

Srivichaivejvivat Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2023

## **Independent Auditor's Report**

To the Shareholders of Srivichaivejvivat Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Srivichaivejvivat Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Srivichaivejvivat Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Srivichaivejvivat Public Company Limited and its subsidiaries and of Srivichaivejvivat Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company and its subsidiaries in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

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

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

Key audit matters and how audit procedures respond for each matter are described below.

### **Estimation of accrued medical treatment income**

The Company and its subsidiaries have revenues from the provision of medical services to patients under the government welfare schemes of the Social Security Office and the National Health Security Office. The amounts of such revenues are determined based on the government policy, the number of insured persons registered, and statistical information on the services provided by the Company and its subsidiaries. An estimation of accrued medical treatment income requires management to exercise significant judgement. As discussed in Note 8 to the financial statements, as at 31 December 2023, the Company and its subsidiaries accrued medical treatment income from such two government agencies amounting to Baht 128 million.

I have examined the accrued medical treatment income by:

- Assessing and testing the Company and its subsidiaries' internal controls with respect to the estimation of accrued medical treatment income by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Assessing the appropriateness of the criteria, methodology and conditions applied by the Company and its subsidiaries in estimating accrued medical treatment income in accordance with the government policy.
- Performing the reasonableness of past estimates of accrued medical income by comparing those estimates with the actual amounts received.
- Examining cash receipt transactions relating to accrued medical treatment income subsequent to the period-end date.

### **Other Information**

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and its subsidiaries' 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 Company and its subsidiaries' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Company and its subsidiaries 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 financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Vorapoj Amnauypanit

Certified Public Accountant (Thailand) No. 4640

EY Office Limited

Bangkok: 19 February 2024

**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	822,366,378	1,063,007,414	86,821,465	236,660,023
Trade and other receivables	8	477,714,569	429,472,329	188,534,978	216,498,108
Medicine and supplies	9	57,366,982	60,966,781	19,160,189	24,444,979
Other current assets		10,785,064	10,944,174	2,996,348	3,348,309
<b>Total current assets</b>		<b>1,368,232,993</b>	<b>1,564,390,698</b>	<b>297,512,980</b>	<b>480,951,419</b>
<b>Non-current assets</b>					
Restricted bank deposits	10	489,400	489,400	-	-
Other non-current financial assets	11	44,874,000	43,902,000	44,874,000	43,902,000
Investments in subsidiaries	12	-	-	346,136,171	346,136,171
Investment properties	13	27,448,051	27,822,817	44,218,914	44,825,554
Property, plant and equipment	14	2,105,635,534	2,001,304,141	1,137,658,265	1,131,893,321
Right-of-use assets	18	31,012,608	26,212,560	261,325	376,662
Goodwill	15	-	-	-	-
Deferred tax assets	23	14,524,668	15,053,431	-	-
Other non-current assets		26,710,754	28,496,415	17,941,648	21,117,506
<b>Total non-current assets</b>		<b>2,250,695,015</b>	<b>2,143,280,764</b>	<b>1,591,090,323</b>	<b>1,588,251,214</b>
<b>Total assets</b>		<b>3,618,928,008</b>	<b>3,707,671,462</b>	<b>1,888,603,303</b>	<b>2,069,202,633</b>

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

**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	16	355,453,723	375,552,069	166,444,887	207,099,332
Current portion of payable from purchase of investment	12	5,839,941	5,535,489	5,839,941	5,535,489
Current portion of long-term loans	17	48,262,452	67,345,110	29,590,000	43,340,000
Current portion of lease liabilities	18	8,206,233	6,963,630	110,636	108,570
Income tax payable		26,628,752	59,097,935	6,698,211	209,408
Other current liabilities		4,901,811	4,801,170	1,696,833	1,656,997
Total current liabilities		449,292,912	519,295,403	210,380,508	257,949,796
Non-current liabilities					
Payable from purchase of investment, net of current portion	12	6,161,136	12,001,077	6,161,136	12,001,077
Long-term loans, net of current portion	17	13,300,000	61,547,812	-	29,590,000
Lease liabilities, net of current portion	18	55,698,948	50,497,532	37,345	147,981
Provision for long-term employee benefits	19	56,596,436	54,969,540	16,173,369	14,708,475
Deferred tax liabilities	23	1,207,166	1,282,284	999,923	950,914
Total non-current liabilities		132,963,686	180,298,245	23,371,773	57,398,447
Total liabilities		582,256,598	699,593,648	233,752,281	315,348,243

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



**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
570,666,666 ordinary shares of Baht 1 each		570,666,666	570,666,666	570,666,666	570,666,666
Issued and fully paid					
570,665,433 ordinary shares of Baht 1 each		570,665,433	570,665,433	570,665,433	570,665,433
Share premium		37,938,115	37,938,115	37,938,115	37,938,115
Retained earnings					
Appropriated - statutory reserve	20	57,066,667	57,066,667	57,066,667	57,066,667
Unappropriated		2,341,229,707	2,314,086,214	985,681,607	1,085,462,575
Other components of shareholders' equity		22,168,696	21,391,096	3,499,200	2,721,600
Equity attributable to owners of the Company		3,029,068,618	3,001,147,525	1,654,851,022	1,753,854,390
Non-controlling interests of the subsidiaries		7,602,792	6,930,289	-	-
<b>Total shareholders' equity</b>		3,036,671,410	3,008,077,814	1,654,851,022	1,753,854,390
<b>Total liabilities and shareholders' equity</b>		3,618,928,008	3,707,671,462	1,888,603,303	2,069,202,633
		-	-	-	-

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

Directors







**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenues from hospital operations		2,733,889,018	3,645,904,869	1,066,809,309	1,287,032,901
Dividend income	12	2,673,000	-	65,694,198	287,874,429
Other income		26,636,065	15,875,888	7,778,616	5,843,394
<b>Total revenues</b>		<b>2,763,198,083</b>	<b>3,661,780,757</b>	<b>1,140,282,123</b>	<b>1,580,750,724</b>
<b>Expenses</b>					
Cost of hospital operations		2,062,486,813	2,361,696,282	824,259,174	940,592,817
Selling expenses		72,663,594	133,184,526	22,884,121	22,932,074
Administrative expenses		264,159,173	283,947,901	110,793,433	116,911,141
<b>Total expenses</b>		<b>2,399,309,580</b>	<b>2,778,828,709</b>	<b>957,936,728</b>	<b>1,080,436,032</b>
<b>Operating profit</b>		<b>363,888,503</b>	<b>882,952,048</b>	<b>182,345,395</b>	<b>500,314,692</b>
Finance cost	21	(9,887,907)	(11,012,459)	(3,762,381)	(4,905,763)
<b>Profit before income tax expenses</b>		<b>354,000,596</b>	<b>871,939,589</b>	<b>178,583,014</b>	<b>495,408,929</b>
Income tax expenses	23	(69,160,979)	(172,698,740)	(21,642,663)	(40,545,573)
<b>Profit for the year</b>		<b>284,839,617</b>	<b>699,240,849</b>	<b>156,940,351</b>	<b>454,863,356</b>
<b>Other comprehensive income:</b>					
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Gain on changes in value of equity investments					
designated at fair value through					
other comprehensive income	11	972,000	-	972,000	-
Less: income tax effect	23	(194,400)	-	(194,400)	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax					
<b>Other comprehensive income for the year</b>		<b>777,600</b>	<b>-</b>	<b>777,600</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>285,617,217</b>	<b>699,240,849</b>	<b>157,717,951</b>	<b>454,863,356</b>

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

**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Profit attributable to:</b>				
Equity holders of the Company	283,864,812	696,597,570	156,940,351	454,863,356
Non-controlling interests of the subsidiaries	974,805	2,643,279		
	<u>284,839,617</u>	<u>699,240,849</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	284,642,412	696,597,570	157,717,951	454,863,356
Non-controlling interests of the subsidiaries	974,805	2,643,279		
	<u>285,617,217</u>	<u>699,240,849</u>		
<b>Earnings per share</b>	24			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.50</u>	<u>1.22</u>	<u>0.28</u>	<u>0.80</u>

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

**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit before tax	354,000,596	871,939,589	178,583,014	495,408,929
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	175,410,960	170,097,215	77,249,543	63,398,342
Allowance for expected credit losses	3,771,474	4,474,366	278,230	1,092,609
Increase (decrease) in reduction of medicine and supplies to net realisable value	(5,516,080)	5,355,679	(1,272,284)	1,256,553
Gain on disposals of equipment	(1,290,581)	(509,700)	(84,833)	(638,327)
Loss on write-off of equipment	795,625	599,945	100,538	395,160
Gain on lease cancellation	-	(201,871)	-	-
Withholding tax write-off	-	19	-	-
Provision for long-term employee benefits	4,991,316	4,748,098	1,464,894	1,375,732
Dividend income	(2,673,000)	-	(65,694,198)	(287,874,429)
Interest income	(5,974,530)	(1,400,531)	(964,761)	(230,544)
Finance cost	9,887,907	11,012,459	3,762,381	4,905,763
Profit from operating activities before changes in operating assets and liabilities	533,403,687	1,066,115,268	193,422,524	279,089,788
Operating assets (increase) decrease				
Trade and other receivables	(48,230,660)	240,766,277	27,684,900	(60,268,321)
Medicine and supplies	9,115,879	(4,795,215)	6,557,074	(6,387,775)
Other current assets	159,110	43,814,198	351,961	8,889,923
Other non-current assets	(492,107)	968,986	13,499	(27,499)
Operating liabilities increase (decrease)				
Trade and other payables	(11,188,236)	(120,189,065)	(31,627,468)	8,604,550
Other current liabilities	100,641	275	39,836	(64,326)
Cash paid for long-term employee benefits	(3,364,420)	(711,452)	-	(201,267)
Cash flows from operating activities	479,503,894	1,225,969,272	196,442,326	229,635,073
Interest received	5,453,519	1,400,531	964,761	230,544
Cash paid for corporate income tax and withholding tax deducted at source	(101,370,917)	(287,243,760)	(15,299,251)	(82,759,007)
<b>Net cash from operating activities</b>	<b>383,586,496</b>	<b>940,126,043</b>	<b>182,107,836</b>	<b>147,106,610</b>

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

**Srivichaivejvivat Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	(235,416,522)	(554,781,502)	(57,946,747)	(172,805,223)
Cash paid for payable of buildings improvement and equipment	(40,956,434)	(27,176,780)	(28,927,796)	(17,056,079)
Acquisition of investment properties	-	(28,128,791)	-	(45,235,712)
Acquisition of intangible assets	(820,689)	(5,237,827)	(731,880)	(2,117,427)
Cash receipt from dividend of subsidiaries	-	-	63,021,198	287,874,429
Cash receipt from dividend of related company	2,673,000	-	2,673,000	-
Proceeds from sales of equipment	1,391,605	521,900	94,080	707,000
Advance for purchase of equipment	(1,764,642)	(15,475,184)	(53,543)	(3,607,807)
Advance for purchase of intangible assets	-	(400,000)	-	(200,000)
Advance for purchase of right-of-use assets	-	(1,042,106)	-	-
Cash paid for payable from purchase of investment	(5,535,489)	(5,246,909)	(5,535,489)	(5,246,909)
Interest paid	(964,511)	(2,756,575)	(964,511)	(1,253,091)
<b>Net cash from (used in) investing activities</b>	<b>(281,393,682)</b>	<b>(639,723,774)</b>	<b>(28,371,688)</b>	<b>41,059,181</b>
<b>Cash flows from financing activities</b>				
Cash receipt from short-term loans from financial institutions	-	20,000,000	-	20,000,000
Repayment of short-term loans from financial institutions	-	(20,000,000)	-	(20,000,000)
Cash receipt from short-term loans from related parties	-	-	-	120,000,000
Repayment of short-term loans from related parties	-	-	-	(120,000,000)
Repayment of long-term loans	(67,330,470)	(112,066,534)	(43,340,000)	(53,640,000)
Payment of principal portion of lease liabilities	(8,748,406)	(13,369,244)	(108,570)	(1,054,503)
Interest paid	(8,960,288)	(9,833,286)	(2,819,470)	(5,182,904)
Dividend paid	(257,306,666)	(285,057,668)	(257,306,666)	(285,057,668)
Dividend paid to non-controlling interests of the subsidiaries	(488,020)	(2,093,010)	-	-
<b>Net cash used in financing activities</b>	<b>(342,833,850)</b>	<b>(422,419,742)</b>	<b>(303,574,706)</b>	<b>(344,935,075)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(240,641,036)</b>	<b>(122,017,473)</b>	<b>(149,838,558)</b>	<b>(156,769,284)</b>
Cash and cash equivalents at beginning of year	1,063,007,414	1,185,024,887	236,660,023	393,429,307
<b>Cash and cash equivalents at end of year</b>	<b>822,366,378</b>	<b>1,063,007,414</b>	<b>86,821,465</b>	<b>236,660,023</b>
	-	-	-	-

**Supplemental cash flows information:**

Non-cash items consist of:

Acquisition of buildings improvement and equipment for which no cash has been paid	32,854,281	40,956,434	20,507,766	28,927,796
Interest expense capitalisation as cost of assets	-	1,503,484	-	1,503,484
Transfer of advances for purchases of fixed assets to property, plant and equipment	178,462	15,774,582	126,656	4,532,258
Additions to right-of-use assets and lease liabilities	15,192,425	2,506,143	-	-
Transfer of right-of-use assets to property, plant and equipment	-	8,704,587	-	1,354,802
Transfer of right-of-use assets to lease receivables	816,301	-	-	-
Transfer of building, buildings improvement, equipment and intangible assets to lease receivables	2,445,742	-	-	-

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



Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
					Other components of shareholders' equity							
					Other change by the owners		Other comprehensive					
					Difference resulting	Change in parent's	income	Total other	Total equity	Equity attributable		
					from business	ownership interest in	Gain on investment	components	attributable to	to non-controlling	Total	
					combination under	subsidiaries without	in equity designated	of shareholders'	owners of	interests of	shareholders'	
					common control	change in control	at fair value	equity	the Company	the subsidiaries	equity	
Note	Issued and	Share premium	Retained earnings									
	paid-up		statutory reserve	Unappropriated								
Balance as at 1 January 2022	570,665,433	37,938,115	57,066,667	1,902,820,354	37,530,739	(18,861,243)	2,721,600	21,391,096	2,589,881,665	5,695,979	2,595,577,644	
Profit for the year	-	-	-	696,597,570	-	-	-	-	696,597,570	2,643,279	699,240,849	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	696,597,570	-	-	-	-	696,597,570	2,643,279	699,240,849	
Dividend paid	27	-	-	(285,331,710)	-	-	-	-	(285,331,710)	(1,408,969)	(286,740,679)	
Balance as at 31 December 2022	570,665,433	37,938,115	57,066,667	2,314,086,214	37,530,739	(18,861,243)	2,721,600	21,391,096	3,001,147,525	6,930,289	3,008,077,814	
Balance as at 1 January 2023	570,665,433	37,938,115	57,066,667	2,314,086,214	37,530,739	(18,861,243)	2,721,600	21,391,096	3,001,147,525	6,930,289	3,008,077,814	
Profit for the year	-	-	-	283,864,812	-	-	-	-	283,864,812	974,805	284,839,617	
Other comprehensive income for the year	-	-	-	-	-	-	777,600	777,600	777,600	-	777,600	
Total comprehensive income for the year	-	-	-	283,864,812	-	-	777,600	777,600	284,642,412	974,805	285,617,217	
Dividend paid	27	-	-	(256,721,319)	-	-	-	-	(256,721,319)	(302,302)	(257,023,621)	
Balance as at 31 December 2023	570,665,433	37,938,115	57,066,667	2,341,229,707	37,530,739	(18,861,243)	3,499,200	22,168,696	3,029,068,618	7,602,792	3,036,671,410	

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements							
					Other components of shareholders' equity		
					Other comprehensive income		
		Issued and paid-up share capital	Shares premium	Retained earnings Appropriated - statutory reserve	Unappropriated	Gain on investment in equity designated at fair value	Total shareholders' equity
Note							
</							

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

## **Srivichaivejvivat Public Company Limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 December 2023**

#### **1. General information**

Srivichaivejvivat Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business. The registered office of the Company is at 74/5 Moo 4, Phetkasem Road, Omnoi, Krathumbaen, Samutsakorn.

#### **2. Basis of preparation**

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

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

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

#### **2.2 Basis of consolidation**

- a) The consolidated financial statements include the financial statements of Srivichaivejvivat Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of Shareholding	
			<u>2023</u>	<u>2022</u>
			Percent	Percent
Saivichai Development Company Limited	Operating of hospitals	Thailand	99.43	99.43
Srisakornvejvivat Company Limited	Operating of hospitals	Thailand	99.56	99.56
Srivichai Vocational College Company Limited	Operating of vocational school	Thailand	99.98	99.98
The Bangkok Orthopedic Hospital Company Limited	Operating of hospitals	Thailand	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
  - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Company and its subsidiaries adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. 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 Company and its subsidiaries' financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. 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 Company and its subsidiaries believe that adoption of these amendments will not have any significant impact on the Company and its subsidiaries' financial statements.

#### **4. Significant accounting policies**

##### **4.1 Revenue recognition and expense recognition**

###### *Revenue for hospital operations*

Revenues from hospital operations, mainly consisting of medical fees, hospital room sales, and medicine sales, are recognised as revenue and the point in time when services have been rendered or medicines have been delivered. Revenues are measured at the amount of the consideration received or receivable of services rendered, and medicine delivered after deducting discounts. Hospital operating revenues from the Social Security Office and National Health Security Office are recognised based on several expected service fee rates. The Company and its subsidiaries take into account criteria, procedures, and conditions set forth by the Offices, including statistics on medical services provided by the hospital's group and actual payments for medical services received from the Offices.

###### *Rendering of services*

Service revenue is recognised when services have been rendered taking into account the stage of completion.

###### *Revenue from tuition fees and educational media*

Revenues from tuition fees and educational media are recognised over the teaching period.

###### *Rental income*

Rental income is recognised over the rental period and at the rate determined in agreement.

###### *Interest income*

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

###### *Finance cost*

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

###### *Dividends*

Dividends are recognised when the right to receive the dividends is established.

#### **4.2 Cash and cash equivalents**

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

#### **4.3 Medicine and supplies**

Medicine and supplies are valued at the lower of cost (average method) and net realisable value.

#### **4.4 Investments in subsidiaries**

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

#### **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### **4.6 Property, plant and equipment/Depreciation**

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

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

Buildings	20, 40 and 50 years
Buildings improvement	5, 20 years
Buildings improvement on right-of-use assets	2 - 20 years
Tools and medical instruments	2 - 10 years
Office furniture, fixtures and equipment	3, 5 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

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

#### **4.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **4.8 Goodwill**

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.9 Leases**

At inception of contract, the Company and its subsidiaries assess whether a 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 Company and its subsidiaries as a lessee**

The Company and its subsidiaries applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company and its subsidiaries recognise right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### ***Right-of-use assets***

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

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	16 years
Buildings and buildings improvement	1 - 12 years
Tools and medical instruments	3 - 6 years
Motor vehicles	3, 5 years

If ownership of the leased asset is transferred to the Company and its subsidiaries at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.



The Company and its subsidiaries discounted the present value of the lease payments by the interest rate implicit in the lease or the Company and its subsidiaries' incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**The Company and its subsidiaries as a lessor**

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

**4.10 Related party transactions**

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

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

#### **4.11 Impairment of non-financial assets**

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate 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 unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.12 Employee benefits**

##### **Short-term employee benefits**

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

##### **Post-employment benefits**

###### *Defined contribution plans*

The Company, the subsidiaries and their employees have jointly established separate provident funds. The funds are monthly contributed by employees, the Company and its subsidiaries. The funds' assets are held in separate trust funds and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

### *Defined benefit plans*

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company and its subsidiaries recognise restructuring-related costs.

### **4.13 Provisions**

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

### **4.14 Income tax**

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

#### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

#### **Deferred tax**

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

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

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.15 Financial instruments**

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

##### **Classification and measurement of financial assets**

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

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

The Company and its subsidiaries measure 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 designated at FVOCI (equity instruments)***

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

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

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

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company and its subsidiaries have transferred substantially all the risks and rewards of the asset, or the Company and its subsidiaries have transferred control of the asset.

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

## **Impairment of financial assets**

For trade receivables, the Company and its subsidiaries apply a simplified approach in calculating ECLs. Therefore, the Company and its subsidiaries do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

## **Offsetting of financial instruments**

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

#### **4.16 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure 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 Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

#### **5. Significant accounting judgements and estimates**

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

##### **Accrued medical treatment income**

Accrued medical treatment income represents medical income that has not been collected from the Social Security Office and National Health Security Office. The Company and its subsidiaries 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 bases, methods and terms specified by such authority, and consider the amount of the latest actual collection together with the current circumstances.

## Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and investments in subsidiaries recognised by the Company.

## Litigation

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

## 6. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	11	16	Normal price less certain discount
Sale of medicine and supplies	-	-	-	1	Mutually agreed price
Dividend income	-	-	63	288	Resolution of the Annual General Meeting of the shareholders of subsidiaries
Medical service expenses	-	-	16	66	Normal price less certain discount
Purchase of medicine and supplies	-	-	-	3	Mutually agreed price
Interest expense	-	-	-	1	1.90 percent per annum

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with related company</u>					
Dividend income	3	-	3	-	Resolution of the Annual General Meeting of the shareholders of related company

As at 31 December 2023 and 2022, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables - related parties</u>				
(Note 8)				
Subsidiaries	-	-	1,021	4,327
Total trade and other receivables - related parties	-	-	1,021	4,327
<u>Trade and other payables - related parties</u>				
(Note 16)				
Subsidiaries	-	-	7,840	33,215
Related company and individuals	38	125	-	-
Total trade and other payables - related parties	38	125	7,840	33,215

#### Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	39,510	49,979	27,676	33,284
Post-employment benefits	16	15	16	15
Total	39,526	49,994	27,692	33,299

#### Guarantee obligation with related party

The Company has outstanding guarantee obligation with its related party, as described in Note 28 to the financial statements.



## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	2,428	2,183	1,066	502
Bank deposits	819,938	1,060,824	85,755	236,158
Total	822,366	1,063,007	86,821	236,660

As at 31 December 2023, the Company and its subsidiaries had bank deposits in saving accounts and fixed deposits which carried interests between 0.15 and 2.40 percent per annum (2022: between 0.10 and 0.35 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	489	1,888
Past due				
Up to 3 months	-	-	304	1,225
3 - 6 months	-	-	56	493
6 - 12 months	-	-	172	291
Over 12 months	-	-	-	154
Total trade receivables - related parties, net	-	-	1,021	4,051
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	201,193	171,973	58,168	58,633
Past due				
Up to 3 months	53,276	47,879	15,541	17,956
3 - 6 months	24,049	17,566	6,759	6,609
6 - 12 months	4,953	3,929	1,067	1,490
Over 12 months	6,528	6,087	2,321	3,462
Total	289,999	247,434	83,856	88,150
Less: Allowance for expected credit losses	(7,312)	(5,582)	(2,314)	(2,849)
Total trade receivables - unrelated parties, net	282,687	241,852	81,542	85,301
Total trade receivables - net	282,687	241,852	82,563	89,352

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Other receivables - related parties</u>				
Other receivables	-	-	-	276
Total other receivables - related parties, net	-	-	-	276
<u>Other receivables - unrelated parties</u>				
Other receivables	4,684	2,551	892	1,193
Accrued income				
Accrued social security income	126,984	121,363	62,083	81,264
Accrued national health security income	833	19,363	-	10,727
Other accrued income	64,849	46,507	43,044	33,733
Total	197,350	189,784	106,019	126,917
Less: Allowance for expected credit losses	(2,322)	(2,164)	(47)	(47)
Total other receivables - unrelated parties, net	195,028	187,620	105,972	126,870
Total other receivables - net	195,028	187,620	105,972	127,146
Total trade and other receivables - net	477,715	429,472	188,535	216,498

## 9. Medicine and supplies

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Medicine and supplies - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Medicine	27,065	35,815	(227)	(5,821)	26,838	29,994
Medical supplies	26,134	25,958	(182)	(91)	25,952	25,867
Other supplies	4,580	5,122	(3)	(16)	4,577	5,106
Total	57,779	66,895	(412)	(5,928)	57,367	60,967

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Medicine and supplies - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Medicine	11,324	15,182	(120)	(1,417)	11,204	13,765
Medical supplies	6,695	9,341	(67)	(43)	6,628	9,298
Other supplies	1,328	1,382	-	-	1,328	1,382
Total	19,347	25,905	(187)	(1,460)	19,160	24,445

During the current year, the Company and its subsidiaries reversed the write-down of cost of medicine and supplies by Baht 5,516 thousand (the Company only: Baht 1,273 Thousand), and reduced the amount of medicine and supplies recognised as expenses during the year (2022 the Company and its subsidiaries reduced cost of medicine and supplies by Baht 5,356 thousand (the Company only: Baht 1,257 Thousand), to reflect the net realisable value. This was included in cost of hospital operations).

#### 10. Restricted bank deposits

These represent bank deposits pledged with the bank to secure bank guarantees issued by that bank on behalf of the subsidiary.

#### 11. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Equity instruments designated at FVOCI</u>				
Mahanakorn Mae-sod Vejchakarn				
Company Limited	44,874	43,902	44,874	43,902
Total other non-current financial assets	44,874	43,902	44,874	43,902

Equity instruments designated at FVOCI include non-listed equity investment which the Company considers this investment to be strategic in nature.

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding		Cost		Allowance for		Carrying amounts based on cost method - net		Dividend received	
			percentage				impairment of investment				during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(%)	(%)								
Saivichai Development Company												
Limited	150,000	150,000	99.43	99.43	159,526	159,526	-	-	159,526	159,526	37,585	144,673
Srisakornvejvivat Company Limited	99,200	99,200	99.56	99.56	108,506	108,506	-	-	108,506	108,506	19,753	131,552
Srivichai Vocational College												
Company Limited	100	100	99.98	99.98	100	100	-	-	100	100	-	354
The Bangkok Orthopedic Hospital												
Company Limited	9,000	9,000	100.00	100.00	142,868	142,868	(64,864)	(64,864)	78,004	78,004	5,683	11,295
Total					411,000	411,000	(64,864)	(64,864)	346,136	346,136	63,021	287,874

The Company entered into an agreement to pay the unpaid amount of an acquisition of the Bangkok Orthopedic Hospital Company Limited of Baht 58.5 million in 9 annual installments at Baht 6.5 million each, starting from 2016.

### 13. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 was presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Land	Buildings	Land and buildings for rent	Total	Land	Buildings	Land and buildings for rent	Total
31 December 2023:								
Cost	20,629	7,194	-	27,823	20,629	7,194	17,003	44,826
<u>Less:</u> Accumulated depreciation	-	(375)	-	(375)	-	(375)	(232)	(607)
Net book value	20,629	6,819	-	27,448	20,629	6,819	16,771	44,219
31 December 2022:								
Cost	20,629	7,500	-	28,129	20,629	7,500	17,107	45,236
<u>Less:</u> Accumulated depreciation	-	(306)	-	(306)	-	(306)	(104)	(410)
Net book value	20,629	7,194	-	27,823	20,629	7,194	17,003	44,826

A reconciliation of the net book value of investment properties for 2023 and 2022 is presented below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	27,823	-	44,826	-
Acquisition of property and plant	-	28,129	-	45,236
Depreciation charged	(375)	(306)	(607)	(410)
Net book value at end of year	<u>27,448</u>	<u>27,823</u>	<u>44,219</u>	<u>44,826</u>

The additional information of the investment properties as at 31 December 2023 and 2022 stated below:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The fair value	28,000	28,000	45,000	45,000

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land, buildings and land and buildings for rent have been determined based on market prices.

## 14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
		Buildings					Assets under	
		Buildings and	improvement on	Tools and	Office furniture,		installation	
		buildings	right-of-use	medical	fixtures and		and under	
	Land	improvement	assets	Instruments	equipment	Motor vehicles	construction	Total
Cost:								
1 January 2022	371,064	1,050,178	282,905	648,561	329,012	101,308	326,872	3,109,900
Additions/Transfer from advance	302,466	15,615	310	104,555	29,224	6,920	152,423	611,513
Disposals/write-off	-	(1,827)	-	(15,222)	(10,439)	(3,170)	-	(30,658)
Transfers in (out)	-	392,167	11,596	11,241	25,013	3,146	(443,163)	-
Transfer from right-of-use assets	-	-	-	5,300	-	8,414	-	13,714
Capitalised interest	-	-	-	-	-	-	1,503	1,503
31 December 2022	673,530	1,456,133	294,811	754,435	372,810	116,618	37,635	3,705,972
Additions/Transfer from advance	65,512	8,353	995	73,704	18,563	4,806	96,516	268,449
Disposals/write-off	-	(1,206)	(1,516)	(18,173)	(14,839)	(6,248)	-	(41,982)
Transfers in (out)	-	10,784	530	5,129	963	2,866	(20,272)	-
Transfer to lease receivables	-	-	(12,651)	(2,237)	(1,077)	-	-	(15,965)
31 December 2023	739,042	1,474,064	282,169	812,858	376,420	118,042	113,879	3,916,474

(Unit: Thousand Baht)

## Consolidated financial statements

	Land	Buildings and improvement	Buildings improvement on right-of-use assets	Tools and medical Instruments	Office furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Accumulated depreciation:</b>								
1 January 2022	-	581,837	129,475	503,836	275,297	84,261	-	1,574,706
Depreciation for the year	-	35,802	22,117	62,143	28,303	6,634	-	154,999
Depreciation on disposals/write-off	-	(1,650)	-	(15,048)	(10,192)	(3,156)	-	(30,046)
Transfer from right-of-use assets	-	-	-	1,521	-	3,488	-	5,009
31 December 2022	-	615,989	151,592	552,452	293,408	91,227	-	1,704,668
Depreciation for the year	-	43,952	17,728	61,834	30,107	7,173	-	160,794
Depreciation on disposals/write-off	-	(1,170)	(1,353)	(17,702)	(14,619)	(6,243)	-	(41,087)
Transfers in (out)	-	663	(663)	-	-	-	-	-
Transfer to lease receivables	-	-	(10,231)	(2,231)	(1,075)	-	-	(13,537)
31 December 2023	-	659,434	157,073	594,353	307,821	92,157	-	1,810,838
<b>Net book value:</b>								
31 December 2022	673,530	840,144	143,219	201,983	79,402	25,391	37,635	2,001,304
31 December 2023	739,042	814,630	125,096	218,505	68,599	25,885	113,879	2,105,636
<b>Depreciation for the year</b>								
2022 (Baht 136 million included in cost of hospital operations, and the balance in selling and administrative expenses)								154,999
2023 (Baht 144 million included in cost of hospital operations, and the balance in selling and administrative expenses)								160,794



(Unit: Thousand Baht)

## Separate financial statements

	Land	Buildings and buildings improvement	Tools and medical instruments	Office furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Cost:</b>							
1 January 2022	286,127	617,703	195,433	87,820	33,583	321,914	1,542,580
Additions/Transfer from advance	-	9,261	59,722	10,711	1,428	125,143	206,265
Disposals/Write-off	-	(1,827)	(6,709)	(5,657)	(2,694)	-	(16,887)
Transfers in (out)	-	389,702	6,300	24,459	-	(420,461)	-
Transfer from right-of-use assets	-	-	-	-	3,365	-	3,365
Capitalised interest	-	-	-	-	-	1,503	1,503
31 December 2022	286,127	1,014,839	254,746	117,333	35,682	28,099	1,736,826
Additions/Transfer from advance	-	3,915	19,968	7,909	974	45,816	78,582
Disposals/Write-off	-	(1,191)	(3,260)	(10,563)	(120)	-	(15,134)
Transfers in (out)	-	2,949	-	427	-	(3,376)	-
31 December 2023	286,127	1,020,512	271,454	115,106	36,536	70,539	1,800,274

(Unit: Thousand Baht)

## Separate financial statements

	Land	Buildings and buildings improvement	Tools and medical instruments	Office furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Accumulated depreciation:</b>							
1 January 2022	-	317,583	147,232	71,838	23,861	-	560,514
Depreciation for the year	-	26,663	19,775	9,951	2,443	-	58,832
Depreciation on disposals/write-off	-	(1,650)	(6,549)	(5,543)	(2,681)	-	(16,423)
Transfer from right-of-use assets	-	-	-	-	2,010	-	2,010
31 December 2022	-	342,596	160,458	76,246	25,633	-	604,933
Depreciation for the year	-	32,588	24,547	13,068	2,503	-	72,706
Depreciation on disposals/write-off	-	(1,155)	(3,236)	(10,514)	(118)	-	(15,023)
31 December 2023	-	374,029	181,769	78,800	28,018	-	662,616
<b>Net book value:</b>							
31 December 2022	286,127	672,243	94,288	41,087	10,049	28,099	1,131,893
31 December 2023	286,127	646,483	89,685	36,306	8,518	70,539	1,137,658
<b>Depreciation for the year</b>							
2022 (Baht 54 million included in cost of hospital operations, and the balance in selling and administrative expenses)							58,832
2023 (Baht 68 million included in cost of hospital operations, and the balance in selling and administrative expenses)							72,706

As at 31 December 2023, certain items of buildings improvement and equipment were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 881 million (2022: Baht 819 million) (the Company only: Baht 259 million, 2022: Baht 238 million).

The Company and its subsidiaries have mortgaged part of their land with constructions amounting to approximately Baht 1,259 million (2022: Baht 1,229 million) (the Company only: Baht 1,003 million, 2022: Baht 986 million) as collateral against credit facilities received from a commercial bank, and credit facilities of its subsidiaries.

## 15. Goodwill

Movements of goodwill for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
<b>Cost</b>		
Beginning balance	64,864	64,864
Ending balance	64,864	64,864
<b>Allowance for impairment loss</b>		
Beginning balance	(64,864)	(64,864)
Ending balance	(64,864)	(64,864)
<b>Net book value</b>		
Beginning balance	-	-
Ending balance	-	-

Goodwill of The Bangkok Orthopedic Hospital Company Limited (a subsidiary) derived from an acquisition in 2016 amounting to Baht 65 million.

Based on the assessment of the impairment of goodwill by estimating the subsidiary's cash flow projections, the Company noted that the recoverable amounts of the assets were lower than their book value. As a result, the management considered to set aside an allowance for impairment loss on goodwill in full as at 31 December 2021. The impairment loss on goodwill was presented as administrative expenses in the statement of comprehensive income for 2021.

## 16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties	20	107	7,840	32,735
Trade payables - unrelated parties	196,644	185,856	87,637	83,603
Other payables - related parties	-	-	-	480
Other payables - related individuals	18	18	-	-
Other payables - unrelated parties	58,306	88,758	28,594	43,287
Doctor fee payables	48,649	45,862	20,747	18,806
Accrued expenses	51,817	54,951	21,627	28,188
Total trade and other payables	<u>355,454</u>	<u>375,552</u>	<u>166,445</u>	<u>207,099</u>

## 17. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Srivichaivejvivat Public Company Limited</b>						
1	MLR-0.75	Monthly installments as from July 2016	-	9,740	-	9,740
2	MLR-1.25 to MLR-1	Monthly installments as from June 2021	29,590	63,190	29,590	63,190
<b>Saivichai Development Company Limited</b>						
3	MLR-1	Monthly installments as from November 2017	1,754	3,902	-	-
4	2.00%	Monthly installments as from March 2022	-	2,500	-	-
<b>Srisakornvejvivat Company Limited</b>						
5	MLR-1.25 to MLR-1	Monthly installments as from February 2020	28,900	44,500	-	-
<b>The Bangkok Orthopedic Hospital Company Limited</b>						
6	MLR-2.65 to MLR-1.50	Monthly installments as from September 2019	-	1,593	-	-
7	MLR -1.50	Monthly installments as from September 2019	1,318	3,468	-	-
Total			61,562	128,893	29,590	72,930
Less: Portion due within one year			(48,262)	(67,345)	(25,590)	(43,340)
Long-term loans, net of current portion			<u>13,300</u>	<u>61,548</u>	<u>-</u>	<u>29,590</u>

The loans are secured by the pledge of part of the land with constructions thereon of the Company and two subsidiaries, part of right-of-use assets of a subsidiary, and guaranteed provided by the Company.

Under loan agreements of two subsidiaries, the Company (as a guarantor) and two subsidiaries are required to comply with several covenants specified in the agreements, including maintenance of a certain debt-to-equity ratio and maintenance of the Company's shareholding in a subsidiary.

As at 31 December 2023, the Company and two subsidiaries had long-term credit facilities under loan agreements which have not yet been drawn down amounting to Baht 251 million (2022: Baht 251 million) (the Company only: Baht 219 million, 2022: Baht 219 million).

## 18. Leases

### 18.1 The Company and its subsidiaries as a lessee

The Company and its subsidiaries have lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 16 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Land	Buildings and buildings improvement	Tools and medical instruments	Motor vehicles	Total
1 January 2022	9,345	21,128	4,442	7,184	42,099
Additions	-	3,548	-	-	3,548
Adjustments due to lease cancellation	-	-	(36)	-	(36)
Transfer to property, plant and equipment	-	-	(3,779)	(4,926)	(8,705)
Depreciation for the year	(688)	(7,981)	(627)	(1,397)	(10,693)
31 December 2022	8,657	16,695	-	861	26,213
Additions	-	15,192	-	-	15,192
Transfer to lease receivables	-	(816)	-	-	(816)
Depreciation for the year	(688)	(8,327)	-	(561)	(9,576)
31 December 2023	7,969	22,744	-	300	31,013

(Unit: Thousand Baht)

	Separate financial statements				
	Land	Buildings and buildings improvement	Tools and medical instruments	Motor vehicles	Total
1 January 2022	-	-	-	2,306	2,306
Transfer to property, plant and equipment	-	-	-	(1,355)	(1,355)
Depreciation for the year	-	-	-	(574)	(574)
31 December 2022	-	-	-	377	377
Depreciation for the year	-	-	-	(116)	(116)
31 December 2023	-	-	-	261	261

A subsidiary has mortgaged part of their right-of-use assets amounting to approximately Baht 6 million (2022: Baht 7 million) as collateral against credit facilities received from a commercial bank.

## b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	84,552	78,445	150	263
Less: Deferred interest expenses	(20,647)	(20,983)	(2)	(6)
Total	63,905	57,462	148	257
Less: Portion due within one year	(8,206)	(6,964)	(111)	(109)
Lease liabilities - net of current portion	55,699	50,498	37	148

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	57,462	68,562	257	1,311
Additions	15,192	2,507	-	-
Decrease due to lease cancellation	-	(238)	-	-
Accretion of interest	3,669	3,602	4	42
Repayments	(12,418)	(16,971)	(113)	(1,096)
Balance at end of year	63,905	57,462	148	257

A maturity analysis of lease payments is disclosed in Note 30.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	9,576	10,693	116	574
Interest expense on lease liabilities	3,669	3,602	4	42
Expense relating to short-term leases/ leases of low-value assets	339	475	294	304
Expense relating to variable lease payments that do not depend on an index or a rate	1,338	1,219	1,338	1,219

The Company has lease contracts for tools and medical instruments that contains variable payments based on sales and usage. The lease term is 1 - 2 years.

**18.2 The Company and its subsidiaries as a lessor**

Subsidiaries have entered into finance leases for its building and equipment of the lease terms are between 2 years.

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Undiscounted lease payments receivable under finance leases		
Within 1 year	7,022	-
Over 1 and up to 2 years	1,761	-
Total	8,783	-
Less: Deferred interest income	(6,446)	-
Net	2,337	-

During 2023, subsidiaries have lease income amounting to Baht 4 million (2022: None).

The Company has entered into operating leases for its investment property portfolio consisting of land and buildings (see Note 13) of the lease terms are 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)	
	Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
Within 1 year	473	473
Over 1 and up to 3 years	1,696	2,169
Total	<u>2,169</u>	<u>2,642</u>

During 2023, the Company has lease income from its subsidiary amounting to Baht 0.47 million (2022: Baht 0.18 million).

#### 19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and its subsidiaries, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits</b>				
<b>at beginning of year</b>	54,970	50,933	14,708	13,534
Included in profit or loss:				
Current service cost	3,944	3,795	1,153	1,094
Interest cost	1,046	953	312	281
Benefits paid during the year	(3,364)	(711)	-	(201)
<b>Provisions for long-term employee benefits</b>				
<b>at end of year</b>	<u>56,596</u>	<u>54,970</u>	<u>16,173</u>	<u>14,708</u>

The Company and its subsidiaries expect to pay Baht 4.3 million of long-term employee benefits during next year (2022: Baht 3.3 million) (the Company only: Baht 0.4 million, 2022: None).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit was 13 - 23 years (2022: 13 - 23 years) (the Company only: 16 years, 2022: 16 years).



Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	0.51 - 3.59	0.51 - 3.59	0.51 - 3.59	0.51 - 3.59
Future salary increase rate	4.00 - 5.00	4.00 - 5.00	4.00	4.00
Staff turnover rate	0.00 - 30.00	0.00 - 30.00	0.00 - 25.00	0.00 - 25.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

31 December 2023					
		Consolidated		Separate	
		financial statements		financial statements	
	<u>(% per annum)</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount rate	1.00	(4,727)	5,478	(1,514)	1,769
Salary increase rate	1.00	6,534	(5,691)	2,070	(1,788)
Staff turnover rate	20.00	(6,704)	8,898	(2,424)	3,354

(Unit: Thousand Baht)

31 December 2022					
		Consolidated		Separate	
		financial statements		financial statements	
	<u>(% per annum)</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount rate	1.00	(4,753)	5,501	(1,486)	1,741
Salary increase rate	1.00	5,953	(5,205)	1,856	(1,606)
Staff turnover rate	20.00	(6,005)	7,917	(2,165)	2,975

## 20. Statutory reserve

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

## 21. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	6,218	7,410	3,758	4,864
Interest expenses on lease liabilities	3,670	3,602	4	42
<b>Total</b>	<b>9,888</b>	<b>11,012</b>	<b>3,762</b>	<b>4,906</b>

## 22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salaries, wages and other employee benefits	786,935	807,438	333,150	341,589
Depreciation and amortisation	175,411	170,097	77,250	63,398
Doctor fees	507,434	489,239	187,389	186,908
Medical treatment expense for referred patients	163,123	164,972	97,391	148,451
Medicine, medical supplies and other supplies used	440,838	514,857	141,281	154,440

## 23. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax for the year	68,902	175,403	21,788	41,406
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	259	(2,704)	(145)	(860)
<b>Income tax expenses reported in profit or loss</b>	<b>69,161</b>	<b>172,699</b>	<b>21,643</b>	<b>40,546</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on gain from the change in value of financial assets measured at FVOCI	194	-	194	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	354,001	871,940	178,583	495,409
Applicable tax rate	20% and 0% - 15%	20% and 0% - 15%	20%	20%
Accounting profit before tax multiplied by applicable tax rates	70,732	174,312	35,717	99,082
Effects of:				
Non-deductible expenses	1,789	1,102	711	593
Tax-exempted dividend income	(536)	-	(13,139)	(57,575)
Additional expense deductions allowed	(2,824)	(2,715)	(1,646)	(1,554)
Total	(1,571)	(1,613)	(14,074)	(58,536)
Income tax expenses reported in profit or loss	69,161	172,699	21,643	40,546

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,927	1,549	472	579
Allowance for diminution in value of medicine and supplies	82	1,185	37	291
Provision for employee benefits	12,297	11,952	3,574	3,275
Loss on fair value adjustment of right-of-use assets of subsidiary from acquisition of business	220	275	-	-
Lease	6,604	6,385	-	-
<b>Total</b>	<b>21,130</b>	<b>21,346</b>	<b>4,083</b>	<b>4,145</b>
<b>Deferred tax liabilities</b>				
Accumulated depreciation - buildings	(6,263)	(6,563)	(4,208)	(4,415)
Lease receivable	(467)	-	-	-
Unrealised fair value gain on investments	(875)	(681)	(875)	(681)
Gain on fair value adjustment of fixed assets of subsidiary from acquisition of business	(207)	(331)	-	-
<b>Total</b>	<b>(7,812)</b>	<b>(7,575)</b>	<b>(5,083)</b>	<b>(5,096)</b>
<b>Net</b>	<b>13,318</b>	<b>13,771</b>	<b>(1,000)</b>	<b>(951)</b>

## 24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the year.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Profit for the year (Thousand Baht)	283,865	696,598	156,940	454,863
Weighted average number of ordinary shares (Thousand shares)	570,665	570,665	570,665	570,665
Earnings per share (Baht per share)	0.50	1.22	0.28	0.80

## 25. Segment information

The Company and its subsidiaries are principally engaged in the hospital business. A subsidiary is engaged in operating a vocational school, but revenue from this business is immaterial. Therefore, revenues, operating profit and total assets presented in the financial statements relate to the said principal business.

### Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### Major customer

For 2023, the Company and its subsidiaries have revenues from two major customers in amount of Baht 281 million and Baht 652 million (2022: Baht 632 million and Baht 839 million, derived from two major customers) arising from the hospital business.

## 26. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and its employees contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by the American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for 2023 amounting to approximately Baht 6 million (2022: Baht 5 million) (the Company only: Baht 2 million, 2022: Baht 2 million) were recognised as expenses.

## 27. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 22 April 2022	285	0.50
Total for 2022		285	0.50
Final dividends for 2022	Annual General Meeting of the shareholders on 21 April 2023	257	0.45
Total for 2023		257	0.45

## 28. Commitments and contingent liabilities

### 28.1 Capital commitments

As at 31 December 2023 and 2022, the Company and its subsidiaries had capital commitments as follows:

	Consolidated financial statements		(Unit: Million Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Construction of buildings and the buildings improvement	60.6	52.8	11.5	44.1
Acquisition of medical devices and hospital equipment	16.1	14.3	10.0	10.2
Others	1.3	5.2	-	1.0

### 28.2 Service commitments

The Company and its subsidiaries have entered into consulting, cleaning services provider, security services provider, medical equipment maintenance service, and other service agreements with unrelated parties.

As at 31 December 2023, future minimum payments required under those service contracts were contracting to Baht 33 million (2022: Baht 25 million) (the Company only: Baht 14 million, 2022: Baht 13 million).

### 28.3 Guarantees

- (1) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 88 million (2022: Baht 88 million).
- (2) There were outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business as follows:

	Consolidated financial statements		(Unit: Million Baht) Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Bank guarantees for the medical treatment service contracts with the Social Security Office	47	38	27	23
Bank guarantees for electricity use	5	4	2	2
Bank guarantees for service contracts	10	-	-	-
Bank guarantees for e-bidding of service contracts	-	1	-	-

## 29. Fair value hierarchy

As at 31 December 2023 and 2022, the Company had the assets that was disclosed fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment property	-	-	27	27

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment property	-	-	44	44

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment property	-	-	28	28

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment property	-	-	45	45

## 30. Financial instruments

### 30.1 Financial risk management objectives and policies

The Company and its subsidiaries' financial instruments principally comprise cash and cash equivalents, trade receivables, long-term loans from financial institutions and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### **Foreign currency risk**

The Company and its subsidiaries had no exposure to foreign currency risk as they rarely have not transactions denominated in other currencies.

#### **Interest rate risk**

The Company and its subsidiaries exposure to interest rate risk relates primarily to its long-term loans from financial institutions. However, since most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

#### **Liquidity risk**

The Company and its subsidiaries monitor the risk of a shortage of liquidity through bank loans and lease contracts. The Company and its subsidiaries have assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Company and its subsidiaries' financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2023				
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	355,454	-	-	355,454
Lease liabilities	11,671	37,220	35,661	84,552
Long-term loans	50,509	13,675	-	64,184
<b>Total</b>	<b>417,634</b>	<b>50,895</b>	<b>35,661</b>	<b>504,190</b>



(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	166,445	-	-	166,445
Lease liabilities	112	38	-	150
Long-term loans	30,450	-	-	30,450
<b>Total</b>	<b>197,007</b>	<b>38</b>	<b>-</b>	<b>197,045</b>

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2022				
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	375,552	-	-	375,552
Lease liabilities	10,052	31,886	36,507	78,445
Long-term loans	71,858	63,627	-	135,485
<b>Total</b>	<b>457,462</b>	<b>95,513</b>	<b>36,507</b>	<b>589,482</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2022				
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other payables	207,099	-	-	207,099
Lease liabilities	113	150	-	263
Long-term loans	45,766	30,273	-	76,039
<b>Total</b>	<b>252,978</b>	<b>30,423</b>	<b>-</b>	<b>283,401</b>

## 30.2 Fair values of financial instruments

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

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

### **31. Capital management**

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support the Company and its subsidiaries' business and maximise shareholder value and it meets financial covenants stipulated in the loan agreements. The Company and its subsidiaries have complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Company and its subsidiaries' debt-to-equity ratio was 0.19:1 (2022: 0.23:1) and the Company's debt-to-equity ratio was 0.14:1 (2022: 0.18:1).

### **32. Litigation**

On 28 May 2021, the Company faced a civil lawsuit lodged by a subcontractor over a breach of a hire-of-work agreement, whereby the subcontractor claimed retention and damages amounting to Baht 99 million, citing overdue balances for construction work, retentions and a performance bond that were supposed to be returned. The court has already completed the examination of witnesses from both the plaintiff and the defendant in December 2023. Subsequently, a hearing for the verdict is scheduled for March 2024.

As at 31 December 2023, the case is being considered by the Civil Court. The Company is of the opinion that the Company did not breach the agreement as claimed and, therefore, decided to file statements of defence and a counterclaim against the subcontractor claiming fines and damages amounting to Baht 446 million plus interest at the rate of 5% per annum from the filing date until settlement is made, in a civil case for breach of a hire of work agreement. However, the management of the Company believes that no losses will be incurred as a result of this litigation, and therefore, no provision has been recorded in the financial statements.

### **33. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 19 February 2024.