baht 59.99 million to purchase 59,999,970 shares of the said company at the par value of Baht 10. The Company holds 99.99% of the shares; therefore, the said company is classified as a subsidiary. The objective of the share purchase is to expand the hospital service operation. On 9 September 2019, the establishment of the said company has been registered with the Department of Business Development.

## 12. Property, Plant and Equipment

Consist of:

(Unit : Baht)

	Consolidated Financial Statements								Total
	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	
<b>Cost</b>									
As at 1 January 2019	188,515,677.88	3,733,404.75	784,879,638.08	305,600,615.93	63,194,370.58	48,390,340.74	30,599,159.73	75,924,419.00	1,500,837,626.69
Purchase	115,733,600.00	-	8,839,120.57	43,603,969.70	9,554,295.62	939,267.37	5,207,815.68	62,612,838.22	246,490,907.16
Transfer in/(Transfer out)	-	-	107,856,008.25	2,567,792.85	-	1,906,453.24	11,000.00	(112,341,254.34)	-
Disposal	-	-	(5,275.10)	(1,005,791.00)	(1,863,600.46)	(81,604.00)	(4,252,037.10)	-	(7,208,307.66)
As at 31 December 2019	<u>304,249,277.88</u>	<u>3,733,404.75</u>	<u>901,569,491.80</u>	<u>350,766,587.48</u>	<u>70,885,065.74</u>	<u>51,154,457.35</u>	<u>31,565,938.31</u>	<u>26,196,002.88</u>	<u>1,740,120,226.19</u>
<b>Accumulated Depreciation</b>									
As at 1 January 2019	-	(1,226,417.67)	(367,217,491.06)	(217,427,806.27)	(46,008,629.95)	(38,019,396.89)	(23,093,558.85)	-	(692,993,300.69)
Depreciation for the Year	-	(207,969.93)	(38,152,695.24)	(34,870,247.26)	(8,242,224.51)	(2,795,575.74)	(3,018,372.79)	-	(87,287,085.47)
Accumulated Depreciation for									
Disposal /Written-off	-	-	2,404.76	983,850.22	1,766,758.06	76,673.90	4,172,610.72	-	7,002,297.66
As at 31 December 2019	<u>-</u>	<u>(1,434,387.60)</u>	<u>(405,367,781.54)</u>	<u>(251,314,203.31)</u>	<u>(52,484,096.40)</u>	<u>(40,738,298.73)</u>	<u>(21,939,320.92)</u>	<u>-</u>	<u>(773,278,088.50)</u>
<b>Carrying Amount</b>									
As at 31 December 2018	<u>188,515,677.88</u>	<u>2,506,987.08</u>	<u>417,662,147.02</u>	<u>88,172,809.66</u>	<u>17,185,740.63</u>	<u>10,370,943.85</u>	<u>7,505,600.88</u>	<u>75,924,419.00</u>	<u>807,844,326.00</u>
As at 31 December 2019	<u>304,249,277.88</u>	<u>2,299,017.15</u>	<u>496,201,710.26</u>	<u>99,452,384.17</u>	<u>18,400,969.34</u>	<u>10,416,158.62</u>	<u>9,626,617.39</u>	<u>26,196,002.88</u>	<u>966,842,137.69</u>
<b>Depreciation for the Year</b>									
2019 (Amount of Baht 76.85 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									87,287,085.47



(Unit : Baht)

## Consolidated Financial Statements

	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 31 December 2019	304,249,277.88	3,733,404.75	901,569,491.80	350,766,587.48	70,885,065.74	51,154,457.35	31,565,938.31	26,196,002.88	1,740,120,226.19
Reclassification to Right-of-Use Assets due to the adoption of TFRS 16	-	-	-	(1,016,500.00)	-	(1,228,865.00)	-	-	(2,245,365.00)
As at 1 January 2020	304,249,277.88	3,733,404.75	901,569,491.80	349,750,087.48	70,885,065.74	49,925,592.35	31,565,938.31	26,196,002.88	1,737,874,861.19
Purchase	29,530,136.00	-	31,117,837.86	122,603,527.26	19,018,066.22	12,375,491.55	5,298,541.05	192,442,717.21	412,386,317.15
Transfer in/(Transfer out)	-	-	115,465,904.98	1,979,500.00	239,680.00	65,600.00	11,798,753.29	(129,549,438.27)	-
Disposal	-	-	(1,769,940.50)	(5,811,815.02)	(3,010,791.15)	(2,707,850.50)	(985,372.29)	-	(14,285,769.46)
Written-off	-	-	(150,000.00)	(11,117,700.00)	-	-	-	-	(11,267,700.00)
As at 31 December 2020	333,779,413.88	3,733,404.75	1,046,233,294.14	457,403,599.72	87,132,020.81	59,658,833.40	47,677,860.36	89,089,281.82	2,124,707,708.88
<b>Accumulated Depreciation</b>									
As at 31 December 2019	-	(1,434,387.60)	(405,367,781.54)	(251,314,203.31)	(52,484,096.40)	(40,738,298.73)	(21,939,320.92)	-	(773,278,088.50)
Reclassification to Right-of-Use Assets due to the adoption of TFRS 16	-	-	-	639,333.30	-	725,871.45	-	-	1,365,204.75
As at 1 January 2020	-	(1,434,387.60)	(405,367,781.54)	(250,674,870.01)	(52,484,096.40)	(40,012,427.28)	(21,939,320.92)	-	(771,912,883.75)
Depreciation for the Year	-	(207,970.08)	(45,326,161.94)	(41,300,470.58)	(10,559,602.12)	(4,385,645.62)	(3,973,527.22)	-	(105,753,377.56)
Accumulated Depreciation for Disposal /Written-off	-	-	1,904,661.30	16,752,639.13	2,955,509.59	2,694,978.51	916,946.11	-	25,224,734.64
As at 31 December 2020	-	(1,642,357.68)	(448,789,282.18)	(275,222,701.46)	(60,088,188.93)	(41,703,094.39)	(24,995,902.03)	-	(852,441,526.67)
<b>Carrying Amount</b>									
As at 31 December 2019	304,249,277.88	2,299,017.15	496,201,710.26	99,452,384.17	18,400,969.34	10,416,158.62	9,626,617.39	26,196,002.88	966,842,137.69
As at 31 December 2020	333,779,413.88	2,091,047.07	597,444,011.96	182,180,898.26	27,043,831.88	17,955,739.01	22,681,958.33	89,089,281.82	1,272,266,182.21
<b>Depreciation for the Year</b>									
2020 (Amount of Baht 97.39 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									105,753,377.56

(Unit : Baht)

## Separate Financial Statements

	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 1 January 2019	116,685,677.88	3,591,404.75	549,098,761.63	254,079,294.61	49,180,886.54	39,089,201.75	27,355,734.24	74,554,891.76	1,113,635,853.16
Purchase	47,223,940.00	-	4,609,171.36	40,546,073.71	8,412,806.18	712,213.37	4,328,621.68	62,612,838.22	168,445,664.52
Transfer in/(Transfer out)	-	-	107,856,008.25	2,567,792.85	-	1,299,301.00	11,000.00	(111,734,102.10)	-
Disposal	-	-	(5,275.10)	(1,005,791.00)	(1,702,492.46)	(81,604.00)	(4,252,037.10)	-	(7,047,199.66)
As at 31 December 2019	163,909,617.88	3,591,404.75	661,558,666.14	296,187,370.17	55,891,200.26	41,019,112.12	27,443,318.82	25,433,627.88	1,275,034,318.02
<b>Accumulated Depreciation</b>									
As at 1 January 2019	-	(1,163,720.84)	(291,925,844.60)	(180,206,967.82)	(36,464,009.07)	(30,691,147.90)	(20,849,647.73)	-	(561,301,337.96)
Depreciation for the Year	-	(179,570.13)	(27,205,968.23)	(30,819,995.87)	(6,317,601.41)	(2,249,808.90)	(2,546,493.35)	-	(69,319,437.89)
Accumulated Depreciation for Disposal /Written-off	-	-	2,404.76	983,850.22	1,614,088.76	76,673.90	4,172,610.72	-	6,849,628.36
As at 31 December 2019	-	(1,343,290.97)	(319,129,408.07)	(210,043,113.47)	(41,167,521.72)	(32,864,282.90)	(19,223,530.36)	-	(623,771,147.49)
<b>Carrying Amount</b>									
As at 31 December 2018	116,685,677.88	2,427,683.91	257,172,917.03	73,872,326.79	12,716,877.47	8,398,053.85	6,506,086.51	74,554,891.76	552,334,515.20
As at 31 December 2019	163,909,617.88	2,248,113.78	342,429,258.07	86,144,256.70	14,723,678.54	8,154,829.22	8,219,788.46	25,433,627.88	651,263,170.53
<b>Depreciation for the Year</b>									
2019 (Amount of Baht 62.34 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									69,319,437.89

(Unit : Baht)

## Separate Financial Statements

	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 1 January 2020	163,909,617.88	3,591,404.75	661,558,666.14	296,187,370.17	55,891,200.26	41,019,112.12	27,443,318.82	25,433,627.88	1,275,034,318.02
Purchase	-	-	22,810,321.16	108,890,431.25	14,401,576.82	11,165,641.55	4,996,125.50	166,293,873.52	328,557,969.80
Transfer in/(Transfer out)	-	-	109,226,392.58	1,979,500.00	239,680.00	65,600.00	-	(111,511,172.58)	-
Disposal	-	-	(1,769,940.50)	(5,811,815.02)	(3,010,791.15)	(2,707,850.50)	(985,372.29)	-	(14,285,769.46)
Written-off	-	-	-	(11,117,700.00)	-	-	-	-	(11,117,700.00)
As at 31 December 2020	163,909,617.88	3,591,404.75	791,825,439.38	390,127,786.40	67,521,665.93	49,542,503.17	31,454,072.03	80,216,328.82	1,578,188,818.36
<b>Accumulated Depreciation</b>									
As at 1 January 2020	-	(1,343,290.97)	(319,129,408.07)	(210,043,113.47)	(41,167,521.72)	(32,864,282.90)	(19,223,530.36)	-	(623,771,147.49)
Depreciation for the Year	-	(179,570.26)	(32,751,506.43)	(36,286,949.73)	(8,090,108.77)	(3,942,421.26)	(3,154,803.42)	-	(84,405,359.87)
Accumulated Depreciation for Disposal /Written-off	-	-	1,754,662.30	16,752,639.13	2,955,509.59	2,694,978.51	916,946.11	-	25,074,735.64
As at 31 December 2020	-	(1,522,861.23)	(350,126,252.20)	(229,577,424.07)	(46,302,120.90)	(34,111,725.65)	(21,461,387.67)	-	(683,101,771.72)
<b>Carrying Amount</b>									
As at 31 December 2019	163,909,617.88	2,248,113.78	342,429,258.07	86,144,256.70	14,723,678.54	8,154,829.22	8,219,788.46	25,433,627.88	651,263,170.53
As at 31 December 2020	163,909,617.88	2,068,543.52	441,699,187.18	160,550,362.33	21,219,545.03	15,430,777.52	9,992,684.36	80,216,328.82	895,087,046.64
<b>Depreciation for the Year</b>									
2020 (Amount of Baht 79.40 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									84,405,359.87

As at 31 December 2020 and 2019, The Group had land, building and constructions at the carrying amount in the consolidated financial statements in amount of Baht 808.00 million and Baht 706.72 million respectively, and in the separate financial statements in amount of Baht 560.45 million and Baht 461.36 million respectively, to mortgaged as collateral against the liabilities in accordance with loan agreements with financial institutions as in note no. 17

As at 31 December 2020 and 2019, the Group has assets which are fully depreciated but still in use in the consolidated financial statements at the cost value in amount of Baht 359.59 million and Baht 357.10 million respectively, the carrying amount in amount of Baht 5,459.00 and Baht 4,991.00 respectively, and in the separate financial statements at the cost value in amount of Baht 295.72 million and Baht 296.88 million respectively, the carrying amount in amount of Baht 4,501.00 and Baht 4,249.00 respectively.

### 13. Right-of-Use Assets and Lease Liabilities

#### 13.1 Right-of-Use Assets

Consist of:

	(Unit : Baht)			
	Consolidated Financial Statements			
	Office Appliance	Medical Appliance	Machinery Appliance and Vehicle	Total
<b>Cost</b>				
As at 31 December 2019	-	-	-	-
Effects of the adoption of TFRS 16	266,268.39	1,016,500.00	1,228,865.00	2,511,633.39
As at 1 January 2020	266,268.39	1,016,500.00	1,228,865.00	2,511,633.39
Increase	275,491.86	-	-	275,491.86
Decrease	(91,830.60)	-	-	(91,830.60)
As at 31 December 2020	449,929.65	1,016,500.00	1,228,865.00	2,695,294.65
<b>Accumulated Depreciation</b>				
As at 31 December 2019	-	-	-	-
Effects of the adoption of TFRS 16	-	(639,333.30)	(725,871.45)	(1,365,204.75)
As at 1 January 2020	-	(639,333.30)	(725,871.45)	(1,365,204.75)
Depreciation for the Year	(109,904.71)	(203,298.10)	(245,772.80)	(558,975.61)
Accumulated Depreciation for Written-off	45,915.30	-	-	45,915.30
As at 31 December 2020	(63,989.41)	(842,631.40)	(971,644.25)	(1,878,265.06)
<b>Carrying Amount</b>				
As at 31 December 2019	-	-	-	-
As at 1 January 2020	266,268.39	377,166.70	502,993.55	1,146,428.64
As at 31 December 2020	385,940.24	173,868.60	257,220.75	817,029.59

(Unit : Baht)

	Separate Financial Statements			
	Office Appliance	Medical Appliance	Machinery Appliance and Vehicle	Total
<b>Cost</b>				
As at 31 December 2019	-	-	-	-
Effects of the adoption of TFRS 16	167,484.11	-	-	167,484.11
As at 1 January 2020	167,484.11	-	-	167,484.11
Increase	-	-	-	-
As at 31 December 2020	167,484.11	-	-	167,484.11
<b>Accumulated Depreciation</b>				
As at 31 December 2019	-	-	-	-
Effects of the adoption of TFRS 16	-	-	-	-
As at 1 January 2020	-	-	-	-
Depreciation for the Year	(47,852.65)	-	-	(47,852.65)
As at 31 December 2020	(47,852.65)	-	-	(47,852.65)
<b>Carrying Amount</b>				
As at 31 December 2019	-	-	-	-
As at 1 January 2020	167,484.11	-	-	167,484.11
As at 31 December 2020	119,631.46	-	-	119,631.46

### 13.2 Lease Liabilities

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2020	As at 31 December 2019	As at 31 December 2020	As at 31 December 2019
<b>Lease Liabilities</b>				
Current	439,970.53	409,307.26	47,341.85	-
Non-Current	454,660.71	505,365.05	74,653.69	-
Total Lease Liabilities	894,631.24	914,672.31	121,995.54	-

The following are the amounts recognized in profit or loss:

	(Unit : Baht)	
	Consolidated Financial Statements	Separate Financial Statements
	For the year ended 31 December 2020	For the year ended 31 December 2020
Depreciation of Right-of-Use Assets	558,975.61	47,852.65
Interest Expense on Lease Liabilities	102,387.08	5,871.43
Expense relating to Short-term Lease	63,600.00	63,600.00
Total	724,962.69	117,324.08

#### 14. Goodwill

Consist of:

	(Unit : Baht)	
	Consolidated Financial Statements	
	For the year ended 31 December 2020	For the year ended 31 December 2019
<b>As at 1 January</b>		
Cost	87,802,508.74	87,802,508.74
<u>Less</u> Allowance for Impairment	-	-
Carrying Amount	87,802,508.74	87,802,508.74
Transactions During the Year Ended 31 December	-	-
Ending Carrying Amount	87,802,508.74	87,802,508.74
<b>As at 31 December</b>		
Cost	87,802,508.74	87,802,508.74
<u>Less</u> Allowance for Impairment	-	-
Carrying Amount	87,802,508.74	87,802,508.74

## Impairment testing of goodwill

The Company has tested for impairment of goodwill that arises from the acquisition of the Rajthanee Rojana Hospital Company Limited by comparing the carrying amount of the asset unit which includes the goodwill and the recoverable amount of cash generating asset unit. This depends on the useful lives which is calculated from the future cash flows to be generated from the continual use of the cash generating asset unit. The cash flows were projected over a period of 5 years before the terminal value growth rate.

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

Key assumption	Rate	Approach used to determine the value
- Discount Rate	7.96%	The discount rate was based on weighted average cost of capital the Company
- Terminal Value Growth Rate	3.00%	Terminal value growth rate was determined based on conservative principle by referencing to the inflation rate
- Revenue growth Rate	5.00%	Budgeted was based on past experience by referencing from expected earnings growth. Revenue growth based on the conservative principle.

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

## 15. Intangible Assets

Consist of:

	(Unit : Baht)		
	Consolidated Financial Statements		
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2019	17,083,141.50	762,375.00	17,845,516.50
Purchase	2,989,418.60	2,038,243.00	5,027,661.60
As at 31 December 2019	<u>20,072,560.10</u>	<u>2,800,618.00</u>	<u>22,873,178.10</u>
<b>Accumulated Amortization</b>			
As at 1 January 2019	(11,315,756.00)	-	(11,315,756.00)
Amortization for the Year	(2,278,426.26)	-	(2,278,426.26)
As at 31 December 2019	<u>(13,594,182.26)</u>	<u>-</u>	<u>(13,594,182.26)</u>
<b>Carrying Amount</b>			
As at 31 December 2018	<u>5,767,385.50</u>	<u>762,375.00</u>	<u>6,529,760.50</u>
As at 31 December 2019	<u><u>6,478,377.84</u></u>	<u><u>2,800,618.00</u></u>	<u><u>9,278,995.84</u></u>

(Unit : Baht)

	Consolidated Financial Statements		
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2020	20,072,560.10	2,800,618.00	22,873,178.10
Purchase	1,411,978.18	871,016.41	2,282,994.59
Transfer in/(Transfer out)	1,524,750.00	(1,524,750.00)	-
As at 31 December 2020	<u>23,009,288.28</u>	<u>2,146,884.41</u>	<u>25,156,172.69</u>
<b>Accumulated Amortization</b>			
As at 1 January 2020	(13,594,182.26)	-	(13,594,182.26)
Amortization for the Year	(2,447,987.33)	-	(2,447,987.33)
As at 31 December 2020	<u>(16,042,169.59)</u>	<u>-</u>	<u>(16,042,169.59)</u>
<b>Carrying Amount</b>			
As at 31 December 2019	<u>6,478,377.84</u>	<u>2,800,618.00</u>	<u>9,278,995.84</u>
As at 31 December 2020	<u>6,967,118.69</u>	<u>2,146,884.41</u>	<u>9,114,003.10</u>
<b>Amortization for the Year</b>			
2019 (Amount of Baht 2.14 million Included in Cost of Hospital Operations, the rest included in Administrative Expenses)			2,278,426.26
2020 (Amount of Baht 2.31 million Included in Cost of Hospital Operations, the rest included in Administrative Expenses)			2,447,987.33

(Unit : Baht)

	Separate Financial Statements		
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2019	12,808,491.50	762,375.00	13,570,866.50
Purchase	2,973,368.60	2,038,243.00	5,011,611.60
As at 31 December 2019	<u>15,781,860.10</u>	<u>2,800,618.00</u>	<u>18,582,478.10</u>
<b>Accumulated Amortization</b>			
As at 1 January 2019	(8,662,029.69)	-	(8,662,029.69)
Amortization for the Year	(1,429,715.70)	-	(1,429,715.70)
As at 31 December 2019	<u>(10,091,745.39)</u>	<u>-</u>	<u>(10,091,745.39)</u>
<b>Carrying Amount</b>			
As at 31 December 2018	<u>4,146,461.81</u>	<u>762,375.00</u>	<u>4,908,836.81</u>
As at 31 December 2019	<u>5,690,114.71</u>	<u>2,800,618.00</u>	<u>8,490,732.71</u>



(Unit : Baht)

	Separate Financial Statements		
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2020	15,781,860.10	2,800,618.00	18,582,478.10
Purchase	1,285,718.18	871,016.41	2,156,734.59
Transfer in/(Transfer out)	1,524,750.00	(1,524,750.00)	-
As at 31 December 2020	18,592,328.28	2,146,884.41	20,739,212.69
<b>Accumulated Amortization</b>			
As at 1 January 2020	(10,091,745.39)	-	(10,091,745.39)
Amortization for the Year	(1,911,401.84)	-	(1,911,401.84)
As at 31 December 2020	(12,003,147.23)	-	(12,003,147.23)
<b>Carrying Amount</b>			
As at 31 December 2019	5,690,114.71	2,800,618.00	8,490,732.71
As at 31 December 2020	6,589,181.05	2,146,884.41	8,736,065.46
<b>Amortization for the Year</b>			
2019 (Amount of Baht 1.29 million included in Cost of Hospital Operations, the rest included in Administrative Expenses)			1,429,715.70
2020 (Amount of Baht 1.77 million included in Cost of Hospital Operations, the rest included in Administrative Expenses)			1,911,401.84

## 16. Deferred Taxes

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

	Consolidated Financial Statements			(Unit : Baht)
	As at 31 December 2019	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2020
<b>Deferred Tax Assets</b>				
Trade Receivables	129,468.80	292,561.72	-	422,030.52
Inventories	36,009.95	108.92	-	36,118.87
Property, Plant and Equipment	6,595,248.88	39,205,838.40	-	45,801,087.28
Right-of-Use Assets	-	16,555.56	-	16,555.56
Medicine and Medical Supply Estimation	-	262,187.60	-	262,187.60

(Unit : Baht)

	Consolidated Financial Statements			
	As at 31 December 2019	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2020
<b>Non-Current Provisions for</b>				
Employee Benefit	11,384,549.54	525,775.00	(706,601.75)	11,203,722.79
Unused Tax Losses	3,751,888.96	(3,751,888.96)	-	-
<b>Total</b>	<b>21,897,166.13</b>	<b>36,551,138.24</b>	<b>(706,601.75)</b>	<b>57,741,702.62</b>
<b>Deferred Tax Liabilities</b>				
Current Investments	73,414.86	(73,414.86)	-	-
<b>Total</b>	<b>73,414.86</b>	<b>(73,414.86)</b>	<b>-</b>	<b>-</b>

(Unit : Baht)

	Consolidated Financial Statements			
	As at 31 December 2018	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2019
<b>Deferred Tax Assets</b>				
Trade Receivables	202,365.68	(72,896.88)	-	129,468.80
Inventories	21,034.68	14,975.27	-	36,009.95
Property, Plant and Equipment	8,607,763.81	(2,012,514.93)	-	6,595,248.88
<b>Non-Current Provisions for</b>				
Employee Benefit	7,443,909.88	2,493,233.00	1,447,406.66	11,384,549.54
Unused Tax Losses	13,651,330.66	(9,899,441.70)	-	3,751,888.96
<b>Total</b>	<b>29,926,404.71</b>	<b>(9,476,645.24)</b>	<b>1,447,406.66</b>	<b>21,897,166.13</b>
<b>Deferred Tax Liabilities</b>				
Current Investments	-	73,414.86	-	73,414.86
<b>Total</b>	<b>-</b>	<b>73,414.86</b>	<b>-</b>	<b>73,414.86</b>

(Unit : Baht)

	Separate Financial Statements			
	As at 31 December 2019	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2020
<b>Deferred Tax Assets</b>				
Trade Receivables	129,468.80	82,526.21	-	211,995.01
Property, Plant and Equipment	3,552,341.90	33,265,638.39	-	36,817,980.29
Right-of-Use Assets	-	472.81	-	472.81
Medicine and Medical Supply Estimation	-	262,187.60	-	262,187.60

(Unit : Baht)

	Separate Financial Statements			As at 31 December 2020
	As at 31 December 2019	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	
Non-Current Provisions for				
Employee Benefit	11,196,263.04	570,397.31	(711,444.56)	11,055,215.79
Total	14,878,073.74	34,181,222.32	(711,444.56)	48,347,851.50
<b>Deferred Tax Liabilities</b>				
Current Investments	73,414.86	(73,414.86)	-	-
Total	73,414.86	(73,414.86)	-	-

(Unit : Baht)

	Separate Financial Statements			As at 31 December 2019
	As at 31 December 2018	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	
<b>Deferred Tax Assets</b>				
Trade Receivables	202,365.68	(72,896.88)	-	129,468.80
Property, Plant and Equipment	5,684,748.04	(2,132,406.14)	-	3,552,341.90
Non-Current Provisions for				
Employee Benefit	7,149,286.73	2,618,748.60	1,428,227.71	11,196,263.04
Total	13,036,400.45	413,445.58	1,428,227.71	14,878,073.74
<b>Deferred Tax Liabilities</b>				
Current Investments	-	73,414.86	-	73,414.86
Total	-	73,414.86	-	73,414.86

## 17. Credits and Guarantees

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

## 18. Short-term Borrowings from Financial Institutions

As at 31 December 2020, short-term borrowings from financial institutions in full amount is promissory note with the interest at 1.50% – 1.60% per annum.

## 19. Trade and Other Current Payables

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Trade Payables	154,467,921.93	136,504,393.57	158,719,736.25	157,668,712.63
Other Payables	86,486,306.41	60,254,877.26	67,101,272.43	51,840,960.79
<b>Total</b>	<b>240,954,228.34</b>	<b>196,759,270.83</b>	<b>225,821,008.68</b>	<b>209,509,673.42</b>

Other payables consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Accrued Expenses	18,730,032.64	15,734,540.14	14,500,178.72	12,601,256.67
Dividend Payables	2,459,751.97	2,334,634.34	2,459,751.97	2,334,634.34
Accrued Bonus	28,368,731.00	22,250,423.15	24,249,438.00	19,441,481.65
Accounts Payable for Assets	9,301,874.86	8,393,332.47	3,268,938.86	8,021,899.47
Retention Payables	14,804,196.79	5,566,389.72	12,609,830.06	5,203,732.48
Accrued Withholding Tax	6,239,800.56	1,826,496.35	5,552,791.67	1,266,864.82
Other Payables	6,581,918.59	4,149,061.09	4,460,343.15	2,971,091.36
<b>Total</b>	<b>86,486,306.41</b>	<b>60,254,877.26</b>	<b>67,101,272.43</b>	<b>51,840,960.79</b>

## 20. Non-Current Provisions for Employee Benefit

For the year ended 31 December 2020 and 2019, non-current provisions for employee benefit have the movement as follows:

(Unit : Baht)

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

(Unit : Baht)

	Consolidated Financial Statements		
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2019	36,595,579.34	623,970.06	37,219,549.40
Past Service Cost	10,337,051.91	-	10,337,051.91
Current Service Cost	4,325,409.22	150,834.17	4,476,243.39
Interest Expense	1,399,845.79	13,968.50	1,413,814.29
(Gains) Loss on Remeasurements of Defined Benefit Plans	7,209,355.50	27,677.82	7,237,033.32
Loss on Settlement	72,006.00	-	72,006.00
<u>Less</u> Payment During the Year	(3,773,848.00)	(59,102.64)	(3,832,950.64)
Employee Benefits due within one year	(671,781.16)	-	(671,781.16)
Present Value of the Obligation as at 31 December 2019	<u>55,493,618.60</u>	<u>757,347.91</u>	<u>56,250,966.51</u>

(Unit : Baht)

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

(Unit : Baht)

	Separate Financial Statements		
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2019	35,122,463.56	623,970.06	35,746,433.62
Past Service Cost	10,317,150.77	-	10,317,150.77
Current Service Cost	4,108,894.52	150,834.17	4,259,728.69
Interest Expense	1,381,839.70	13,968.50	1,395,808.20
(Gains) Loss on Remeasurements of Defined Benefit Plans	7,113,460.71	27,677.82	7,141,138.53
Loss on Settlement	72,006.00	-	72,006.00
<u>Less Payment During the Year</u>	<u>(2,891,848.00)</u>	<u>(59,102.64)</u>	<u>(2,950,950.64)</u>
Employee Benefits due within one year	(587,721.43)	-	(587,721.43)
Present Value of the Obligation as at 31 December 2019	<u>54,636,245.83</u>	<u>757,347.91</u>	<u>55,393,593.74</u>

For the year ended 31 December 2020 and 2019, lists are included in the profit or loss shown as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Past Service Cost	-	10,337,051.91	-	10,317,150.77
Current Service Cost	4,649,635.86	4,476,243.39	4,434,247.14	4,259,728.69
Interest Expense	1,524,236.14	1,413,814.29	1,509,586.42	1,395,808.20
Total	<u>6,173,872.00</u>	<u>16,227,109.59</u>	<u>5,943,833.56</u>	<u>15,972,687.66</u>

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

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Cost of Hospital Operations	4,470,248.47	12,303,476.95	4,407,157.39	12,245,210.89
Administrative Expenses	1,703,623.53	3,923,632.64	1,536,676.17	3,727,476.77
Total	6,173,872.00	16,227,109.59	5,943,833.56	15,972,687.66

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

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Assumption Population	-	141,078.51	-	-
Financial Information	5,958,545.65	6,920,205.87	5,934,331.58	6,890,062.59
Adjust from Experience	(9,491,554.40)	175,748.94	(9,491,554.40)	251,075.94
Total	(3,533,008.75)	7,237,033.32	(3,557,222.82)	7,141,138.53

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

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Within one year	2,680,338.53	3,505,055.20	2,627,789.95	3,160,179.00
More than 1 year but not over 5 years	19,662,337.22	18,458,557.13	19,270,698.54	18,269,360.00
More than 5 years	166,192,151.11	159,918,167.59	162,304,976.65	155,776,003.00
Total	188,534,826.86	181,881,779.92	184,203,465.14	177,205,542.00

As shown in the consolidated financial statements as at 31 December 2020 and 2019, the weighted average duration of the liabilities for long-term employee benefit is 16 – 17 years and 16 years respectively and in the separate financial statements is 17 years and 16 years respectively.

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

	For the year ended 31 December 2020	For the year ended 31 December 2019
Discount rate	0.86% – 1.91% per annum	1.32% – 1.90% per annum
Salary increase rate	6.00% per annum	6.00% per annum
Employee turnover rate	1.91% – 34.38% per annum	1.91% – 34.38% per annum
Mortality rate	105.00 % per annum of mortality table year 2017	105.00 % per annum of mortality table year 2017
Disability rate	Included in the mortality rate	Included in the mortality rate
Retirement age	55 and 60 years old	55 and 60 years old
Gold Price	Gold price as at 30 November 2020	Gold price as at 31 December 2018

### Sensitivity Analysis

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

	(Unit : Baht)			
	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2020	As at 31 December 2019	As at 31 December 2020	As at 31 December 2019
<b>Post-employment benefit</b>				
<b>Discount rate</b>				
Increase 0.50%	(2,732,685.09)	(2,252,641.27)	(2,685,719.85)	(2,213,234.59)
Decrease 0.50%	2,977,490.68	2,441,656.72	2,925,765.92	2,398,259.72
<b>Salary increase rate</b>				
Increase 1.00%	5,545,386.88	5,388,841.04	5,437,681.87	5,305,723.86
Decrease 1.00%	(4,790,383.18)	(4,674,303.39)	(4,699,495.33)	(4,603,839.64)
<b>Employee turnover rate</b>				
Increase 20.00%	(4,917,288.42)	(4,481,150.40)	(4,686,836.87)	(4,301,562.47)
Decrease 20.00%	6,192,975.75	5,617,442.91	5,804,194.75	5,319,551.05
<b>Mortality rate</b>				
Increase 20.00%	(279,130.67)	(252,721.08)	(271,513.93)	(246,694.20)
Decrease 20.00%	281,167.62	254,473.08	273,463.48	248,378.92



(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Other long-term benefit</b>				
<b>Discount rate</b>				
Increase 0.50%	(19,139.15)	(13,491.09)	(19,139.15)	(13,491.09)
Decrease 0.50%	19,734.94	13,908.91	19,734.94	13,908.91
<b>Employee turnover rate</b>				
Increase 20.00%	(73,434.08)	(68,914.09)	(73,434.80)	(68,914.09)
Decrease 20.00%	81,106.15	77,669.91	81,106.15	77,669.91
<b>Mortality rate</b>				
Increase 20.00%	(695.44)	(647.09)	(695.44)	(647.09)
Decrease 20.00%	696.43	647.91	696.43	647.91

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

For the year ended 31 December 2019, The Group had a part of past service cost in the consolidated financial statements in amount of Baht 10.34 million and in the separate financial statements in amount of Baht 10.32 million, is the change in the present value of the defined benefit obligations resulting from the plan amendment so as to comply the new labour protection law which is effective on 5 May 2019 that requires the Company has to make the severance pay to the employee with the completion to 20 years or more of employment, which not less than 400 days of last wage rate.

## 21. Share Capital

Consist of:

	For the year			For the year		
	Par Value	ended 31 December 2020		Par Value	ended 31 December 2019	
	Per Share Baht	Number of Share Share	Per Share Baht	Per Share Baht	Number of Share Share	Amount Baht
<b>Authorized Share Capital</b>						
Beginning Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00
Ending Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00
<b>Issued and Paid-up Share Capital</b>						
Beginning Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00
Ending Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00

## 22. Dividends

22.1 The Annual General Shareholders' Meeting for 2019, held on 22 April 2019, has resolved to pay dividend to from net profit of operation for the year ended 31 December 2018, paid up shareholders of 300,000,000 shares, at Baht 0.70 per share. Payment details are as follows:

22.1.1 The Company has interim dividend in accordance with the minute of the Board of Directors of Meeting No.5/2018, held on 9 August 2018, it resolved to approve a payment of interim dividend from the Company's net profit for the six months period from 1 January 2018 ending on 30 June 2018 at Baht 0.30 per share, total amounted of Baht 90.00 million.

22.1.2 Dividends from the net profit for the six months period from 1 July 2018 ending on 31 December 2018, at Baht 0.40 per share, total amounted of Baht 120.00 million.

22.2 The Annual General Shareholders' Meeting for 2020, held on 27 April 2020, has resolved to pay dividend to from net profit of operation for the year ended 31 December 2019, paid up shareholders of 300,000,000 shares, at Baht 1.10 per share. Payment details are as follows:

22.2.1 The Company has interim dividend in accordance with the minute of the Board of Directors of Meeting No.6/2019, held on 13 August 2019, it resolved to approve a payment of interim dividend from the Company's net profit for the six months period from 1 January 2019 ending on 30 June 2019 at Baht 0.60 per share, total amounted of Baht 180.00 million.

22.2.2 Dividends from the net profit for the six months period from 1 July 2019 ending on 31 December 2019, at Baht 0.50 per share, total amounted of Baht 150.00 million.

22.3 In accordance with the Board of Directors' meeting No.4/2020, held on 10 August 2020, has resolve to pay interim dividend from net profit for the six months period from 1 January 2020 endeding 30 June 2020 at Baht 0.40 per share, total amounted of Baht 120.00 million.

22.4 In accordance with the Board of Directors' meeting No.5/2020, held on 9 Noveber 2020, has resolve to pay interim dividend from net profit for the three months period from 1 July 2020 endeding 30 September 2020 at Baht 0.15 per share, total amounted of Baht 45.00 million.

## 23. Capital Management

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

As at 31 December 2020 and 2019, the consolidated financial statements present the debt to equity 0.27 : 1 and 0.20 : 1, respectively.

As at 31 December 2020 and 2019, the separate financial statements presents the debt to equity ratio in 0.22 : 1 and 0.18 : 1, respectively.

## 24. Tax (Expense) Income

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

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Current Income Tax				
Tax (Expense) Income for Current Year	(76,265,855.95)	(89,754,045.29)	(66,122,291.28)	(89,754,045.29)
Deferred Income Tax				
Deferred Income Tax (Expense)	36,624,553.10	(9,550,060.10)	34,254,637.18	340,030.72
Tax (Expense) Income Recognized in the Profit or Loss	<u>(39,641,302.85)</u>	<u>(99,304,105.39)</u>	<u>(31,867,654.10)</u>	<u>(89,414,014.57)</u>

The differences between tax (expense) income which was calculated from accounting profits at the tax rate for the year ended 31 December 2020 and 2019 of 20% are as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Profit before Income Tax	<u>453,264,863.56</u>	<u>495,843,727.31</u>	<u>380,161,156.48</u>	<u>447,328,884.04</u>
Tax (Expense) Income Calculated at the Tax rate of 20%	(90,652,972.71)	(99,168,745.46)	(76,032,231.30)	(89,465,776.81)
Expenses that are Deductible for Income Tax	(33,238.46)	159,119.80	(33,238.46)	159,119.80
Expenses that are not Deductible for Income Tax	(465,845.01)	(270,638.28)	(216,545.64)	(90,703.94)
Tax loss in Prior year that not Recognized as Deferred Tax Assets	(291,368.54)	(7,187.83)	-	-
Capital Expenditures with Deductible Rights	51,529,189.49	-	44,226,738.63	-
Deferred Tax Assets that not Recognized in Prior year	<u>272,932.38</u>	<u>(16,653.62)</u>	<u>187,622.67</u>	<u>(16,653.62)</u>
Tax (Expense) Income	<u>(39,641,302.85)</u>	<u>(99,304,105.39)</u>	<u>(31,867,654.10)</u>	<u>(89,414,014.57)</u>

Deferred tax which are not recognized in the financial statements as at 31 December 2020 and 2019 consist of:

	(Unit : Baht)			
	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Deductible Temporary Differences	38,318.10	914,328.05	38,318.10	914,328.05

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

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

	(Unit : Baht)		
	Consolidated Financial Statements		
	Amount Before Tax	Tax (Expense) Income	Net of Tax
<b>For the year ended 31 December 2020</b>			
Gains (Loss) on Remeasurements of Defined			
Benefit Plans	3,533,008.75	(706,601.75)	2,826,407.00
<b>For the year ended 31 December 2019</b>			
Gains (Loss) on Remeasurements of Defined			
Benefit Plans	(7,237,033.32)	1,447,406.66	(5,789,626.66)
(Unit : Baht)			
	Separate Financial Statements		
	Amount Before Tax	Tax (Expense) Income	Net of Tax
<b>For the year ended 31 December 2020</b>			
Gains (Loss) on Remeasurements of Defined			
Benefit Plans	3,557,222.82	(711,444.56)	2,845,778.26
<b>For the year ended 31 December 2019</b>			
Gains (Loss) on Remeasurements of Defined			
Benefit Plans	(7,141,138.53)	1,428,227.71	(5,712,910.82)

## 25. Provident Fund

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

For the year ended 31 December 2020 and 2019, the Group has paid contribution to provident fund in the amount of Baht 3.40 million and Baht 3.06 million, respectively.

For the year ended 31 December 2020 and 2019, the Company has paid contribution to provident fund in the amount of Baht 2.96 million and Baht 3.06 million, respectively.

## 26. Expenses by Nature

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Change in Finished Goods	(5,078,546.16)	(2,213,883.99)	(3,572,213.86)	(2,552,638.31)
Medicines and Supplies	304,558,342.99	279,666,877.54	248,900,464.69	255,076,500.98
Employees Expenses	371,861,427.68	368,753,426.58	314,274,149.77	319,372,465.64
Hemodialysis	64,283,169.00	59,732,548.00	40,722,988.00	38,519,518.00
Social Security Expenses	19,500,620.41	73,035,607.66	160,141,816.50	185,494,416.99
Doctor Fee	314,171,512.18	332,937,766.93	263,576,655.93	283,333,112.35
Cost to Patients Food	13,853,246.00	15,452,597.74	12,008,338.00	13,230,399.74
Repair and Maintenance Expenses	11,756,858.04	10,382,279.27	9,641,529.41	8,040,223.51
Utility Expenses	31,032,617.99	31,137,780.92	24,823,272.95	24,682,900.95
Depreciation and Amortization	108,760,340.50	89,565,511.73	86,364,614.36	70,749,153.59
Management Compensation	26,705,859.00	28,006,021.03	22,784,477.64	24,339,013.39
Other Expenses	163,473,035.45	115,186,440.20	110,911,766.56	96,736,444.23
Total	<u>1,424,878,483.08</u>	<u>1,401,642,973.61</u>	<u>1,290,577,859.95</u>	<u>1,317,021,511.06</u>

(Unit : Baht)

## 27. Segment Financial Information

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

### Information about major customers

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

## 28. Financial Instruments

### 28.1 Financial Risk Management Policies

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

### 28.2 Interest Rates Risk

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

(Unit : Baht)

	Consolidated Financial Statements				
	As at 31 December 2020				
	Floating Interest	Fixed Interest	Non Interest	Total	Rate
	Rate	Rate	Bearing		
<u>Financial Assets</u>					
Cash and Cash Equivalents	57,382,181.54	-	931,069.91	58,313,251.45	0.05% -0.50%
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	70,000,000.00	-	70,000,000.00	1.50% - 1.60%
Lease Liabilities	-	894,631.24	-	894,631.24	1.40% -6.63%

(Unit : Baht)

## Consolidated Financial Statements

As at 31 December 2019

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	121,676,151.78	-	1,374,178.00	123,050,329.78	0.125%-1.700%
<u>Financial Liabilities</u>					
Lease Liabilities	-	914,672.31	-	914,672.31	1.40%-6.63%

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2020

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	23,710,784.82	-	815,969.39	24,526,754.21	0.05%-0.40%
Short-term Loan to Subsidiary	-	70,000,000.00	-	70,000,000.00	2.15%
<u>Financial Liabilities</u>					
Short-term Borrowings from			-		
Financial Institutions	-	70,000,000.00		70,000,000.00	1.50% - 1.60%
Lease Liabilities	-	121,995.54	-	121,995.54	4.00%

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2019

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	91,354,483.16	-	1,357,643.39	92,712,126.55	0.125%-1.700%
Short-term Loan to Subsidiary	-	102,800,000.00	-	102,800,000.00	2.15%

## 28.3 Foreign Exchange Rates Risk

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

## 28.4 Credit risk

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

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

As at 1 January 2020 (the date of initial application of new financial reporting standards), the Group's management has assessed which business models applied to the financial assets and financial liabilities held by the Group and has classified the financial assets and financial liabilities as below. (The balances as at 1 January 2020 has disclosed in Note 4.1.1)

(Unit : Baht)

	Consolidated Financial Statements		
	Fair value through profit or loss	Amortised cost	Total
As at 31 December 2020			
<u>Financial Assets</u>			
Cash and Cash Equivalents	-	58,313,251.45	58,313,251.45
Trade and Other Current Receivables	-	342,512,099.83	342,512,099.83
Other Non-Current Financial Assets	10,000,000.00	-	10,000,000.00
Other Non-Current Receivables	-	1,406,441.18	1,406,441.18
Total	10,000,000.00	402,231,792.46	412,231,792.46
<u>Financial Liabilities</u>			
Short-term Borrowings from			
Financial Institutions	-	70,000,000.00	70,000,000.00
Trade and Other Current Payables	-	240,954,228.34	240,954,228.34
Lease Liabilities	-	894,631.24	894,631.24
Total	-	311,848,859.58	311,848,859.58



(Unit : Baht)

	Separate Financial Statements		
	Fair value through profit or loss	Amortised cost	Total
As at 31 December 2020			
<u>Financial Assets</u>			
Cash and Cash Equivalents	-	24,526,754.21	24,526,754.21
Trade and Other Current Receivables	-	339,763,709.59	339,763,709.59
Short-term Loan to Subsidiary	-	70,000,000.00	70,000,000.00
Other Non-Current Financial Assets	10,000,000.00	-	10,000,000.00
Other Non-Current Receivables	-	643,185.00	643,185.00
Total	10,000,000.00	434,933,648.80	444,933,648.80
<u>Financial Liabilities</u>			
Short-term Borrowings from			
Financial Institutions	-	70,000,000.00	70,000,000.00
Trade and Other Current Payables	-	225,821,008.68	225,821,008.68
Lease Liabilities	-	121,995.54	121,995.54
Total	-	295,943,004.22	295,943,004.22

Financial assets and liabilities measured at amortised cost approximate fair value.

#### 28.6 Fair Value of Financial Instruments

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

## 28.7 Fair Value Hierarchy

As at 31 December 2019, the Group had the assets that were measured at fair value for which fair value were disclosed using different level of input as follows:

(Unit : Baht)

	Consolidated and Separate Financial Statements				
	As at 31 December 2019				
	Carrying Value	Fair Value			Total
Level 1		Level 2	Level 3		
<b>Assets measured at Fair Value</b>					
Financial Assets measured at Fair Value					
through Profit or Loss					
Debt Instruments	100,367,074.28	100,367,074.28	-	-	100,367,074.28

## 29. Transactions with Related Persons and Parties

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

### 29.1 Relationship among the Company

<u>Name of Related Persons and Entities</u>	<u>Nature of Relationship</u>
Rajthanee Rojana Hospital Company Limited	Subsidiary by Direct Shareholding
Rajthanee Nongkhae Hospital Company Limited	Subsidiary by Direct Shareholding
Nan-Ram Hospital Company Limited	Related company with shareholding 6.67% and Directorship
Borhitvedchakran Company Limited	Director of the Company is Shareholder
Charoenpaiboon City Company Limited	Accompany with Shareholder
La Clemence Publishing Limited Partnership	Close Relative which Director is a Partner
Vibharam Hospital Company Limited	Related Company by Directorship
Ramkhamhaeng Hospital Public Company Limited	Related Company by Directorship
The Medicpharma Company Limited	Related Company by Directorship
Sabuy Technology Public Company Limited	Related Company by Directorship
Rangsiphan Company Limited	Related Company by Directorship
Coffee Planet Company Limited	Related Company by Directorship
Bangkok Cancer Detection and Treatment Center Company Limited	Related Company by Directorship
Medtech Medical(Thailand) Company Limited	Related Company which the Company's Director is an Assistant Director
Khun Surin Prasithirun	Director of the Group and Shareholder of the Company
Khun Porn-tip Wudhikulprapan	Director and Shareholder of the Company

## 29.2 Inter-Transactions

(Unit : Baht)

		Consolidated Financial Statements	
		For the year ended	
	Pricing Policy	31 December 2020	31 December 2019
<b>Inter-Transactions with Related Companies</b>			
Revenue from Hospital Operations	Mutually Agreed Price	26,681,200.00	-
Other Income	Mutually Agreed Price	530,935.92	63,784.84
Cost of Hospital Operations	Mutually Agreed Price	27,364,447.50	23,523,722.64
Purchases Merchandise and Supplies	Normal Business Price Similar	29,838,480.25	1,783,368.52
Price Charged to Other Business			
Partners			
Purchase of Fixed Assets	Mutually Agreed Price	10,050,240.00	2,839,500.00
<b>Inter-Transaction with Related Persons</b>			
Consultant Expense	Contract Price	-	150,000.00

(Unit : Baht)

		Separate Financial Statements	
		For the year ended	
	Pricing Policy	31 December 2020	31 December 2019
<b>Inter-Transaction with Subsidiary Company</b>			
Revenue from Hospital Operations	Mutually Agreed Price	117,690,825.70	76,725,537.58
Revenue from Sales Medical	Mutually Agreed price	6,222.21	3,908.77
Other Income	Mutually Agreed Price	60,000.00	60,000.00
Interest Income	Annual Interest Rate at 2.15%	1,825,626.86	1,278,336.97
Cost of Hospital Operations	Mutually Agreed Price	117,736,898.00	116,120,123.00
Cost of Medical	Mutually Agreed price	11,322.00	10,729.60
<b>Inter-Transactions with Related Companies</b>			
Revenue from Hospital Operations	Mutually Agreed Price	22,405,600.00	-
Other Income	Mutually Agreed Price	530,935.92	63,784.84
Cost of Hospital Operations	Mutually Agreed Price	3,863,706.50	2,310,692.64
Purchases Merchandise and Supplies	Normal Business Price Similar	3,203,595.24	1,358,441.08
Price Charged to Other Business			
Partners			
Purchase of Fixed Assets	Mutually Agreed Price	8,410,650.00	2,786,690.00
<b>Inter-Transaction with Related Persons</b>			
Consultant Expense	Contract Price	-	150,000.00

### 29.3 Inter-Outstanding Balances

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Trade Receivables</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	28,331,358.20	26,568,364.00
Related Company				
Ramkhamhaeng Hospital Public Company Limited	17,263,400.00	-	15,233,400.00	-
Total Trade Receivables	<u>17,263,400.00</u>	<u>-</u>	<u>43,564,758.20</u>	<u>26,568,364.00</u>
<b>Accrued Revenue</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	279,569.50	3,426,623.00
<b>Other Receivables</b>				
Related Companies				
Sabuy Technology Public Company Limited	2,000.00	2,000.00	2,000.00	2,000.00
Coffee Planet Company Limited	44,081.42	40,000.00	44,081.42	40,000.00
Total Other Receivables	<u>46,081.42</u>	<u>42,000.00</u>	<u>46,081.42</u>	<u>42,000.00</u>
<b>Advances</b>				
Subsidiary Company				
Rajthanee Nongkhae Hospital Company Limited	-	-	31,000,000.00	-
<b>Accrued Interest</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	251,520.55	187,715.61
<b>Short-term Loans to</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited				
Beginning Balance	-	-	102,800,000.00	32,800,000.00
Increase	-	-	-	70,000,000.00
Decrease	-	-	(32,800,000.00)	-
Ending Balance	<u>-</u>	<u>-</u>	<u>70,000,000.00</u>	<u>102,800,000.00</u>

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Trade Payables</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	31,862,262.00	42,955,390.00
Related Companies				
Ramkhamhaeng Hospital Public Company Limited	6,652,698.00	131,716.00	1,841,378.00	120,196.00
Bangkok Cancer Detection and Treatment Center Company Limited	-	165,200.00	-	165,200.00
The Medicpharma Company Limited	1,121,268.62	751,710.06	968,983.99	675,444.44
Borphenitvedchakran Company Limited	6,524,738.28	6,455,058.38	-	-
Charoenpaiboon City Company Limited	2,510.00	26,226.00	2,510.00	26,226.00
Medtech Medical(Thailand) Company Limited	119,590.00	-	72,210.00	-
La Clemence Publishing Limited Partnership	82,978.50	64,521.00	82,978.50	64,521.00
Rangsiphan Company Limited	-	74,900.00	-	74,900.00
Total Trade Payables	<u>14,503,783.40</u>	<u>7,669,331.44</u>	<u>34,830,322.49</u>	<u>44,081,877.44</u>
<b>Advance Received</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	525,200.00	-
<b>Other Accounts Payable for Fixed Assets</b>				
Related Companies				
Charoenpaiboon City Company Limited	-	7,490.00	-	7,490.00
Ramkhamhaeng Hospital Public Company Limited	1,629,500.00	220,000.00	5,500.00	220,000.00
Total Other Accounts Payable for Fixed Assets	<u>1,629,500.00</u>	<u>227,490.00</u>	<u>5,500.00</u>	<u>227,490.00</u>

As at 31 December 2020 and 2019, short-term loans to subsidiary company is in form of promissory notes with 1 year and promissory notes with 6 months period and 1 year respectively, carried interest rate at 2.15% per annum equally for both year and with no securities. Interest payment term is on monthly basis.

#### 29.4 Inter-guarantees

As at 31 December 2020 and 2019, the Company grant the guarantee in full amount against the bank overdrafts, promissory notes and long-term borrowings that the subsidiary company received from financial institutions.

## 29.5 Key Management Compensation

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Short-term Benefits	26,011,924.04	27,371,917.24	22,120,428.00	23,742,369.20
Post-employment Benefits				
- Defined Contribution Plans	169,240.00	117,189.00	149,430.00	117,189.00
- Defined Benefit Plans	524,694.96	516,914.79	514,619.64	479,455.19
Total	<u>26,705,859.00</u>	<u>28,006,021.03</u>	<u>22,784,477.64</u>	<u>24,339,013.39</u>

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

## 30. Cash Flows Information

### 30.1 Non-Cash Transactions

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Purchase Property, Plant and Equipment on Credit	8,178,374.86	7,269,832.47	2,145,438.86	6,898,399.47
Purchase Intangible Assets on Credit	-	1,123,500.00	-	1,123,500.00
Transfer Advance for Fixed Assets to Property, Plant and Equipment	2,839,254.50	-	-	-
Right-of-Use Assets increase from Lease Agreements	449,929.65	-	167,484.11	-
(Gains) Loss on Remeasurements of Defined Benefit Plans	(3,533,008.75)	7,237,033.32	(3,557,222.82)	7,141,138.53

### 30.2 Changes in Liabilities arising from Financing Activities

For the year ended 31 December 2020 and 2019, changes in liabilities arising from financing activities have the movement as follows:

(Unit : Baht)

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

(Unit : Baht)

	Consolidated Financial Statements			
	For the year ended 31 December 2019			
	As at 1 January 2019	Changes from Financing Cash Flows Increase (Decrease)	Other Changes	As at 31 December 2019
Short-term Borrowings from Financial Institutions	20,000,000.00	(20,000,000.00)	-	-
Long-term Borrowings	324,218,061.92	(324,218,061.92)	-	-
Accounts Payable for Assets	6,348,746.42	(6,348,746.42)	8,393,332.47	8,393,332.47
Lease Liabilities	1,262,125.71	(347,453.40)	-	914,672.31
Front-end Fee	-	(60,020.00)	60,020.00	-
Accrued Interest	901,768.09	(5,179,721.67)	4,277,953.58	-
Total	<u>352,730,702.14</u>	<u>(356,154,003.41)</u>	<u>12,731,306.05</u>	<u>9,308,004.78</u>

(Unit : Baht)

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

(Unit : Baht)

	Separate Financial Statements			
	For the year ended 31 December 2019			
	As at	Changes from	Other Changes	As at
	1 January 2019	Financing Cash Flows		31 December 2019
	Increase (Decrease)			
Long-term Borrowings from Financial Institutions	251,401,698.18	(251,401,698.18)	-	-
Accounts Payable for Assets	4,951,345.55	(4,951,345.55)	8,021,899.47	8,021,899.47
Accrued Interest	834,950.06	(2,773,255.14)	1,938,305.08	-
<b>Total</b>	<b>257,187,993.79</b>	<b>(259,126,298.87)</b>	<b>9,960,204.55</b>	<b>8,021,899.47</b>

### 31. Obligations

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

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

(Unit : Million Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Letters of Guarantee	29.10	29.78	25.50	23.45



31.2 As at 31 December 2020 and 2019, the Group have the contractual obligations with the significant terms and minimum payment amount as follows: -

- 1) The Group have several rental and service agreements. The significant agreement is
  - System maintenance service provider agreement with an other company. The payment shall be made monthly. From 2019 to 2021, the payment is Baht 40,000.00 per month and from 2021 to 2024, the payment is Baht 53,500.00 per month. The contractual term is 5 years and the agreement will expire in January 2024.
  - 3 monthly cleaning service agreements with several other entities. The 1<sup>st</sup> agreement has the contractual term of 1 years, expiring in October 2021 with the monthly service fee of Baht 521,625.00. The 2<sup>nd</sup> agreement has the contractual term of 1 year, expiring in October 2021 with the monthly service fee of Baht 139,635.00. The 3<sup>rd</sup> agreement has the contractual term of 1 year, expiring in July 2021 with the monthly service fee of Baht 72,225.00.
  - Security service agreement entered into with an other company. The payment is made monthly at Baht 328,704.00 per month. The contractual term 1 year will expire in February 2022.
- 2) The Company entered into several maintenance and repair agreements. The significant agreement is
  - The medical tools and equipment maintenance and repair agreement. The payment shall be made monthly at Baht 183,872.81 per month and from June 2019 at Baht 192,418.10 per month. The contractual term is 3 years and the agreement will expire in December 2021.
  - Maintenance and repair agreements for medical devices, products with an other company. The payment shall be made monthly at Baht 216,675.00 per month. The contractual term is 1 year will expire in December 2021.
- 3) The Company has several consulting agreements. The significant agreement is
  - The consulting agreement to provide medical practice and service on cardiology and artery diseases with an other company. The payment shall be made monthly at Baht 53,500.00 per month. The contractual term is 2 year will expire in January 2022.
  - Contract of consulting fees for marketing and business development with an other company. The payment shall be made monthly at Baht 120,000.00 per month. The contractual term is 1 year will expire in December 2021.

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

(Unit : Million Baht)

	Consolidated Financial Statements					
	As at			As at		
	31 December 2020			31 December 2019		
	Within 1 year	Over 1 year but not over 5 years	Total	Within 1 year	Over 1 year but not over 5 years	Total
Rental and Service Agreements	18.43	2.28	20.71	10.88	2.10	12.98
Repairation and Maintenance Agreements	7.96	0.11	8.07	6.16	2.96	9.12
Consultant Agreements	4.75	-	4.75	3.35	0.64	3.99
<b>Total</b>	<b>31.14</b>	<b>2.39</b>	<b>33.53</b>	<b>20.39</b>	<b>5.70</b>	<b>26.09</b>

(Unit : Million Baht)

	Separate Financial Statements					
	As at			As at		
	31 December 2020			31 December 2019		
	Within 1 year	Over 1 year but not over 5 years	Total	Within 1 year	Over 1 year but not over 5 years	Total
Rental and Service Agreements	13.48	2.17	15.65	7.40	2.06	9.46
Repairation and Maintenance Agreements	7.22	0.11	7.33	5.50	2.33	7.83
Consultant Agreements	3.14	-	3.14	3.35	0.64	3.99
<b>Total</b>	<b>23.84</b>	<b>2.28</b>	<b>26.12</b>	<b>16.25</b>	<b>5.03</b>	<b>21.28</b>

31.3 As at 31 December 2020 and 2019, the Group entered into assets and consulting fees construction agreements with several other companies as shown in the consolidated financial statements at the amount of Baht 68.24 million and Baht 25.83 million respectively, and in the separate financial statements at the amount of Baht 34.64 million and Baht 23.11 million respectively. The significant agreement is the construction for supporting the medical service (administrative building) and construction agreement for 2-storey hospital building.

### **32. Event after the Reporting Period**

In accordance with the Board of Directors' meeting No.1/2021, held on 22 February 2021, has resolve to pay dividend from net profit for the three months period from 1 October 2020 ending on 31 December 2020 at Baht 0.45 per share, total amounted of Baht 135.00 million and determine to set the record date to receive the dividend on 10 May 2021 and the dividend will be paid on 25 May 2021.

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

The financial statements have been approved by the board of directors of the Company on 22 February 2021.

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