

Bangkok Dusit Medical Services Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2022

Independent Auditor's Report

To the Shareholders of Bangkok Dusit Medical Services Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, 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 Bangkok Dusit Medical Services 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 Bangkok Dusit Medical Services Public Company Limited and its subsidiaries and of Bangkok Dusit Medical Services Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants 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.

Revenue recognition

Revenues from hospital operations are considered significant in the financial statements as the amounts are material, representing 95% of the consolidated total revenues and they directly affect the operating result of the Group. In addition, there are various components in revenues from hospital operations which include revenue from sales of medicines and medical supplies, revenue from medical services, revenue from patient rooms, including discounts for counterparties, whereas the agreements contain various conditions for each party. I therefore gave significant attention to the revenue recognition of the Group.

I examined the revenue recognition of the Group by assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiries of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select revenues from hospital operations transactions occurring during the year to examine the supporting documents.

I requested a balance confirmation from accounts receivable and tested revenue cut-off. I also performed analytical procedures of disaggregated data and significant financial ratios with the past information and a sample of companies in the industry to detect possible irregularities in revenues from hospital operations transactions throughout the period, particularly for accounting entries made through journal vouchers.

Goodwill

I have focused my audit on the consideration of the impairment of goodwill, as discussed in Note 17 to the financial statements, because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill. I therefore gave significant attention to the amount of goodwill of the Group.

I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model, as well as sensitivity of the impact of changes in key assumptions to the cash flow projections. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 22 February 2023

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Assets					
Current assets					
Cash and cash equivalents	6	12,668,014,026	10,933,656,049	4,095,282,342	7,467,193,294
Trade and other receivables	7, 8	10,484,452,710	9,130,753,038	1,538,507,655	1,071,277,035
Short-term loans to subsidiaries	8	-	-	2,567,989,867	3,082,685,147
Dividend receivables - related party	8	-	-	-	574,584,198
Inventories	9	2,211,277,939	2,004,939,883	129,900,153	121,111,430
Current portion of					
- Other non-current financial assets	12	16,000,000	19,000,000	-	-
- Long-term loans to subsidiaries	8	-	-	90,000,000	-
Other current financial assets	10	2,303,564,132	1,707,626,653	85,719	85,338
Other current assets		115,768,346	605,418,990	6,990,862	102,139,763
Total current assets		27,799,077,153	24,401,394,613	8,428,756,598	12,419,076,205
Non-current assets					
Restricted financial institution deposits	11	4,608,656	4,580,670	-	-
Other non-current financial assets	12	1,018,106,845	668,764,201	813,569,620	317,928,234
Investments in associates	13	963,470,021	931,011,759	69,952,429	70,815,053
Investments in subsidiaries	14	-	-	63,241,873,891	58,397,915,491
Long-term loans to subsidiaries	8	-	-	432,076,075	641,428,975
Investment properties	15	380,257,611	353,657,611	726,359,200	733,959,200
Property, premises and equipment	16	81,859,990,885	79,689,146,120	13,623,611,219	13,254,631,968
Right-of-use assets	22	9,668,432,264	2,862,016,762	842,083,641	1,187,529,168
Goodwill	17	17,538,868,508	17,538,868,508	-	-
Intangible assets	18	1,621,176,919	1,289,016,455	742,525,412	688,698,999
Deferred tax assets	31	77,675,907	80,946,336	-	-
Other non-current assets		611,195,929	634,215,395	49,344,531	46,970,902
Total non-current assets		113,743,783,545	104,052,223,817	80,541,396,018	75,339,877,990
Total assets		141,542,860,698	128,453,618,430	88,970,152,616	87,758,954,195

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institutions	19	500,000,000	-	500,000,000	-
Trade and other payables	8, 20	6,175,970,419	5,034,558,891	1,102,370,955	773,020,473
Accrued expenses		5,425,639,178	4,627,248,264	1,042,578,641	982,094,702
Current portion of long-term liabilities					
- Liabilities under lease agreements	22	880,374,759	268,941,390	126,295,369	173,875,262
- Debentures	23	4,999,841,714	3,099,894,646	4,999,841,714	3,099,894,646
Short-term loans from non-related parties		32,000,000	76,400,000	-	-
Short-term loans from subsidiaries	8	-	-	15,004,851,532	14,548,578,535
Income tax payable		1,471,564,863	1,005,813,187	138,772,504	-
Deferred income - membership due within one year		183,248,779	169,511,449	99,381,453	93,393,251
Other current liabilities		<u>947,673,961</u>	<u>1,579,628,240</u>	<u>249,916,452</u>	<u>354,559,143</u>
Total current liabilities		<u>20,616,313,673</u>	<u>15,861,996,067</u>	<u>23,264,008,620</u>	<u>20,025,416,012</u>
Non-current liabilities					
Long-term loan from financial institution	21	4,000,000,000	1,000,000,000	4,000,000,000	1,000,000,000
Liabilities under lease agreements	22	6,683,842,436	2,888,164,526	604,416,568	874,287,609
Debentures	23	6,497,815,307	11,496,118,358	6,497,815,307	11,496,118,358
Provision for life long medical care programs	24	1,666,045,237	1,486,994,570	1,431,300,230	1,309,838,470
Provision for employee benefits	25	3,886,455,374	4,023,823,216	1,223,283,619	1,310,916,283
Deferred income - membership		486,095,197	484,901,431	109,287,417	102,630,132
Deferred tax liabilities	31	3,920,405,582	3,370,723,283	341,141,577	171,869,877
Other non-current liabilities		<u>73,099,201</u>	<u>75,964,803</u>	<u>32,650,339</u>	<u>34,994,810</u>
Total non-current liabilities		<u>27,213,758,334</u>	<u>24,826,690,187</u>	<u>14,239,895,057</u>	<u>16,300,655,539</u>
Total liabilities		<u>47,830,072,007</u>	<u>40,688,686,254</u>	<u>37,503,903,677</u>	<u>36,326,071,551</u>

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
17,582,235,672 ordinary shares of Baht 0.1 each	<u>1,758,223,567</u>	<u>1,758,223,567</u>	<u>1,758,223,567</u>	<u>1,758,223,567</u>
Issued and fully paid-up				
15,892,001,895 ordinary shares of Baht 0.1 each	1,589,200,190	1,589,200,190	1,589,200,190	1,589,200,190
Premium on ordinary shares	30,166,103,071	30,166,103,071	30,103,179,143	30,103,179,143
Difference from shareholding restructure	305,000,325	305,000,325	-	-
Surplus investment over book value of subsidiaries	(3,954,357,212)	(2,698,384,204)	-	-
Retained earnings				
Appropriated - statutory reserve	175,822,357	175,822,357	175,822,357	175,822,357
Unappropriated	47,774,160,237	42,772,863,298	16,716,094,593	17,370,382,694
Other components of shareholders' equity	<u>13,823,324,840</u>	<u>11,534,587,847</u>	<u>2,881,952,656</u>	<u>2,194,298,260</u>
Equity attributable to owners of the Company	89,879,253,808	83,845,192,884	51,466,248,939	51,432,882,644
Non-controlling interests of the subsidiaries	<u>3,833,534,883</u>	<u>3,919,739,292</u>	-	-
Total shareholders' equity	<u>93,712,788,691</u>	<u>87,764,932,176</u>	<u>51,466,248,939</u>	<u>51,432,882,644</u>
Total liabilities and shareholders' equity	<u>141,542,860,698</u>	<u>128,453,618,430</u>	<u>88,970,152,616</u>	<u>87,758,954,195</u>
	-	-	-	-

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

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 Directors

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Revenues from hospital operations		88,534,621,956	71,541,307,454	14,432,373,715	10,536,598,908
Revenue from sales of goods		3,399,012,646	2,910,038,628	-	-
Other income					
Dividend income	12, 13, 14	8,106,639	4,574,768	5,752,673,604	5,337,028,672
Others		1,034,012,598	1,262,617,304	1,469,966,432	1,173,586,635
Total other income		1,042,119,237	1,267,192,072	7,222,640,036	6,510,615,307
Total revenues		92,975,753,839	75,718,538,154	21,655,013,751	17,047,214,215
Expenses					
Cost of hospital operations and goods sold		58,329,375,453	49,496,878,131	9,287,313,911	7,540,221,724
Administrative expenses		17,654,571,845	14,993,704,543	4,416,607,117	3,495,989,864
Total expenses		75,983,947,298	64,490,582,674	13,703,921,028	11,036,211,588
Profit from operating activities		16,991,806,541	11,227,955,480	7,951,092,723	6,011,002,627
Share of income from investments					
in associates	13.2	41,818,592	21,112,733	-	-
Finance income	28	79,822,140	73,143,211	140,353,078	180,458,895
Finance costs	29	(632,065,073)	(728,461,478)	(565,119,707)	(642,802,075)
Profit before income tax expense		16,481,382,200	10,593,749,946	7,526,326,094	5,548,659,447
Income tax expense	31	(3,227,150,788)	(2,103,372,373)	(356,262,252)	(38,107,223)
Profit for the years		13,254,231,412	8,490,377,573	7,170,063,842	5,510,552,224
Profit attributable to:					
Owners of the Company		12,606,202,636	7,936,077,460	7,170,063,842	5,510,552,224
Non-controlling interests of the subsidiaries		648,028,776	554,300,113		
		<u>13,254,231,412</u>	<u>8,490,377,573</u>		
Basic earnings per share					
Profit attributable to owners of the Company	32	0.79	0.50	0.45	0.35
Weighted average number of ordinary shares (shares)		<u>15,892,001,895</u>	<u>15,892,001,895</u>	<u>15,892,001,895</u>	<u>15,892,001,895</u>

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit for the years		<u>13,254,231,412</u>	<u>8,490,377,573</u>	<u>7,170,063,842</u>	<u>5,510,552,224</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies					
		<u>55,896,310</u>	<u>174,467,274</u>	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax					
		<u>55,896,310</u>	<u>174,467,274</u>	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain on fair value adjustments of investments - net of income tax					
		122,399,059	72,323,103	72,472,471	48,492,231
Gain on revaluation of land - net of income tax	16	2,201,426,979	20,772,000	615,181,925	-
Actuarial gain - net of income tax		<u>280,273,590</u>	<u>474,883,958</u>	<u>121,532,812</u>	<u>74,320,671</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		<u>2,604,099,628</u>	<u>567,979,061</u>	<u>809,187,208</u>	<u>122,812,902</u>
Other comprehensive income for the years		<u>2,659,995,938</u>	<u>742,446,335</u>	<u>809,187,208</u>	<u>122,812,902</u>
Total comprehensive income for the years		<u>15,914,227,350</u>	<u>9,232,823,908</u>	<u>7,979,251,050</u>	<u>5,633,365,126</u>
Total comprehensive income attributable to:					
Equity holders of the Company		15,235,918,687	8,655,042,935	<u>7,979,251,050</u>	<u>5,633,365,126</u>
Non-controlling interests of the subsidiaries		<u>678,308,663</u>	<u>577,780,973</u>		
		<u>15,914,227,350</u>	<u>9,232,823,908</u>		

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Exchange differences on translation of financial statements in foreign currency													
Total other components of shareholders' equity													
Total equity attributable to owners of the Company													
Equity attributable to non-controlling interest of the subsidiaries													
Total shareholders' equity													
Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Surplus of investment over book value of subsidiaries	Appropriated- statutory reserve	Retained earnings Unappropriated	Accumulated fair value adjustment of investments	Revaluation surplus on land	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity	
Balance as at 1 January 2021	1,589,200,190	30,166,103,071	305,000,325	(2,699,611,442)	175,822,357	47,091,644,672	60,541,612	11,372,110,363	(158,507,740)	11,274,144,235	87,902,303,408	3,552,165,925	91,454,469,333
Profit for the year	-	-	-	-	-	7,936,077,460	-	-	-	-	7,936,077,460	554,300,113	8,490,377,573
Other comprehensive income for the year	-	-	-	-	-	458,521,863	72,559,959	14,015,387	173,868,266	260,443,612	718,965,475	23,480,860	742,446,335
Total comprehensive income for the year	-	-	-	-	-	8,394,599,323	72,559,959	14,015,387	173,868,266	260,443,612	8,655,042,935	577,780,973	9,232,823,908
Dividend paid (Note 26)	-	-	-	-	-	(12,713,380,697)	-	-	-	-	(12,713,380,697)	-	(12,713,380,697)
Change in non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-
- Additional purchase of investment in a subsidiary	-	-	-	1,611,722	-	-	-	-	-	-	1,611,722	(10,453,370)	(8,841,648)
- Investment in a new subsidiary	-	-	-	(384,484)	-	-	-	-	-	-	(384,484)	30,093,663	29,709,179
- Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(229,847,899)	(229,847,899)
Balance as at 31 December 2021	1,589,200,190	30,166,103,071	305,000,325	(2,698,384,204)	175,822,357	42,772,863,298	133,101,571	11,386,125,750	15,360,526	11,534,587,847	83,845,192,884	3,919,739,292	87,764,932,176

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Exchange differences on translation of financial statements in foreign currency													
Total other components of shareholders' equity													
Total equity attributable to owners of the Company													
Equity attributable to non-controlling interest of the subsidiaries													
Total shareholders' equity													
Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Surplus of investment over book value of subsidiaries	Appropriated- statutory reserve	Retained earnings Unappropriated	Accumulated fair value adjustment of investments	Revaluation surplus on land	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity	
Balance as at 1 January 2022	1,589,200,190	30,166,103,071	305,000,325	(2,698,384,204)	175,822,357	42,772,863,298	133,101,571	11,386,125,750	15,360,526	11,534,587,847	83,845,192,884	3,919,739,292	87,764,932,176
Profit for the year	-	-	-	-	-	12,606,202,636	-	-	-	-	12,606,202,636	648,028,776	13,254,231,412
Other comprehensive income for the year	-	-	-	-	-	273,399,384	113,522,083	2,185,016,047	57,778,537	2,356,316,667	2,629,716,051	30,279,887	2,659,995,938
Total comprehensive income for the year	-	-	-	-	-	12,879,602,020	113,522,083	2,185,016,047	57,778,537	2,356,316,667	15,235,918,687	678,308,663	15,914,227,350
Dividend paid (Note 26)	-	-	-	-	-	(7,945,884,755)	-	-	-	-	(7,945,884,755)	-	(7,945,884,755)
Transfer accumulated fair value adjustment of investments to retained earnings due to sales of investments	-	-	-	-	-	67,579,674	(67,579,674)	-	-	(67,579,674)	-	-	-
Change in non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-
- Additional purchase of investment in subsidiaries	-	-	-	(1,255,973,008)	-	-	-	-	-	-	(1,255,973,008)	(554,367,163)	(1,810,340,171)
- Investment in a new subsidiary	-	-	-	-	-	-	-	-	-	-	-	40,000,000	40,000,000
- Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(250,145,909)	(250,145,909)
Balance as at 31 December 2022	1,589,200,190	30,166,103,071	305,000,325	(3,954,357,212)	175,822,357	47,774,160,237	179,043,980	13,571,141,797	73,139,063	13,823,324,840	89,879,253,808	3,833,534,883	93,712,788,691

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

Separate financial statements

	Other components of shareholders' equity							Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	
			Appropriated- statutory reserve	Unappropriated	Accumulated fair value adjustment of investments	Revaluation surplus on land		
share capital	ordinary shares	reserve	Unappropriated	of investments	land	equity	shareholders' equity	
Balance as at 1 January 2021	1,589,200,190	30,103,179,143	175,822,357	24,498,890,496	61,862,121	2,083,943,908	2,145,806,029	58,512,898,215
Profit for the year	-	-	-	5,510,552,224	-	-	-	5,510,552,224
Other comprehensive income for the year	-	-	-	74,320,671	48,492,231	-	48,492,231	122,812,902
Total comprehensive income for the year	-	-	-	5,584,872,895	48,492,231	-	48,492,231	5,633,365,126
Dividend paid (Note 26)	-	-	-	(12,713,380,697)	-	-	-	(12,713,380,697)
Balance as at 31 December 2021	<u>1,589,200,190</u>	<u>30,103,179,143</u>	<u>175,822,357</u>	<u>17,370,382,694</u>	<u>110,354,352</u>	<u>2,083,943,908</u>	<u>2,194,298,260</u>	<u>51,432,882,644</u>
Balance as at 1 January 2022	1,589,200,190	30,103,179,143	175,822,357	17,370,382,694	110,354,352	2,083,943,908	2,194,298,260	51,432,882,644
Profit for the year	-	-	-	7,170,063,842	-	-	-	7,170,063,842
Other comprehensive income for the year	-	-	-	121,532,812	72,472,471	615,181,925	687,654,396	809,187,208
Total comprehensive income for the year	-	-	-	7,291,596,654	72,472,471	615,181,925	687,654,396	7,979,251,050
Dividend paid (Note 26)	-	-	-	(7,945,884,755)	-	-	-	(7,945,884,755)
Balance as at 31 December 2022	<u>1,589,200,190</u>	<u>30,103,179,143</u>	<u>175,822,357</u>	<u>16,716,094,593</u>	<u>182,826,823</u>	<u>2,699,125,833</u>	<u>2,881,952,656</u>	<u>51,466,248,939</u>

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax expense	16,481,382,200	10,593,749,946	7,526,326,094	5,548,659,447
Adjustments to reconcile profit before income tax expense to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	5,949,628,769	6,321,293,523	1,325,756,489	1,349,507,735
Write-off of assets	19,753,453	24,760,904	1,062,668	3,633,368
(Gain) loss from lease agreement amendment	(17,397,218)	16,756,382	(100,520)	(5,168,964)
Loss (reversal) on impairment of assets	31,166,121	230,655,064	(1,883,229)	8,416,710
Loss on withholding tax diminution and written-off	14,384,784	10,203,777	12,615	-
Bad debt and expected credit losses	195,071,010	174,566,428	35,067,815	11,041,407
Allowance to reduce cost to net realisable value - inventory	134,506,237	18,816,143	2,835,459	1,607,799
Amortisation of deferred income - membership	(257,839,152)	(260,192,598)	(119,586,599)	(120,661,071)
Loss on fair value measurement of other financial assets	92,973,664	37,491,034	94,949,202	38,873,793
Share of income from investments in associates	(41,818,592)	(21,112,733)	-	-
Amortisation of expense for debentures	1,644,016	2,162,991	1,644,016	2,162,991
(Gain) loss on disposal of property, premises and equipment	(1,598,415)	5,771,358	(1,810,380)	3,670,304
(Gain) loss on fair value adjustment of investment properties	(26,600,000)	9,615,000	7,600,000	8,125,000
Gain on foreign exchange	(4,291,489)	(14,782,925)	(4,291,500)	(14,782,925)
Provision for life long medical care programs	188,914,703	250,780,616	179,344,004	241,696,138
Provision for employee benefit expenses	375,751,567	413,178,373	105,492,859	89,963,222
Annual leave expense	10,137,733	633,479	1,661,346	793,678
Finance income	(79,822,140)	(73,143,211)	(140,353,078)	(180,458,895)
Dividend income	(8,106,639)	(4,574,768)	(5,752,673,604)	(5,337,028,672)
Finance cost	632,065,073	728,461,478	565,119,707	642,802,075
Profit from operating activities before changes in operating assets and liabilities	23,689,905,685	18,465,090,261	3,826,173,364	2,292,853,140

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Trade and other receivables	(1,525,332,042)	(2,110,864,562)	(503,098,622)	(139,781,629)
Inventories	(340,844,293)	(168,590,158)	(11,624,182)	(22,202,547)
Other current assets	489,650,644	(578,853,758)	95,148,900	(102,139,763)
Other non-current assets	10,328,416	45,701,068	(2,954,869)	742,441
Increase (decrease) in operating liabilities				
Trade and other payables	932,159,143	687,494,587	251,357,312	79,121,827
Accrued expenses	816,853,455	918,260,226	84,771,934	227,387,854
Deferred income - membership	272,770,248	167,625,565	132,232,086	73,487,943
Other current liabilities	(618,358,517)	919,255,931	(107,162,256)	193,003,381
Provision for life long medical care programs	(9,864,036)	(51,058,497)	(57,882,244)	(48,948,284)
Provision for employee benefits	(162,777,421)	(190,644,775)	(41,209,508)	(81,758,458)
Other non-current liabilities	(2,865,602)	12,594,706	(2,344,471)	3,057,104
Cash flow provided by operating activities	23,551,625,680	18,116,010,594	3,663,407,444	2,474,823,009
Cash received from finance income	79,907,060	70,421,819	141,153,265	181,435,654
Cash paid for finance cost	(484,735,544)	(585,955,128)	(565,050,656)	(616,939,165)
Cash received from tax refund	88,464,271	41,322,487	-	-
Cash paid for income tax expense	(2,968,882,304)	(3,080,858,177)	(249,946,224)	(1,203,248,089)
Net cash flow provided by operating activities	20,266,379,163	14,560,941,595	2,989,563,829	836,071,409

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in other current financial assets	(593,961,942)	(433,318,322)	(381)	(205)
(Increase) decrease in restricted financial institution deposits	(27,986)	695,736	-	-
Cash received from dividend income	16,604,345	21,570,179	6,327,257,802	4,762,444,474
Cash paid for purchase of investments in subsidiaries	-	21,393,796	(4,843,715,172)	(400,272,258)
Cash received from capital returned from an associate	862,625	-	862,625	-
Cash paid for purchase of other non-current financial assets				
financial assets	(521,000,000)	(60,000,000)	(500,000,000)	-
Cash received from disposal of other non-current financial assets				
financial assets	232,746,900	20,000,000	-	-
Decrease in short-term loans to subsidiaries	-	-	515,839,680	271,462,942
Cash paid for long-term loans to subsidiaries	-	-	-	(64,935,400)
Cash received from long-term loans to subsidiaries	-	-	122,500,000	289,531,700
Cash paid for purchase of investment properties	-	(25,000)	-	(25,000)
Cash received from disposal of property, premises and equipment	35,842,336	37,402,911	14,183,687	5,504,722
Cash paid for purchase of property, premises and equipment	(4,405,823,757)	(3,975,376,896)	(577,794,607)	(627,268,886)
Cash paid for purchase of intangible assets	(666,617,692)	(395,425,737)	(125,337,622)	(171,097,383)
Net cash flow provided by (used in) investing activities	(5,901,375,171)	(4,763,083,333)	933,796,012	4,065,344,706

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from financing activities				
Decrease in short-term loans from				
non-related parties	(44,400,000)	(6,200,000)	-	-
Increase in short-term loans from subsidiaries	-	-	456,272,997	3,252,097,402
Increase in short-term loans from financial institution	500,000,000	-	500,000,000	-
Repayment of long-term loan from financial institutions	-	(5,107,466,667)	-	(5,107,466,667)
Cash received from long-term loan from				
financial institutions	3,000,000,000	-	3,000,000,000	-
Cash paid for debentures redemption	(3,100,000,000)	-	(3,100,000,000)	-
Repayments of liabilities under lease agreements	(3,006,279,418)	(492,349,576)	(208,178,601)	(173,956,839)
Cash paid for purchase of investment in subsidiaries				
from non-controlling interests	(1,810,340,172)	(8,841,648)	-	-
Cash received from additional paid-up share capital				
from non-controlling interests of subsidiary	40,000,000	20,000,000	-	-
Dividend paid	(7,943,365,189)	(12,737,740,045)	(7,943,365,189)	(12,737,740,045)
Dividend paid by subsidiaries to non-controlling interests	(266,261,236)	(197,969,844)	-	-
Net cash flow used in financing activities	(12,630,646,015)	(18,530,567,780)	(7,295,270,793)	(14,767,066,149)
Net increase (decrease) in cash and cash equivalents	1,734,357,977	(8,732,709,518)	(3,371,910,952)	(9,865,650,034)
Cash and cash equivalents at beginning of years	10,933,656,049	19,666,365,567	7,467,193,294	17,332,843,328
Cash and cash equivalents at end of years	12,668,014,026	10,933,656,049	4,095,282,342	7,467,193,294
	-	-	-	-
Supplemental cash flows information:				
Non-cash items:				
Increase in right-of-use assets	7,321,507,473	277,803,393	19,488,066	583,221,961
Increase (decrease) in accounts payable				
- property, premises, equipment and intangible assets				
and retention	209,252,385	(103,086,105)	(7,965,449)	(115,908,457)
Decrease in dividend receivable	-	-	574,584,198	-
Increase (decrease) in dividend payable	(13,595,762)	7,518,707	2,519,565	(24,359,348)

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2022

1. General information

Bangkok Dusit Medical Services Public Company Limited ("the Company") is a public company incorporated under Thai law and domiciled in Thailand. The Company is principally engaged in the hospital business. The Company operates under 6 hospital groups, namely, Bangkok Hospital Group, Samitivej Hospital Group, BNH Hospital, Phyathai Hospital Group, Paolo Hospital Group and Royal Hospital Group. In addition, the Company's network also covers Wellness Clinic and businesses that support medical care such as medical laboratories, production and distribution of pharmaceutical products and medical equipment, pharmacies and hotel. The registered office of the Company is at 2, Soi Soonvijai 7, New Petchburi Road, Bang Kapi, Huaykwang, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Bangkok Dusit Medical Services Public Company Limited and the following subsidiaries (“the Group”):

Company's name	Nature of business	Percentage of shareholding (percent)	
		2022	2021
<u>Held by the Company</u>			
Samitivej Public Co., Ltd.	Hospital	98.85	95.76
Bangkok Hospital Hatyai Co., Ltd.	Hospital	98.82	98.82
Bangkok Phuket Hospital Co., Ltd.	Hospital	99.72	99.70
BNH Medical Centre Co., Ltd.	Hospital	91.48	91.48
Paolo Phrapradaeng Hospital Co., Ltd.	Hospital	84.00	84.00
Bangkok Pattaya Hospital Co., Ltd.	Hospital	97.27	97.27
Bangkok Rayong Hospital Co., Ltd.	Hospital	100.00	100.00
Bangkok Samui Hospital Co., Ltd.	Hospital	100.00	100.00
Bangkok Trat Hospital Co., Ltd.	Hospital	99.76	99.76
Wattanavej Co., Ltd.	Hospital	99.72	99.72
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	91.48	91.45
Angkor Pisith Co., Ltd.	Hospital	80.00	80.00
Phnom Penh Medical Services Co., Ltd.	Hospital	100.00	100.00
Paolo Medic Co., Ltd.	Hospital	100.00	100.00
Paolo Samutprakarn Co., Ltd.	Hospital	93.65	93.65
Siam Medical Co., Ltd.	Hospital	85.71	85.71
Thai Medical Center Public Co., Ltd.	Hospital	99.76	99.76
Bangkok Hospital Chiangmai Co., Ltd.	Hospital	100.00	100.00
Bangkok Hospital Udon Co., Ltd.	Hospital	100.00	100.00
Bangkok Khon Kaen Hospital Co., Ltd.	Hospital	100.00	100.00
Thonburi Medical Centre Public Co., Ltd.	Hospital	35.01	35.01
(held by the Company at 35.01% and indirectly held by a subsidiary at 29.02%)			
Samitivej Chonburi Co., Ltd.	Hospital	100.00	100.00
Bangkok Hospital Phitsanulok Co., Ltd.	Hospital	100.00	100.00
Bangkok Hospital Sanamchan Co., Ltd.	Hospital	100.00	100.00
Bangkok Phuket International Hospital Co., Ltd.	Hospital	100.00	100.00
Bangkok Hospital Muangraj Co., Ltd.	Hospital	100.00	100.00
Bangkok Hospital Surat Co., Ltd.	Hospital	100.00	100.00

Company's name	Nature of business	Percentage of shareholding (percent)	
		2022	2021
<u>Held by the Company (continued)</u>			
Bangkok Hospital Chiangrai Co., Ltd.	Hospital	100.00	100.00
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiaries at 24.66%)	Laboratory services	74.02	74.02
Bio Molecular Laboratories (Thailand) Co., Ltd.	Laboratory services	95.00	95.00
BDMS Wellness Clinic Co., Ltd.	Holistic Clinical Wellness (Preventative and Regenerative Medicine)	100.00	100.00
BDMS Wellness Resort Co., Ltd.	Hotel	100.00	100.00
BDMS Accounting Co., Ltd.	Accounting service	100.00	100.00
Bangkok Health Insurance Public Co., Ltd.	Health insurance	100.00	100.00
Greenline Synergy Co., Ltd.	Technology and information service	100.00	100.00
BDMS Training Co., Ltd.	Training business	100.00	100.00
Prasit Patana Public Co., Ltd.	Investment	98.63	98.62
Royal Bangkok Healthcare Co., Ltd.	Investment	100.00	100.00
N Health Asia Pte. Ltd.	Investment	100.00	100.00
Bangkok Save Drug Co., Ltd.	Investment	100.00	100.00
Bangkok Premier Insurance Broker Co., Ltd.	Insurance broker	100.00	100.00
BDMS Property Management Co., Ltd.	Assets managements	100.00	100.00
The Medicpharma Co., Ltd.	Production and distribution of medicines	89.06	87.05
Bangkok Helicopter Services Co., Ltd. (held by the Company at 87.25% and indirectly held by a subsidiary at 12.75%)	Air transportation services	87.25	87.25
Bangkok Hospital Khao Yai Co., Ltd.	Not yet operate	100.00	100.00
B.D.M.S. International Medical Services Co., Ltd.	Not yet operate	100.00	100.00
BDMS Inter Pte. Ltd.	In process of liquidation	100.00	100.00
S.R. Property Investment Co., Ltd.	Real estate	49.00	49.00
Siem Reap Land Investment Co., Ltd.	Real estate	49.00	49.00
Phnom Penh First Property Co., Ltd.	Real estate	49.00	49.00
Health Plaza Co., Ltd. (held by the Company at 96.15% and indirectly held by a subsidiary at 3.85%)	E-Commerce	96.15	96.15
BDMS Silver Co.,Ltd.	BDMS Silver Wellness & Residence	100.00	-

Company's name	Nature of business	Percentage of shareholding (percent)	
		2022	2021
<u>Held by subsidiaries</u>			
Samitivej Sriracha Co., Ltd.	Hospital	70.47	70.46
Thonburi Medical Center Public Co., Ltd.	Hospital	29.02	29.02
Phyathai 1 Hospital Co., Ltd.	Hospital	100.00	100.00
Phyathai 2 Hospital Co., Ltd.	Hospital	99.18	99.18
Phyathai 3 Hospital Co., Ltd.	Hospital	98.95	98.95
Sriracha Nakorn General Hospital Public Co., Ltd.	Hospital	78.52	75.55
Tepakorn Hospital Co., Ltd.	Hospital	50.03	50.03
National Healthcare Systems Co., Ltd.	Laboratory services	25.97	25.97
Bangkok Helicopter Services Co., Ltd.	Air transportation services	12.75	12.75
Irving Sheridan SE Co., Ltd.	Assets management for healthcare business	99.98	99.98
First Health Food Co., Ltd.	Distributing health products, cosmetic products and facility management	100.00	100.00
SV Holding Co., Ltd.	Investment	100.00	100.00
A.N.B. Laboratories Co., Ltd.	Manufacturer and distributor of medicine and pharmaceutical products	100.00	100.00
N Health (Cambodia) Co., Ltd.	Laboratory services	100.00	100.00
Save Drug Center Co., Ltd.	Retailer of medicine and pharmaceutical products	100.00	100.00
N Health Pathology Co., Ltd.	Laboratory services	95.00	95.00
Samitivej International Co., Ltd.	Clinic	80.00	80.00
N Health Myanmar Co., Ltd.	Laboratory services	60.00	60.00
Digital Health Venture Co., Ltd.	Invest and develop medical business	100.00	100.00
Health Plaza Co., Ltd.	E-Commerce	3.85	3.85
Samawat Health Co., Ltd..	E-Commerce, skin and aesthetics telemedicine	60.00	60.00
N Health Novogene Genomics Co.,Ltd.	Whole genome sequencing service	75.00	75.00
DrPharma Health Technology Co.,Ltd.	Retailer of medicine	60.00	-

All subsidiaries incorporated in Thailand except:

- Registered in Cambodia: Angkor Pisith Co., Ltd., Phnom Penh Medical Services Co., Ltd., N Health (Cambodia) Co., Ltd., B.D.M.S. International Medical Services Co., Ltd., S.R. Property Investment Co., Ltd., Siem Reap Land Investment Co., Ltd. and Phnom Penh First Property Co., Ltd.
 - Registered in Singapore: BDMS Inter Pte. Ltd. and N Health Asia Pte. Ltd.
 - Registered in Republic of the Union of Myanmar: Samitivej International Co., Ltd. and N Health Myanmar Co., Ltd.
- 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 major accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions of the Group has been eliminated from the consolidated financial statements.
- g) 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 shareholders’ equity in the consolidated statement of financial position.
- h) In recording the acquisition of additional shares of subsidiaries (repurchase of shares from minority shareholders) when the fair value of the net assets acquired is lower than the cost of the investment the difference has been presented in shareholders' equity in the statement of financial position under the caption of “Surplus of investment over book value of subsidiaries”. When the fair value of the net assets acquired is higher than the cost of the investment the difference has been presented in shareholders' equity in the statement of financial position under the caption of “Deficits of investment lower book value of subsidiaries”.

2.3 The separate financial statements present investments in subsidiaries and associates 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 Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Revenues from hospital operations

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

Revenue for medical care and services provided under the social security scheme is recognised when the services are rendered under the conditions of the Social Security Office.

Revenue from sales of goods and foods

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

Revenues from hotel rooms

Revenues from hotel rooms are recognised when occupied.

Service income

Service income is recognised when services have been rendered.

Membership income

Membership income is which initially recorded as deferred income and gradually amortised to income according to services provided over membership period.

Space rental and related service income

The Group recognises space rental and related service income over the term of the lease and service agreements.

Finance income

Finance 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.

Dividend Income

Dividend Income is 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 cash deposit at financial institutions and highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

4.3 Inventories

Inventories are valued at lower of cost (weighted average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4.4 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method less allowance for impairment loss (if any).

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in income statement when incurred.

When there is a change in the use of investment property, if the investment property recorded at fair value is transferred to owner-occupied property or inventory, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an owner occupied property becomes an investment property recorded at fair value, any difference between the carrying amount of the property and its fair value at the date of the change in use is treated in the same manner as a revaluation, in accordance with the stated accounting policy for property, premises and equipment.

On disposal of investment properties, the difference between the reward and the carrying amount of the asset is recognised in income statement in the period when the asset is derecognised.

4.6 Property, premises and equipment/Depreciation

Land is stated at revalued amount. Premises and equipment are stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are recorded with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the assets, the increase is credited directly to other comprehensive income under the heading of "Revaluation surplus on land" in shareholder's equity. However, a revaluation increase will be recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the assets, the decrease is recognised in income statement. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on land" in respect of the same assets.

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

Land improvements	30 years or lease period
Premises, structures and premises improvements	3 - 50 years or lease period
Medical tools and equipment and machines	2 - 20 years
Helicopter	20 years
Helicopter spare parts and equipment	5 years
Structure equipment, furniture and office equipment	2 - 20 years
Vehicles	5 - 10 years

Depreciation is recognised as an expenses in income statement.

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

An item of property, premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of an item of property, premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, premises and equipment, and are recognised net in the statement of profit or loss.

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 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any allowance for impairment losses (if any).

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

The intangible asset with finite useful lives is as follow:

Computer software	5 - 10 years
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Intangible assets with indefinite useful lives are not amortised such as commercial rights, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of an item of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset, and are recognised net in the statement of profit or loss.

4.9 Goodwill/Business combination

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

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 income statement.

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 cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group 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 income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Related party transactions

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

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

4.11 Leases

At inception of contract, the Group assesses 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 Group as a lessee

The Group 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 Group recognises 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 their lease period.

Land	1 - 60 years
Building	1 - 30 years
Medical tools and equipment and machines	2 - 10 years
Structure equipment, furniture and office equipment	2 - 9 years
Vehicles	2 - 6 years

If ownership of the leased asset is transferred to the Group 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.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a 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 Group as a lessor

Operating leases

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.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, premises and equipment right-of-use asset, investment in subsidiary, investment in associate and/or other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. 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 Group 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 income statement. However in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

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

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

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

Gains and losses on exchange are included in income statement.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred. The Group set up provisions for vacation which is calculated in accordance with the Group's policy and formula, taking into consideration the employee's salary, years of service and the unused vacation days.

Post-employment benefits and other long - term employee benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The Group contributions are recognised as expenses when incurred.

Defined benefit plans and other long - term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and medical care after post-employment. The Group treats these severance payment and medical care obligations as defined benefit plans. In addition, the Group provides other long-term employee benefit plan, namely long service awards, which will be rewarded employees when the employees complete the milestones service years.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income while those arising from other long-term employee benefits are recognised in the income statement.

4.15 Provisions

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

Provision for lifelong medical care programs

The Group has operated membership programs providing lifelong medical services with small amount of charges to their members who have prepaid the membership fees for life. The Group recognises provision for lifelong medical care programs which is determined based on actuarial techniques. The carrying amount of the provision for lifelong medical care programs are reviewed at each financial year end. Actuarial gains and losses are recognised in the income statement.

4.16 Income tax

Income tax expense represents the sum of current income tax and deferred tax.

Current income 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 income tax

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

The Group recognises deferred tax liabilities for all taxable temporary differences while 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.

The Group does not recognise a deferred tax liability of all taxable temporary differences associated with investments in subsidiaries and associates as the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. The Group will recognise a deferred tax liability of all taxable temporary differences associated with investments in subsidiaries and associates immediately when it is probable that the Group will dispose the investments in subsidiaries and associates in the foreseeable future.

At each reporting date, the Group reviews 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 Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group 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 received from the investment 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.

Financial assets at FVTPL

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

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

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

Classification and measurement of financial liabilities

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

Recognition and derecognition of financial instruments

The Group recognizes or eliminates financial assets on the date of the transaction. The date on which the Group has an obligation to buy or sell that asset for the normal purchase or sale of financial assets.

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

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

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

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

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

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

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, or realise the assets and settle the liabilities simultaneously.

4.18 Derivatives

The Group uses derivatives, such as forward currency contracts, cross currency swaps, interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.19 Fair value measurement

Fair value is the price that would be received from sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group 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 Group 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 categories of input to be used in fair value measurement as follows:

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

At the end of each reporting period, the Group 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 judgments and estimates

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

Leases

The Group as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade and other receivables

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

Fair value of financial instruments

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

Property, premises and equipment/Depreciation

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

The Group measures land at revalued amounts. Fair value from revaluation is determined by independent valuer using market approach. Such valuation is based on certain assumptions and estimates.

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

Investment properties

The Group presents investment properties at the fair value estimated by an independent appraiser, and recognise changes in the fair value in income statement. The valuation involves certain assumptions and estimates.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

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

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 Group 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 property, premise and equipment, goodwill and other intangibles with indefinite useful lives recognised by the Group.

Provision for lifelong medical care programs

The provision for lifelong medical care programs is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, medical fee rate and mortality rate.

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

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

Litigation

The Group has contingent liabilities arising from litigation. The Group's management has used judgment to assess the outcome of the litigation. In cases of loss, the Group will record provision for contingent liabilities in financial statement. In cases where it has assessed that no damage will arise from the litigation, the Group will not record provision for contingent liabilities at the end of the reporting period.

6. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash and deposits at financial institutions	10,702,871	10,933,155	4,095,282	7,467,193
Fixed deposits	1,965,143	501	-	-
Total cash and cash equivalents	<u>12,668,014</u>	<u>10,933,656</u>	<u>4,095,282</u>	<u>7,467,193</u>

As at 31 December 2022, deposits in saving accounts and fixed deposits carried interest rates between 0.15 and 1.00 percent per annum (2021: between 0.05 and 1.25 percent per annum).

7. Trade and other receivables

Trade and other receivables as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables - related parties	6,737	7,968	28,981	23,480
Trade receivables - unrelated parties - net	9,969,352	8,574,105	1,247,674	796,644
Other receivables - related parties	2,368	783	205,971	160,753
Other receivables - unrelated parties - net	268,037	266,333	22,751	46,053
Prepaid expenses	237,959	281,564	33,131	44,347
Total trade and other receivables - net	<u>10,484,453</u>	<u>9,130,753</u>	<u>1,538,508</u>	<u>1,071,277</u>

As at 31 December 2022 and 2021, the aging analysis of the outstanding trade accounts receivable are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Related parties</u>				
Undue	3,888	4,277	20,853	13,695
Not over than 3 months	2,667	3,674	8,007	8,560
3 - 6 months	181	17	47	1,225
6 - 12 months	1	-	74	-
Total trade accounts receivable - related parties	<u>6,737</u>	<u>7,968</u>	<u>28,981</u>	<u>23,480</u>
<u>Unrelated parties</u>				
Undue	4,709,674	4,055,387	574,893	443,661
Not over than 3 months	3,563,289	3,560,561	550,217	280,689
3 - 6 months	1,050,322	866,261	104,362	88,389
6 - 12 months	660,245	249,622	59,627	28,650
Over 12 months	538,739	374,023	92,009	79,295
Total trade accounts receivable - unrelated parties	<u>10,522,269</u>	<u>9,105,854</u>	<u>1,381,108</u>	<u>920,684</u>
Less: Allowance for expected credit losses	<u>(552,917)</u>	<u>(531,749)</u>	<u>(133,434)</u>	<u>(124,040)</u>
Total trade accounts receivable - unrelated parties - net	<u>9,969,352</u>	<u>8,574,105</u>	<u>1,247,674</u>	<u>796,644</u>
Total trade accounts receivable - net	<u><u>9,976,089</u></u>	<u><u>8,582,073</u></u>	<u><u>1,276,655</u></u>	<u><u>820,124</u></u>

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2020	544,175	158,185
Bad debt and expected credit losses	175,197	11,487
Write-off	<u>(187,623)</u>	<u>(45,632)</u>
As at 31 December 2021	531,749	124,040
Bad debt and expected credit losses	170,592	35,107
Write-off	<u>(149,424)</u>	<u>(25,713)</u>
As at 31 December 2022	<u><u>552,917</u></u>	<u><u>133,434</u></u>

8. Related party transactions

The Group had significant business transactions with individuals or related parties, which have been concluded on commercial terms agreed upon between the Company and those related parties. Below is a summary of those transactions.

<u>Transaction</u>	<u>Pricing and lending policy</u>
Revenues and costs from hospital operations and laboratory services	Based on the price charged to other customers
Revenues and expenses from consulting and management service, accounting service, information technology service and maintenance service	Certain percentage of net revenue or rates as stipulated in agreements
Revenues and costs of sales and purchases of goods and services	Based on the price charged to other customers
Rental income and rental expenses	Rates as stipulated in agreements
Interest charge of intercompany loans	Interest rates close to that charged by commercial banks Interests of loans between subsidiaries in Cambodia, charged at the rates as stipulated in the agreements

The significant intercompany transactions for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
<u>Associates</u>				
Revenue from hospital operations and laboratory services	6.4	3.0	-	-
Other income	3.8	1.2	-	-
Cost of goods and services	18.1	9.0	0.9	0.3
Other expenses	0.7	-	-	-
<u>Subsidiaries</u>				
Revenue from hospital operations and laboratory services	-	-	194.5	184.5
Consulting and management fee income	-	-	1,122.4	928.1
Finance income	-	-	103.9	119.9
Dividend income (Note 14)	-	-	5,751.9	5,336.3
Other income	-	-	111.6	102.5
Cost of goods and services	-	-	951.9	854.8
Consulting and management fee expenses	-	-	246.2	219.4
Other expenses	-	-	52.5	50.1
Finance expense	-	-	41.5	33.6
<u>Individuals or related companies</u>				
Revenue from hospital operations and laboratory services	42.5	45.2	11.3	20.2
Other income	18.1	13.1	13.4	9.6
Cost of goods and services	148.4	112.1	139.2	96.9
Consulting and management fee expenses	3.1	3.1	-	-
Other expenses	74.1	58.3	44.7	34.6

The outstanding balances of the above transactions as at 31 December 2022 and 2021 have been separately shown in the statement of financial position as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Trade receivables - related parties (Note 7)</u>				
An associate	1,921	1,118	-	-
Subsidiaries	-	-	28,596	20,894
Related companies	4,816	6,850	385	2,586
Total trade receivable - related parties	6,737	7,968	28,981	23,480
<u>Other receivables - related parties (Note 7)</u>				
Consulting and management fee receivable				
Subsidiaries	-	-	100,116	98,039
Total	-	-	100,116	98,039
Accrued interest income and others				
Subsidiaries	-	-	104,876	62,114
Related companies	2,368	783	979	600
Total	2,368	783	105,855	62,714
Total other receivables - related parties	2,368	783	205,971	160,753
<u>Dividend receivables - related party</u>				
A subsidiary	-	-	-	574,584
Total Dividend receivables - related party	-	-	-	574,584
<u>Other non-current assets - related parties</u>				
Subsidiaries	-	-	9,439	9,515
Related companies	4,101	4,083	-	-
Total other non-current assets - related parties	4,101	4,083	9,439	9,515
<u>Trade payables - related parties (Note 20)</u>				
An associate	4,211	4,586	318	111
Subsidiaries	-	-	91,722	103,776
Related companies	10,768	10,830	9,090	9,884
Total trade payables - related parties	14,979	15,416	101,130	113,771

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Other payables - related parties (Note 20)</u>				
Subsidiaries	-	-	124,288	77,379
Related companies	2,785	5,036	4,439	4,208
Total other payables - related parties	2,785	5,036	128,727	81,587
<u>Accrued interest expense - related parties</u>				
Subsidiaries	-	-	5,949	3,323
Total accrued interest expense - related parties	-	-	5,949	3,323
<u>Liabilities under lease agreements - related parties</u>				
A subsidiary	-	-	412,789	547,215
Related companies	32,898	44,135	12,669	16,468
Total liabilities under lease agreements - related parties	32,898	44,135	425,458	563,683
<u>Other non-current liabilities - related parties</u>				
Subsidiaries	-	-	12,884	14,032
Related companies	1,229	1,295	942	971
Total other non-current liabilities - related parties	1,229	1,295	13,826	15,003

Movement of loans to and loans from subsidiaries during the years are summarised as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
	31 December			31 December
	2021	Increase	Decrease	2022
Short-term loans to subsidiaries	3,082,685	430,699	(945,394)	2,567,990
Long-term loans to subsidiaries	641,429	3,147	(122,500)	522,076
Short-term loans from subsidiaries	14,548,579	4,315,421	(3,859,148)	15,004,852

Short-term and long-term loans to subsidiaries and short-term loans from subsidiaries

The Company has entered into agreements to provide short-term loans and long-term loans with terms of 3 - 8 years to subsidiaries. The loans bear interest at MLR minus fixed rate per annum and LIBOR plus fixed rate per annum and fixed rate as stipulated in the agreement. The interest is payable on a monthly basis while principal is repayable on the basis as stipulated in the agreements.

The Company has entered into short-term loans agreements from its subsidiaries. The loans bear interest at fixed deposit rate. The interest is payable on a monthly basis while principal is repayable on the basis as stipulated in the agreements.

Guarantee obligations with subsidiaries

As at 31 December 2022, the Company has guaranteed overdraft facility amounting to USD 2 million (2021: USD 2 million) for overseas subsidiaries.

Directors and management's benefits

During the years ended 31 December 2022 and 2021, directors and management's benefit of the Group are as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	260.0	215.9	232.3	193.1
Post-employment benefits and other long-term benefits	5.2	4.5	5.2	4.5
Total	<u>265.2</u>	<u>220.4</u>	<u>237.5</u>	<u>197.6</u>

Apart from short-term employee benefits, executive management also receives medical benefits according to the Company policy, the same with employees of the Company. External Directors, referring to directors who are not an employee or management according to the employment agreement, receive a medical fee budget of Baht 3 million per person per year to be used only for medical fees at Bangkok Hospital and hospitals within the Group. Starting from the date of the 2022 Annual General Meeting of Shareholders to the end of 2022, the medical fee of Baht 0.34 million (2021: Baht 1.13 million) provided to 9 External Directors (2021: 10 External Directors).

9. Inventories

Inventories as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Medicines and medical supplies	2,169,170	1,926,171	132,064	121,823
Packaging and others	120,190	127,174	-	-
Total	2,289,360	2,053,345	132,064	121,823
Less: Allowance to reduce cost to net realisable value	(78,082)	(48,405)	(2,164)	(712)
Inventories - net	2,211,278	2,004,940	129,900	121,111

10. Other current financial assets

Other current financial assets as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Investments in mutual funds (measured at fair value through profit or loss)	511,229	509,253	76	75
Fixed deposits (measured at amortised cost)	1,792,335	1,198,374	10	10
Total other current financial assets	2,303,564	1,707,627	86	85

11. Restricted financial institutions deposits

Restricted financial institutions deposits represent bank deposits that subsidiaries have placed with banks to secure letters of guarantees issued by the banks on behalf of the subsidiaries. This includes bank deposits placed with government agencies, state enterprises and private entities to guarantee contractual performance.

12. Other non-current financial assets

Other non-current financial assets as at 31 December 2022 and 2021 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Investments in equity instruments (measured at fair value through other comprehensive income)	970,229	530,978	796,670	206,079
Investments in debt instruments (measured at amortised cost)	46,978	44,937	-	-
Derivatives assets - Interest rate swap contract (Note 23)	16,900	111,849	16,900	111,849
Total	1,034,107	687,764	813,570	317,928
Less: Current portion of investments in debt instruments	(16,000)	(19,000)	-	-
Total other non-current financial assets	1,018,107	668,764	813,570	317,928

12.1 Investments in equity instruments measured at fair value through other comprehensive income

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investments		Dividend income during the years	
				2022	2021	2022	2021
<u>Investments held by the Company</u>							
Investments in listed equity securities - unrelated companies							
TMBThanachart Bank Public Co., Ltd.	Bank	91,937	-	1,770	1,770	5	4
Aikchol Hospital Public Co., Ltd.	Hospital	150	0.20	350	350	181	75
				2,120	2,120	186	79
Accumulated fair value adjustment of investments				3,064	2,828	-	-
Total investments in listed equity securities - unrelated companies				5,184	4,948	186	79
Investments in listed equity securities – a related company							
Bangkok Airways Public Co., Ltd.	Airline	2,100	0.85	39,466	39,466	-	-
BA Airport Leasehold Real Estate Investment Trust	Leasehold Real Estate Investment Trust	10,330	0.48	500,000	-	-	-
				539,466	39,466	-	-
Accumulated fair value adjustment of investments				225,469	135,114	-	-
Total investments in listed equity securities - a related company				764,935	174,580	-	-

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investments		Dividend income during the years	
				2022	2021	2022	2021
Investments in unquoted equity securities							
Thai Longstay Management Co., Ltd.	VISA service	100	0.53	531	531	-	-
Superior Biotech Holding Co., Ltd.	Investment	226	3.55	9,000	9,000	-	-
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	4,520	4,520	613	613
InnoSpace (Thailand) Co., Ltd.	Venture capital	159	7.80	12,500	12,500	-	-
Total investments in unquoted equity securities				26,551	26,551	613	613
Total equity instruments measured at fair value through other comprehensive income - separate financial statements				796,670	206,079	799	692

(Unit: Thousand Baht)
Consolidated financial
statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investments		Dividend income during the years	
				2022	2021	2022	2021
<u>Investment held by subsidiaries</u>							
Investments in listed equity securities							
Mahachai Hospital Public Company Limited	Hospital	160	0.99	33,306	143,724	4,791	1,369
Accumulated fair value adjustment of investments				15,067	61,596	-	-
Total investments in listed equity securities				48,373	205,320	4,791	1,369

(Unit: Thousand Baht)							
Consolidated financial statements							
Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investments		Dividend income during the years	
				2022	2021	2022	2021
Investments in unquoted equity securities							
Thai Herbal Products Co., Ltd.	Manufacturer and distributor of herbal products	80	0.60	290	290	17	14
Prasitthirat Co., Ltd.	Educational institution known as "Rangsit university"	150	33.33	107,192	107,192	2,500	2,500
Asia Laboratories Center Limited	Laboratory service	5	8.00	400	400	-	-
Kendall Gammatron Limited	Manufacturer and distributor of medical equipment	157	-	-	8,000	-	-
Pracharat Raksamakkee Khonkaen (Enterprise for social) Co., Ltd.	OTOP processing and tourism	4	0.38	15	15	-	-
Korat Medical Group Co., Ltd.	Hospital	100	1.00	1,000	1,000	-	-
UB (Thailand) Co., Ltd.	Manufacturer and distributor of medical equipment	8	11.00	879	879	-	-
U2 Bio (Thailand) Co., Ltd.	Laboratory service	10	10.00	1,000	1,000	-	-
Perceptra Co., Ltd.	AI Platform services to assist doctors in medical image diagnosis	4	6.52	20,000	20,000	-	-
Mineed Technology Co.,Ltd	Microneedle manufacturer and research company	7	5.00	20,000	20,000	-	-
				150,776	158,776	2,517	2,514
	Accumulated fair value adjustment of investments			(25,590)	(39,197)	-	-
	Total investments in unquoted equity securities			125,186	119,579	2,517	2,514
Total equity instruments measured at fair value through other comprehensive income - net in the consolidated financial statements				970,229	530,978	8,107	4,575

Prasitthirat Company Limited

A subsidiary has 33.33 percentage of shareholding in Prasitthirat Company Limited but has not classified it as investments in an associate because the subsidiary has no power to participate in the financial and operating policy decisions of that company and other shareholders are major shareholders of that company.

13. Investments in associates

(Unit: Thousand Baht)

Company's name	Natures of business	Paid-up capital	% Shareholding		Consolidated financial statements		Separate financial statements	
					Equity Method		Cost Method	
					2022	2021	2022	2021
<u>Associates held by the Company</u>								
Cool & Joy Co., Ltd.	Liquidated	Baht 5 million	-	30.00	-	870	-	1,500
Udon Pattana (1994) Co., Ltd. (held by the Company at 15.26% and indirectly held by a subsidiary at 9.86%)	Hospital	Baht 300 million	25.12	25.11	168,398	175,629	69,952	69,952
Total investments in associates held by the Company							69,952	71,452
Less: Allowance for impairment of investments							-	(637)
Total investments in associates held by the Company - net							69,952	70,815
<u>Associates held by the subsidiaries</u>								
General Hospital Products Public Co., Ltd.	Manufacturer and distributor of medical supplies	Baht 120 million	47.17	47.17	795,072	754,513		
Al Ghaith Bangkok Dusit Management Services LLC.	Liquidated	UAE DIRHAM 0.15 million	30.00	30.00	-	-		
Total investments in associates in the consolidated financial statements					963,470	931,012		

13.1 Investments in associates by the Company

Cool & Joy Co., Ltd

During 2022, Cool & Joy Co., Ltd. liquidated and returned capital of Baht 0.9 million to the Company.

13.2 Share of income (loss) from investments in associates

Company's name	(Unit: Thousand Baht) Consolidated financial statements	
	2022	2021
<u>Associates held by the Company</u>		
Cool & Joy Co., Ltd.	(7)	-
Udon Patana (1994) Co., Ltd.	(7,231)	(10,751)
<u>Associates held by the subsidiaries</u>		
General Hospital Products Public Co., Ltd.	49,057	31,912
N Health Novogene Genomics Co.,Ltd.	-	(48)
Total	<u>41,819</u>	<u>21,113</u>

13.3 Summary of financial information of associates

(Unit: Million Baht)

Company's name	As at 31 December										For the years ended 31 December					
	Paid-up capital		Current assets		Non-Current assets		Current liabilities		Non-Current liabilities		Total revenues		Profit (loss)		Total comprehensive income	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<u>Associates held by the Company</u>																
Cool & Joy Co., Ltd.	-	5	-	2.9	-	-	-	-	-	-	-	-	-	-	-	-
Udon Patana (1994) Co., Ltd.	300	300	44.7	37.6	831.7	846.8	181.4	147.0	38.2	51.7	323.9	336.9	(28.8)	(42.8)	-	-
<u>Associated held by the subsidiaries</u>																
General Hospital Products Public Co., Ltd.	120	120	969.6	778.8	884.8	936.9	236.6	186.6	38.4	43.4	1,389.8	1,043.8	104.9	75.8	111.6	75.8

14. Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital	% Shareholding		Separate financial statements			
					Investments		Dividend income	
					(Cost method)		during the years	
			2022	2021	2022	2021	2022	2021
Samitivej Public Co., Ltd.	Hospital	Baht 1,000 million	98.85	95.76	3,121,634	1,639,232	718,230	1,819,517
Bangkok Hospital Hatyai Co., Ltd.	Hospital	Baht 500 million	98.82	98.82	574,697	574,697	296,462	197,641
Bangkok Phuket Hospital Co., Ltd.	Hospital	Baht 500 million	99.72	99.70	610,632	610,346	299,154	149,547
BNH Medical Centre Co., Ltd.	Hospital	Baht 586 million	91.48	91.48	602,657	602,657	321,714	321,714
Paolo Phrapradaeng Hospital Co., Ltd.	Hospital	Baht 105 million	84.00	84.00	101,868	101,868	44,100	-
Bangkok Pattaya Hospital Co., Ltd.	Hospital	Baht 280 million	97.27	97.27	708,993	708,993	490,227	326,818
Bangkok Rayong Hospital Co., Ltd.	Hospital	Baht 400 million	100.00	100.00	415,020	415,020	360,000	400,000
Bangkok Samui Hospital Co., Ltd.	Hospital	Baht 150 million	100.00	100.00	150,000	150,000	-	-
Bangkok Trat Hospital Co., Ltd.	Hospital	Baht 250 million	99.76	99.76	245,889	245,889	49,878	49,878
Wattanavej Co., Ltd.	Hospital	Baht 180 million	99.72	99.72	450,788	450,788	53,850	-
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	Baht 300 million	91.48	91.45	935,635	935,355	109,742	-
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiaries at 24.66%.	Laboratory services	Baht 75 million	74.02	74.02	56,768	56,768	111,036	83,277
Bio Molecular Laboratories (Thailand) Co., Ltd.	Laboratory services	Baht 10 million	95.00	95.00	9,502	9,502	380,000	152,000
Angkor Pisith Co., Ltd.	Hospital	USD 10 million	80.00	80.00	287,840	287,840	-	-
Phnom Penh Medical Services Co., Ltd.	Hospital	USD 55 million	100.00	100.00	1,803,415	1,803,415	-	-
B.D.M.S. International Medical Services Co., Ltd.	Not yet operate	Riel 9,200 million	100.00	100.00	94,208	94,208	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital	% Shareholding		Separate financial statements			
					Investments (Cost method)		Dividend income during the years	
					2022	2021	2022	2021
BDMS Accounting Co., Ltd.	Accounting service	Baht 30 million	100.00	100.00	30,000	30,000	-	-
Bangkok Health Insurance Public Co., Ltd.	Health insurance	Baht 250 million	100.00	100.00	192,027	192,027	-	-
Royal Bangkok Healthcare Co., Ltd.	Investment	Baht 1,086 million	100.00	100.00	1,086,000	1,086,000	173,760	190,050
Greenline Synergy Co., Ltd.	Technology and information service	Baht 200 million	100.00	100.00	200,000	200,000	-	-
Bangkok Hospital Khao Yai Co., Ltd.	Not yet operate	Baht 70 million	100.00	100.00	70,000	70,000	-	-
BDMS Training Co., Ltd.	Training business	Baht 1 million	100.00	100.00	1,000	1,000	-	-
Prasit Patana Public Co., Ltd.	Investment	Baht 1,108 million	98.63	98.62	9,267,097	9,266,950	1,311,554	874,341
Paolo Medic Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	3,622,872	3,622,872	450,000	400,000
Paolo Samutprakarn Co., Ltd.	Hospital	Baht 42 million	93.65	93.65	1,737,706	1,737,706	235,998	78,666
Siam Medical Co., Ltd.	Hospital	Baht 100 million	85.71	85.71	939,775	939,775	68,571	68,571
Thai Medical Center Public Co., Ltd.	Hospital	Baht 201 million	99.76	99.76	887,131	887,131	-	-
Bangkok Premier Insurance Broker Co., Ltd.	Insurance broker	Baht 20 million	100.00	100.00	20,000	20,000	-	-
Bangkok Hospital Chiangmai Co., Ltd.	Hospital	Baht 1,500 million	100.00	100.00	1,500,000	1,500,000	-	-
Bangkok Hospital Udon Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	799,930	799,930	-	-
Bangkok Khon Kaen Hospital Co., Ltd.	Hospital	Baht 1,500 million	100.00	100.00	1,500,000	1,500,000	-	-
The Medicpharma Co., Ltd.	Production and distribution of medicines	Baht 42.86 million	89.06	87.05	611,519	551,318	29,848	26,117

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital	% Shareholding		Separate financial statements			
					Investments (Cost method)		Dividend income during the years	
					2022	2021	2022	2021
Thonburi Medical Centre Public Co., Ltd. (held by the Company at 35.01% and indirectly held by subsidiary at 29.02%)	Hospital	Baht 194 million	35.01	35.01	451,942	451,942	-	-
Bangkok Hospital Surat Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	1,000,000	1,000,000	-	-
BDMS Inter Pte. Ltd.	In the process of liquidation	USD 0.2 million	100.00	100.00	6,721	6,721	-	-
N Health Asia Pte. Ltd.	Investment	USD 3.5 million	100.00	100.00	116,655	116,655	-	-
Samitivej Chonburi Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	800,000	-	-
Bangkok Hospital Phitsanulok Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	800,000	-	-
Bangkok Hospital Sanamchan Co., Ltd.	Hospital	Baht 3,655 million	100.00	100.00	3,655,000	3,655,000	182,750	146,200
Bangkok Phuket International Hospital Co., Ltd.	Hospital	Baht 3,610 million	100.00	100.00	3,610,000	3,610,000	-	-
Bangkok Save Drug Co., Ltd.	Investment	Baht 1,010 million	100.00	100.00	1,010,000	1,010,000	-	-
S.R. Property Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Siem Reap Land Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Phnom Penh First Property Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	88	88	-	-
Bangkok Helicopter Services Co., Ltd. (held by the Company at 87.25% and indirectly held by a subsidiary at 12.75%)	Air transportation services	Baht 400 million	87.25	87.25	350,858	350,858	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital	% Shareholding		Separate financial statements			
					Investments (Cost method)		Dividend income during the years	
					2022	2021	2022	2021
Bangkok Hospital Chiangrai Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Muangraj Co., Ltd.	Hospital	Baht 1,300 million	100.00	100.00	1,300,000	1,300,000	65,000	52,000
BDMS Property Management Co., Ltd.	Assets managements	Baht 10 million	100.00	100.00	10,000	10,000	-	-
BDMS Wellness Clinic Co., Ltd.	Holistic Clinical Wellness (Preventative and Regenerative Medicine)	Baht 12,600 million	100.00	100.00	12,600,000	12,600,000	-	-
BDMS Wellness Resort Co., Ltd.	Hotel	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Health Plaza Co., Ltd. (held by the Company at 96.15% and indirectly held by a subsidiary at 3.85%)	E-Commerce	Baht 740 million	96.15	96.15	700,000	400,000	-	-
BDMS Silver Co.,Ltd.	BDMS Silver Wellness & Residence	Baht 3,000 million	100.00	-	3,000,400	-	-	-
Total investments in subsidiaries					63,246,469	58,402,753	5,751,874	5,336,337
Less: Allowance for impairment of investments					(4,595)	(4,838)		
Total investments in subsidiaries - net					63,241,874	58,397,915		

14.1 Establishment of new subsidiaries

During 2022, the Company and a subsidiary have invested in new subsidiaries as follows:

Company's name	Nature of business	Paid-up Capital (Million Baht)	% Shareholding of the Group
Held by the Company			
BDMS Silver Co., Ltd.	BDMS Silver Wellness & Residence	3,000	100.00
Held by the subsidiary			
DrPharma Health Technology Co., Ltd.	Retailer of medicine	100	60.00

BDMS Silver Co., Ltd.

On 25 May 2022, the Board of Directors' meeting No.5/2022 of the Company approved the establishment of a 100% owned subsidiary, under the name of BDMS Silver Co., Ltd., with registered capital of Baht 5,000 million to enter into the land lease agreement and invest in BDMS Silver Wellness & Residence project. The subsidiary completely registered its establishment in May 2022 with the initial registered capital of Baht 1 million.

On 15 June 2022, the Extraordinary General Meeting No.1/2022 of shareholders of BDMS Silver Co., Ltd. approved to increase the share capital from Baht 1 million to Baht 5,000 million through the increase in capital of 499.9 million additional ordinary shares with a par value of Baht 10 each, call-up share capital of Baht 6 per share, totaling Baht 2,999.4 million. In June 2022, the Company acquired all of the newly issued ordinary shares.

DrPharma Health Technology Co., Ltd

On 26 April 2022, the Executive Committee's meeting No.4/2022 of the Company approved the establishment of a new subsidiary, namely DrPharma Health Technology Co., Ltd., to operate pharmacy business with registered share capital of Baht 200 million and Royal Bangkok Healthcare Co., Ltd., 100% subsidiary, to hold 60% shareholding in the new subsidiary.

In June 2022, DrPharma Health Technology Co., Ltd. completely registered its establishment through the issuance of 2 million ordinary shares with a par value of Baht 100 each and called up capital of 50 Baht per share. Royal Bangkok Healthcare Co., Ltd. paid for the call-up share capital of Baht 60 million.

New Subsidiary in Saudi Arabia

The Company shall establish a new subsidiary in Saudi Arabia to promote marketing, advertising and public relations activities in Saudi Arabia and the Middle East region with a registered capital of Baht 10 million in which the Company holds 100% of the total shares.

14.2 Additional investments in subsidiaries

Company's name	Additional investments (Million Baht)	% Shareholding of the Group	
		2022	2021
Held by the Company			
Samitivej Public Co., Ltd.	1,482.4	98.85	95.76
Health Plaza Co., Ltd.	300.0	100.00	100.00
The Medicpharma Co., Ltd.	60.2	89.06	87.05
Bangkok Phuket Hospital Co., Ltd.	0.3	99.72	99.70
Bangkok Ratchasima Hospital Co., Ltd.	0.3	91.48	91.45
Prasit Patana Public Co., Ltd.	0.1	98.63	98.62
Held by the subsidiary			
Sriracha Nakorn General Hospital Public Co., Ltd.	267.0	77.44	74.51
N Health Novogene Genomics Co., Ltd.	83.3	74.01	74.01
Samitivej Sriracha Co., Ltd.	0.1	69.66	67.47

N Health Novogene Genomics Co., Ltd.

(previously known as “Novogene N Health (Thailand) Co., Ltd”)

In 2021, a subsidiary purchased additional investment from existing shareholders at par value totaling 675,000 shares, totaling Baht 17.55 million. As the result, the Group's shareholding in N Health Novogene Genomics Co., Ltd., increased from 29.6% to 74.01% and became a new subsidiary of the Group. In addition, Novogene N Health (Thailand) Co., Ltd. has changed its company name to N Health Novogene Genomics Co., Ltd.

In June 2022, N Health Novogene Genomics Co., Ltd. called up additional capital of 74 Baht per share. The subsidiary paid for the call-up share capital of Baht 83.25 million.

Health Plaza Co., Ltd.

On 5 November 2021, the Extraordinary General Meeting No.1/2021 of shareholders of Health Plaza Co., Ltd., 100% subsidiary of a subsidiary, approved to increase the share capital from Baht 40 million to Baht 1,040 million through the increase in capital of 100 million additional ordinary shares with a par value of Baht 10 each. As that subsidiary has not exercised its right for the purchasing the additional shares, the Company acquired all of the newly issued ordinary shares and paid for the call paid-up capital of 4 Baht per share totaling Baht 400 million.

On 8 December 2022, Health Plaza Co., Ltd., called up additional capital of 3 Baht per share and the Company paid for the call-up share capital of Baht 300 million.

14.3 The delisting of the securities of Samitivej Public Company Limited from being securities listed on the Stock Exchange of Thailand and to make a tender offer for the delisting of securities

On 29 June 2022, the Board of Directors' meeting No.6/2022 of the Company has passed the resolution to approve the Company, which held shares of Samitivej Public Company Limited ("SVH") totaling 95,764,033 shares or representing 95.76 percent of the total issued shares of SVH, to make a tender offer for delisting the remain securities of SVH in the number of 4,235,967 shares, representing 4.24 percent of the total issued shares of SVH, at the offering price of Baht 480 per share, totaling Baht 2,033.26 million, for purpose of delisting securities of SVH from being securities listed on the Stock Exchange of Thailand.

The delisting of securities of SVH from being securities listed on the Stock Exchange of Thailand ("SET") has been approved by the Extraordinary General Meeting of Shareholders No.1/2022 of SVH on 19 August 2022. On 14 September 2022 the Company has submitted the Tender Offer for the securities of SVH for delisting the securities from being the listed securities on the SET, to the Office of the Securities and Exchange Commission, SVH and shareholders of SVH. The offer period was a total of 45 business days, from 16 September to 22 November 2022. The Company acquired ordinary shares of 3,088,337 tendered shares, totaling Baht 1,482.4 million which represents 3.09 percent of the total number of outstanding shares of SVH. As a result, the Company's shareholding in SVH increased to 98.85 percent.

The SET has approved the delisting of securities of SVH from being securities listed on the SET from 8 December 2022 onwards.

14.4 Summarised financial information that based on amounts before inter-company elimination of subsidiaries that have material non-controlling interest.

Regarding the preparation of consolidated financial statements of the Group, there are 5 subsidiaries having material non-controlling interest since the Company has 40 to 70 percentage of ownership over these subsidiaries.

The summary of financial information before elimination transactions of the subsidiaries having material non-controlling interest, based on the Company's percentage of ownership in the subsidiaries, is the followings:

(Unit: Million Baht)

Company's name	As at 31 December										For the years ended 31 December					
	Paid-up capital		Current assets		Non-Current assets		Current liabilities		Non-Current liabilities		Total revenues		Profit (loss)		Total comprehensive income	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Thonburi Medical Centre Public Co., Ltd.	193.8	193.8	563.1	370.7	240.0	282.0	158.3	109.8	31.1	35.5	1,078.4	761.2	81.0	37.7	106.2	40.1
S.R. Property Investment Co., Ltd.	0.2	0.2	0.6	0.5	76.0	73.5	17.6	1.9	64.2	62.1	1.7	0.7	(15.7)	0.3	(15.7)	0.3
Siem Reap Land Investment Co., Ltd.	0.2	0.2	4.9	5.1	69.1	66.8	34.2	30.3	58.8	56.8	2.7	0.6	(3.4)	(22.2)	(3.4)	(22.2)
Phnom Penh First Property Co., Ltd.	0.2	0.2	0.2	1.0	159.0	153.7	48.2	5.4	137.2	133.5	5.3	4.8	(43.3)	(1.1)	(43.3)	(1.1)
Tepakorn Hospital Co., Ltd.	30.0	30.0	55.1	62.0	172.8	123.3	95.7	133.1	9.5	9.4	209.1	150.5	23.2	(6.4)	23.2	(6.4)

15. Investment properties

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2020	363,248	742,059
Purchase	25	25
Loss on fair value adjustment	(9,615)	(8,125)
As at 31 December 2021	353,658	733,959
Gain (loss) on fair value adjustment	26,600	(7,600)
As at 31 December 2022	380,258	726,359

The investment properties of the Group consist of land and building for rent. The fair value of investment properties are presented at fair value and the valuation is performed by an independent valuer. Land has been determined based on market approach and the buildings for rent have been determined based on income approach.

Key assumptions used in the valuation of building for rent are summarised below:

	Consolidated financial statements	Separate financial statements	Result to fair value where as an increase in assumption value
Occupancy rate (%)	100%	100%	Increase in fair value
Discount rate (%)	9.4%-12.0%	10.8%-12.0%	Decrease in fair value

16. Property, premises and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
Assets which are stated at cost or reappraised value	Assets which are stated at cost						Total
	Land and land improvement	Building and building improvement	helicopter and medical equipment	Structure equipment, furniture, fixture and office equipment	Vehicles	Building under construction and tools, machine and equipment under installation	
Cost/reappraised value							
As at 31 December 2020	39,999,685	48,257,545	26,204,121	16,949,880	1,064,787	3,617,353	136,093,371
Increase from revaluation	25,965	-	-	-	-	-	25,965
Purchases	318,115	350,330	1,222,316	647,018	44,464	1,294,307	3,876,550
Transfer in / (Transfer out)	26,697	1,476,728	(454,824)	702,999	550,435	(2,296,035)	6,000
Disposals/Written-off	(161)	(135,121)	(500,461)	(133,942)	(70,286)	(13,728)	(853,699)
Translation adjustments	30,234	101,883	54,923	63,067	2,155	13,702	265,964
As at 31 December 2021	40,400,535	50,051,365	26,526,075	18,229,022	1,591,555	2,615,599	139,414,151
Increase from revaluation	2,751,784	-	-	-	-	-	2,751,784
Purchases	388,745	748,170	1,364,256	831,715	41,850	1,236,910	4,611,646
Transfer in / (Transfer out)	11,457	1,357,673	(55,516)	419,354	2,644	(1,707,422)	28,190
Disposals/Written-off	(1,684)	(446,854)	(733,881)	(312,909)	(35,094)	(4,698)	(1,535,120)
Translation adjustments	10,161	30,244	18,415	20,269	597	13,009	92,695
As at 31 December 2022	43,560,998	51,740,598	27,119,349	19,187,451	1,601,552	2,153,398	145,363,346
Accumulated depreciation							
As at 31 December 2020	109,970	25,181,925	19,180,676	9,505,487	756,202	-	54,734,260
Depreciation for the year	15,756	2,011,711	2,050,251	1,359,434	102,717	-	5,539,869
Transfer in / (Transfer out)	-	(12)	(219,791)	375	224,190	-	4,762
Disposals/Written-off	(160)	(119,124)	(481,769)	(130,857)	(65,069)	-	(796,979)
Translation adjustment	56	26,966	39,216	35,766	1,542	-	103,546
As at 31 December 2021	125,622	27,101,466	20,568,583	10,770,205	1,019,582	-	59,585,458
Depreciation for the year	16,683	1,904,375	1,844,854	1,330,383	101,445	-	5,197,740
Transfer in / (Transfer out)	-	9,206	(72,868)	67,191	574	-	4,103
Disposals/Written-off	(843)	(376,625)	(724,523)	(284,492)	(34,340)	-	(1,420,823)
Translation adjustment	19	9,285	13,376	11,964	629	-	35,273
As at 31 December 2022	141,481	28,647,707	21,629,422	11,895,251	1,087,890	-	63,401,751

(Unit: Thousand Baht)

Consolidated financial statements (continued)

Assets which are stated at cost or reappraised value	Assets which are stated at cost						Total
	Land and land improvement	Building and building improvement	Tools, machine, helicopter and medical equipment	Structure equipment, furniture, fixture and office equipment	Vehicles	Building under construction and tools, machine and equipment under installation	
Allowance for impairment							
As at 31 December 2020	5,476	17,314	4,970	-	-	18,098	45,858
Impairment loss	59	79,260	12,656	1,714	-	-	93,689
As at 31 December 2021	5,535	96,574	17,626	1,714	-	18,098	139,547
Impairment loss(Reversal)	(1,640)	(24,580)	-	2,482	54,904	-	31,166
Written-off	(59)	(54,680)	(12,656)	(1,714)	-	-	(69,109)
As at 31 December 2022	3,836	17,314	4,970	2,482	54,904	18,098	101,604
Net book value							
As at 31 December 2021	40,269,378	22,853,325	5,939,866	7,457,103	571,973	2,597,501	79,689,146
As at 31 December 2022	43,415,681	23,075,577	5,484,957	7,289,718	458,758	2,135,300	81,859,991

(Unit: Million Baht)

Depreciation for the years	2022	2021
Part of cost of hospital operations and goods sold	4,169	4,437
Part of administrative expenses	1,029	1,103
Total	5,198	5,540

(Unit: Thousand Baht)

Separate financial statements

Assets which are stated at cost or reappraised value	Assets which are stated at cost						Total
	Land and land improvement	Building and building improvement	Tools, machine, helicopter and medical equipment	Structure equipment, furniture, fixture and office equipment	Vehicles	Building under construction and tools, machine and equipment under installation	
Cost/reappraised value							
As at 31 December 2020	5,551,857	8,592,221	4,895,966	3,395,082	194,420	858,678	23,488,224
Purchases	649	84,471	137,410	163,793	12,034	113,006	511,363
Transfer in / (Transfer out)	7,373	455,701	31,896	177,367	504	(662,694)	10,147
Disposals/Written-off	-	(11,375)	(49,573)	(11,627)	(16,045)	(6,835)	(95,455)
As at 31 December 2021	5,559,879	9,121,018	5,015,699	3,724,615	190,913	302,155	23,914,279
Purchases	26,240	203,604	138,460	150,784	950	49,791	569,829
Increase from revaluation	768,977	-	-	-	-	-	768,977
Transfer in / (Transfer out)	-	43,258	-	63,487	-	(106,745)	-
Disposals/Written-off	-	(232,258)	(255,414)	(92,156)	(2,328)	-	(582,156)
As at 31 December 2022	6,355,096	9,135,622	4,898,745	3,846,730	189,535	245,201	24,670,929
Accumulated depreciation							
As at 31 December 2020	6,314	4,219,673	3,688,262	1,625,809	144,374	-	9,684,432
Depreciation for the year	3,198	343,666	362,252	311,176	14,495	-	1,034,787
Disposals/Written-off	-	(7,716)	(48,037)	(11,348)	(16,045)	-	(83,146)
As at 31 December 2021	9,512	4,555,623	4,002,477	1,925,637	142,824	-	10,636,073
Depreciation for the year	3,058	326,155	315,563	300,068	13,188	-	958,032
Disposals/Written-off	-	(222,948)	(253,522)	(89,967)	(2,284)	-	(568,721)
As at 31 December 2022	12,570	4,658,830	4,064,518	2,135,738	153,728	-	11,025,384
Allowance for impairment							
As at 31 December 2020 and 2021	5,476	-	-	-	-	18,098	23,574
Impairment loss/(Reversal)	(1,640)	-	-	-	-	-	(1,640)
As at 31 December 2022	3,836	-	-	-	-	18,098	21,934
Net book value							
As at 31 December 2021	5,544,891	4,565,395	1,013,222	1,798,978	48,089	284,057	13,254,632
As at 31 December 2022	6,338,690	4,476,792	834,227	1,710,992	35,807	227,103	13,623,611

(Unit: Million Baht)

	2022	2021
Depreciation for the years		
Part of cost of hospital operations and goods sold	764	829
Part of administrative expenses	194	206
Total	958	1,035

In 2022, the Company and 10 subsidiaries have recorded an independent appraiser's result of land, using market approach. The fair values of the revalued land in consolidated financial statements of Baht 26,537 million increased from the book values of Baht 2,201 million (net of deferred tax liabilities of Baht 550 million). The Company and the subsidiaries recorded the increase amount as "Revaluation surplus on land" in the other components of shareholders' equity.

In 2021, a subsidiary has recorded an independent appraiser's result of land, using market approach. The fair values of the revalued land in consolidated financial statements of Baht 312 million increased from the book values of Baht 21 million (net of deferred tax liabilities of Baht 5 million). The subsidiaries recorded the increase amount as "Revaluation surplus on land" in the other components of shareholders' equity.

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

If the Group recorded land at cost, net book value as at 31 December 2022 and 2021 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value (at cost):		
As at 31 December 2022	24,783,107	2,892,619
As at 31 December 2021	24,429,814	2,864,739

As at 31 December 2022, the Group has certain building improvement, medical tools, equipment and vehicles which have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 34,834 million and Baht 5,970 million in the separate financial statement (2021: Baht 30,623 million and Baht 5,710 million in the separate financial statement).

17. Goodwill

The Group determined the recoverable amounts of the cash generating units (CGUs) based on value-in-use, using cash flow projections covering 5 - 10 years as hospital business requires approximately at least 5-year period for business expansion to benefit from synergy. These cash flow projections were prepared with reference to financial budgets approved by the management.

Key assumptions used in the value-in-use calculations are as follows:

	(Unit: Percent per annum)
Growth rate	2.8-11.3
Pre-tax discount rate	7.2

The management determined the growth rate based on historical operating results, the expected market growth rate, the rate of gross domestic product growth and the discount rate which is a pre-tax rate that reflects the specific risk of the particular business unit.

The management has considered those all goodwill is not impaired.

18. Intangible assets

Intangible assets as at 31 December 2022 and 2021, which are computer software and commercial rights, are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost		
As at 31 December 2020	3,536,204	1,419,443
Purchases	395,426	171,097
Transfer out	(2,379)	(10,147)
Written-off	(17,133)	(928)
Translation adjustment	1,292	-
As at 31 December 2021	3,913,410	1,579,465
Purchases	670,049	211,296
Transfer in	1,011	-
Written-off	(65,872)	(38,315)
Translation adjustment	433	-
As at 31 December 2022	4,519,031	1,752,446
Accumulated amortisation		
As at 31 December 2020	2,126,008	729,354
Amortisation for the year	309,812	148,853
Transfer in	137	-
Written-off	(4,016)	(427)
Translation adjustment	918	-
As at 31 December 2021	2,432,859	877,780
Amortisation for the year	330,520	157,469
Written-off	(57,384)	(38,314)
Translation adjustment	324	-
As at 31 December 2022	2,706,319	996,935
Allowance for impairment		
As at 31 December 2020	54,569	4,569
Impairment loss	136,966	8,417
As at 31 December 2021	191,535	12,986
Impairment loss	-	-
As at 31 December 2022	191,535	12,986
Net book value		
As at 31 December 2021	1,289,016	688,699
As at 31 December 2022	1,621,177	742,525

19. Short-term loan from financial institution

19.1 Short-term loan from financial institution

As at 31 December 2022, the Company had outstanding balances of short-term loan from financial institution of Baht 500 million (31 December 2021: nil). The loan carries interest at a fixed rate payable in accordance with conditions as stipulated in the agreement. The short-term loan principal is due in January 2023 as specified in the agreement.

19.2 Undrawn down credit facilities

As at 31 December 2022, undrawn down credit facilities with financial institutions are as follows;

	Consolidated financial statements	Separate financial statements
Thai Baht	Baht 21,464 Million	Baht 21,168 Million
US Dollar	USD 2 Million	-

20. Trade and other payables

Trade and other payables as at 31 December 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade payables - related parties	14,979	15,416	101,130	113,771
Trade payables - unrelated parties	4,182,346	3,574,618	513,954	370,704
Other payables - related parties	2,785	5,036	128,727	81,587
Other payables - unrelated parties	1,054,946	727,827	155,700	82,092
Accounts payable - property, premises and equipment and retention	920,914	711,662	202,860	124,866
Total trade and other payables	<u>6,175,970</u>	<u>5,034,559</u>	<u>1,102,371</u>	<u>773,020</u>

21. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2022	2021
Balance at beginning of years	1,000,000	6,107,467
Increase during the years	3,000,000	-
Less: Repayment during the years	-	(5,107,467)
Balance at the end of years	<u>4,000,000</u>	<u>1,000,000</u>

The outstanding balances of long-term loans from financial institutions of the Group as at 31 December 2022 and 2021 are as follows:

Period of loan agreements		Credit facilities	Principal repayment	Interest rate per annum (%)	Outstanding balance (in million Baht)	
Start	End				2022	2021
May 2017	May 2024	Baht 1,000 million	Bullet	Fixed rate	1,000	1,000
Sep 2022	Sep 2027	Baht 1,000 million	Bullet	THOR + Fixed rate	1,000	-
Oct 2022	Oct 2029	Baht 2,000 million	Bullet	THOR + Fixed rate	2,000	-
Total long-term loans from financial institutions in consolidated and separate financial statements					4,000	1,000

The loan agreement contains certain covenants which, among other things, require the Company to maintain financial ratio.

22. Leases

22.1 The Group as a lessee

The Group has lease agreements for assets used in its operations. Leases generally have lease terms between 1 - 30 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Medical tools and equipment	Furniture, fixture and office equipment	Vehicles	Total
As at 1 January 2021	1,997,420	998,397	27,695	112,051	142,189	3,277,752
Additions	101,732	64,200	27,348	38,890	45,633	277,803
Contracts amendment	(144,139)	(32,597)	(6,921)	(37,676)	(592)	(221,925)
Depreciation for the year	(130,247)	(212,169)	(16,486)	(54,994)	(57,717)	(471,613)
As at 31 December 2021	1,824,766	817,831	31,636	58,271	129,513	2,862,017
Additions	7,168,829	100,726	7,346	5,901	38,705	7,321,507
Disposal	(14,155)	(105,439)	-	(392)	(1,930)	(121,916)
Contracts amendment	(1,209)	57,664	-	-	(1,188)	55,267
Transfer out	(27,074)	-	-	-	-	(27,074)
Depreciation for the year	(100,709)	(229,548)	(12,770)	(25,148)	(53,194)	(421,369)
As at 31 December 2022	8,850,448	641,234	26,212	38,632	111,906	9,668,432

(Unit: Thousand Baht)

	Separate financial statements					
	Land	Buildings	Medical tools and equipment	Furniture, fixture and office equipment	Vehicles	Total
As at 1 January 2021	375,844	242,593	180,939	2,548	60,882	862,806
Additions	2,015	4,159	-	23,520	553,528	583,222
Contracts amendment	-	(1,463)	-	(732)	(90,436)	(92,631)
Transfer in/(out)	-	-	(179,687)	-	179,687	-
Depreciation for the year	(21,407)	(27,685)	(228)	(8,252)	(108,296)	(165,868)
As at 31 December 2021	356,452	217,604	1,024	17,084	595,365	1,187,529
Additions	-	12,498	-	1,716	5,274	19,488
Contracts amendment	-	52,452	-	-	(206,394)	(153,942)
Transfer in/(out)	-	-	-	-	(736)	(736)
Depreciation for the year	(21,536)	(27,178)	(228)	(7,561)	(153,752)	(210,255)
As at 31 December 2022	334,916	255,376	796	11,239	239,757	842,084

b) Liabilities under lease agreements

As at 31 December 2022 and 2021, liabilities under lease agreements are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Liabilities under lease agreements	10,275,125	4,762,383	953,195	1,285,876
Less: Deferred interest expense	(2,710,908)	(1,605,277)	(222,483)	(237,713)
Total	7,564,217	3,157,106	730,712	1,048,163
Less: Current portion	(880,375)	(268,941)	(126,295)	(173,875)
Liabilities under lease agreement	6,683,842	2,888,165	604,417	874,288

A maturity analysis of lease payments is disclosed in Note 36.3 under the liquidity risk.

22.2 The Group as a lessor

The Group has future minimum rentals under non-cancellable lease agreements as at 31 December 2022 as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Within 1 year	127,967	87,784
Over 1 and up to 5 years	68,219	69,044
Over 5 years	-	18,900
Total	<u>196,186</u>	<u>175,728</u>

The Company has entered into lease agreement for its investment property with the lease terms of 30 years. During 2022, the Company has sub-lease income amounting to Baht 36 million (2021: Baht 31 million).

23. Debentures

Movements of debentures net from debenture expenses and expense amortisation during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated /Separate financial statements	
	2022	2021
Balance at beginning of years	14,596,013	14,593,850
Amortisation of debenture expenses during the years	1,644	2,163
Less: Redemption during the years	(3,100,000)	-
Balance at the end of years	11,497,657	14,596,013
Less: Current portions	(4,999,842)	(3,099,895)
Debentures	<u>6,497,815</u>	<u>11,496,118</u>

The outstanding balances of debentures of the Group as at 31 December 2022 and 2021 are as follows:

No.	Debentures period		Number of unit	Amount (Million Baht)	Coupon rate (%)	Outstanding balance (Million Baht)	
	Issue Date	Maturity Date				2022	2021
BDMS228A	6 Aug 2012	6 Aug 2022	500,000	500	4.50%	-	500
BDMS228B	8 Aug 2012	8 Aug 2022	100,000	100	4.50%	-	100
BDMS233A	14 Mar 2013	14 Mar 2023	4,000,000	4,000	4.63%	4,000	4,000
BDMS235A	10 May 2013	10 May 2023	1,000,000	1,000	4.39%	1,000	1,000
BDMS256A*	25 Jun 2015	25 Jun 2025	2,000,000	2,000	3.95%	2,000	2,000
BDMS266A	24 Jun 2016	24 Jun 2026	3,000,000	3,000	2.99%	3,000	3,000
BDMS222A	8 Feb 2017	8 Feb 2022	2,500,000	2,500	2.97%	-	2,500
BDMS242A	8 Feb 2017	8 Feb 2024	1,500,000	1,500	3.46%	1,500	1,500

*The Company has entered into the Interest Rate Swap contract with a financial institution for BDMS256A by converting the fixed coupon rate per annum to the floating interest rate plus spread per annum.

The fair value of debentures as at 31 December 2022, is between Baht 1,006.81 per unit to Baht 1,043.27 per unit.

Debenture agreement contains certain covenants which the Company must comply with such as financial ratios, payment of dividend, assets dispositions, etc.

24. Provision for lifelong medical care programs

Movement of provision for lifelong medical care programs for the year ended 31 December 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2020	1,287,272	1,117,091
Additions	250,781	241,696
Medical care expenses	(51,058)	(48,949)
As at 31 December 2021	1,486,995	1,309,838
Additions	188,914	179,344
Medical care expenses	(58,297)	(57,882)
Cash returned from members re-entering the program	48,433	-
As at 31 December 2022	1,666,045	1,431,300

25. Provision for employee benefits

Provision for employee benefits were summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements							
	Severance payments		Medical care after post-employment		Other long - term benefits		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Defined benefit obligation at beginning of years	3,434,249	3,770,292	450,479	465,418	139,095	159,185	4,023,823	4,394,895
Current service cost	274,236	336,631	14,734	18,113	10,919	10,564	299,889	365,308
Interest cost	61,829	60,798	12,300	9,801	1,734	2,338	75,863	72,937
Actuarial loss (gain) arising from								
Demographic assumptions changes	-	48,571	-	(3,890)	-	(4,412)	-	40,269
Financial assumptions changes	(241,260)	(469,367)	(109,082)	(117,931)	-	(8,542)	(350,342)	(595,840)
Experience adjustments	-	(142,417)	-	91,430	-	(12,114)	-	(63,101)
Benefits paid during the years	(136,960)	(170,259)	(7,918)	(12,462)	(17,900)	(7,924)	(162,778)	(190,645)
Defined benefit obligation at end of years	<u>3,392,094</u>	<u>3,434,249</u>	<u>360,513</u>	<u>450,479</u>	<u>133,848</u>	<u>139,095</u>	<u>3,886,455</u>	<u>4,023,823</u>

(Unit: Thousand Baht)

Separate financial statements

	Severance payments		Medical care after post-employment		Other long - term benefits		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Defined benefit obligation at beginning of years	779,948	845,421	450,479	465,418	80,489	93,058	1,310,916	1,403,897
Current service cost	59,207	61,705	14,734	18,113	5,881	4,765	79,822	84,583
Interest cost	12,307	12,209	12,300	9,801	1,065	1,341	25,672	23,351
Actuarial loss (gain) arising from								
Demographic assumptions changes	-	16,270	-	(3,890)	-	(2,818)	-	9,562
Financial assumptions changes	(42,834)	(98,690)	(109,082)	(117,931)	-	(6,858)	(151,916)	(223,479)
Experience adjustments	-	19,912	-	91,429	-	(8,296)	-	103,045
Employee transfer	-	(8,285)	-	-	-	-	-	(8,285)
Benefits paid during the years	(22,144)	(68,594)	(7,918)	(12,461)	(11,148)	(703)	(41,210)	(81,758)
Defined benefit obligation at end of years	<u>786,484</u>	<u>779,948</u>	<u>360,513</u>	<u>450,479</u>	<u>76,287</u>	<u>80,489</u>	<u>1,223,284</u>	<u>1,310,916</u>

Expected maturity analysis of undiscounted employee benefits obligation as at 31 December 2022:

(Unit: Million Baht)

	Consolidated financial statements			
	Less than a	Between	Over 5 years	Total
	year	1-5 years		
Expected benefit payments	384.1	951.7	9,180.5	10,516.3

(Unit: Million Baht)

	Separate financial statements			
	Less than a	Between	Over 5 years	Total
	year	1-5 years		
Expected benefit payments	235.1	212.3	1,536.4	1,983.8

Significant actuarial assumptions were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	(% per annum)		(% per annum)	
Discount rate	1.37 – 5.29	0.51 - 3.59	1.37 – 5.35	0.51 - 3.59
Future salary increase rate	4.0 - 4.5	4.0 - 4.5	4.0 - 4.5	4.0 - 4.5
Turnover rate	2.5 - 40.0	2.5 - 40.0	2.5 - 17.0	2.5 - 17.0

The result of sensitivity analysis for significant assumptions that affect the present value of the employee benefit obligation as at 31 December 2022 is summarised below:

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(353.1)	422.2	(118.6)	147.8
Salary increase rate	407.4	(352.7)	71.6	(62.7)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(277.9)	324.8	(64.0)	72.5

26. Dividend

2021 Dividend payment

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividends for 2020	Annual General Meeting of the shareholders on 9 April 2021	8,740	0.55
Interim dividends for 2021	Board of Directors' meeting on 29 September 2021	3,973	0.25
Total dividend paid during the year ended 31 December 2021		<u>12,713</u>	<u>0.80</u>

2022 Dividend payment

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 12 April 2022	3,178	0.20
Interim dividends for 2022	Board of Directors' meeting on 31 August 2022	4,768	0.30
Total dividend paid during the year ended 31 December 2022		<u>7,946</u>	<u>0.50</u>

27. Statutory reserve

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

The statutory reserve has fully been set aside.

28. Finance income

Finance income for the years ended 31 December 2022 and 2021 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Interest income on bank deposits	78,446	71,959	36,473	60,549
Interest income on loans	-	-	103,880	119,910
Interest income on debt instruments measured at amortised cost	1,376	1,184	-	-
Total	79,822	73,143	140,353	180,459

29. Finance cost

Finance cost for the years ended 31 December 2022 and 2021 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Interest expense on borrowings	499,815	584,809	539,207	615,892
Interest expense on liabilities under lease agreements	132,250	143,652	25,913	26,910
Total	632,065	728,461	565,120	642,802

30. Expenses by nature

Significant expenses by nature for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Employee expenses	21,107	18,173	3,525	3,080
Doctor fee	18,942	15,325	3,069	2,278
Drugs, supplies and hospital service costs	17,898	15,260	3,318	2,646
Cost of goods sold	2,495	2,028	-	-
Depreciation and amortisation	5,950	6,321	1,326	1,350
Advertising and public relation expenses	718	499	240	164
Rental expense	372	305	67	51

31. Income tax

Income tax of the Group for the years ended 31 December 2022 and 2021 were made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Current income tax:				
Corporate income tax for the years	3,308,705	2,187,903	388,401	78,394
Adjustments in respect of corporate income tax of previous years	(2,542)	(805)	886	(2,308)
Deferred income tax:				
Relating to origination and reversal of temporary differences	(79,012)	(83,726)	(33,025)	(37,979)
Income tax expense reported in the income statements	3,227,151	2,103,372	356,262	38,107

The amounts of income tax relating to each component of other comprehensive income (loss) for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Gain on investments measured at fair value through other comprehensive income	(11,534)	(18,081)	(18,118)	(12,123)
Gain on revaluation surplus on lands	(550,362)	(5,193)	(153,795)	-
Actuarial gain	(70,069)	(118,721)	(30,384)	(18,580)
Income tax expense charged directly to other comprehensive income (loss)	(631,965)	(141,995)	(202,297)	(30,703)

Reconciliation between income tax and the result of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Accounting profit before corporate income tax	16,481,382	10,593,750	7,526,326	5,548,659
Corporate income tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	3,296,276	2,118,750	1,505,265	1,109,732
Adjustments in respect of corporate income tax expense of previous years	(2,542)	(805)	886	(2,308)
Income tax from revenue base	114	1,109	-	-
Recognition of previous year unrecognised deferred tax	31,621	-	600	-
Effects of:				
Promotional privileges	(79,921)	(34,809)	-	-
Dividend income subject to tax exempt	(1,621)	(915)	(1,150,521)	(1,067,405)
Tax losses of the current year for unrecognised deferred income tax asset	131,326	127,036	-	-
Utilisation of previous-year unrecognised tax losses	(139,705)	(114,743)	-	-
Share of income from investments in associates	(8,364)	(4,223)	-	-
Non-deductible expenses	56,455	85,864	5,837	2,176
Additional expense deductions allowed	(56,488)	(73,892)	(5,805)	(4,088)
Total	(98,318)	(15,682)	(1,150,489)	(1,069,317)
Income tax reported in the income statements	3,227,151	2,103,372	356,262	38,107
Effective income tax rates	19.58%	19.85%	4.73%	0.69%

The components of deferred tax assets and deferred tax liabilities as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax assets				
Allowance for expected credit losses	131,101	120,004	34,865	29,682
Allowance to reduce cost to net realisable value - inventory	15,616	9,684	432	143
Allowance for asset impairment	79	2,288	-	1,095
Allowance for impairment for premises and equipment	8,091	10,173	6,984	7,168
Accrued expenses and other provisions	380,081	331,602	287,041	284,494
Provision for employee benefits	777,291	804,765	244,657	262,183
Others	10,466	9,195	-	-
Total	1,322,725	1,287,711	573,979	584,765
Deferred tax liabilities				
Accumulated depreciation - premises and equipment	445,768	386,703	88,108	82,229
Expense for debentures and convertible debentures	469	776	469	776
Gain on fair value adjustment of investment properties	31,714	26,493	102,676	102,686
Gain on fair value adjustment of investment measured at fair value through other comprehensive income	43,071	32,068	45,707	27,588
Gain on fair value adjustment of derivative	3,380	22,370	3,380	22,370
Revaluation surplus on land and premises	4,641,053	4,109,078	674,781	520,986
Total	5,165,455	4,577,488	915,121	756,635
Deferred tax liabilities - net	(3,842,730)	(3,289,777)	(341,142)	(171,870)

Deferred tax assets and liabilities in statement of financial position as at 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax assets	77,676	80,946	-	-
Deferred tax liabilities	<u>(3,920,406)</u>	<u>(3,370,723)</u>	<u>(341,142)</u>	<u>(171,870)</u>
Deferred tax liabilities - net	<u><u>(3,842,730)</u></u>	<u><u>(3,289,777)</u></u>	<u><u>(341,142)</u></u>	<u><u>(171,870)</u></u>

As at 31 December 2022, the subsidiaries have unused tax losses totaling Baht 3,605.6 million (2021: Baht 4,002.6 million). Some subsidiaries have not recognised deferred tax assets for the unused tax losses since there are future economic uncertainties that affect the subsidiaries cannot be assured of utilisation of the unused tax losses.

Details of expiry date of unused tax losses of subsidiaries are summarised as below:

(Unit: Million Baht)

	2022	2021
31 December 2022	-	752.5
31 December 2023	532.4	644.7
31 December 2024	933.9	992.9
31 December 2025	854.5	977.2
31 December 2026	628.2	635.3
31 December 2027	656.6	-
	<u><u>3,605.6</u></u>	<u><u>4,002.6</u></u>

32. Earnings per share

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

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Profit for the years (Baht)	12,606,202,636	7,936,077,460	7,170,063,842	5,510,552,224
Weighted average number of ordinary shares (shares)	15,892,001,895	15,892,001,895	15,892,001,895	15,892,001,895
Earnings per share (Baht/share)	0.79	0.50	0.45	0.35

33. Commitments and contingent liabilities

As at 31 December 2022, commitments and contingent liabilities are as follows:

	(Unit: Million Baht)					
	Consolidated			Separate		
	financial statements			financial statements		
	Within 1 year	1 -5 years	Over 5 years	Within 1 year	1 -5 years	Over 5 years
Contractual commitments						
- the land and building rental contracts	2	-	-	-	-	-
- the office equipment rental and other services contracts	444	192	32	252	4	-
- the medical equipment maintenance contracts	290	88	-	-	-	-
- the building construction and improvement contracts	1,666	1	-	158	-	-
Total	2,402	281	32	410	4	-

Contingent liabilities

As at 31 December 2022, the Group had outstanding bank guarantees of approximately Baht 484 million and the Company's of Baht 43 million issued by the bank on behalf of the Group in respect of certain performance bonds as required in the normal course of business, such as facility usage and contractual performance.

34. Segment information

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

The Group has two reportable segments that are hospital operations and other businesses that support hospital business such as medical laboratories, production and distribution of pharmaceutical products/medical equipment/saline, pharmacies, assets management for healthcare business, accounting services, technology and information services, training business and insurance broker. These two segments have similar economic characteristics. They both have common customer group, similar service provision methods and similar management.

In addition, the operations of the Group are carried on in the geographical areas of Thailand and overseas.

As hospital operation is the main business segment and the segment information that has been considered based on a quantitative basis is over 90 percent of the total population both operational and geographical areas. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical areas.

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

35. Promotional privileges

The Group has been granted promotional privileges under The Investment Promotion Act B.E. 2520 for operation as follows:

Company	Types of promoted operation	Corporate income tax exemption period	Promotional privileges period (commencement and expiration year)
A.N.B. Laboratories Co., Ltd.	Production of large-volume of sterile solution (saline solution in soft package)	8 years	2018 - 2026
The Medicpharma Co., Ltd.	Production of large-volume of sterile solution (saline solution)	8 years	2017 - 2025
	Production of modern medicines for human and animal use, Type 6.5	8 years	2016 - 2024
Bangkok Helicopter Services Co., Ltd.	Air transportation, Type 7.3.4	5 years	2017 - 2022
N Health Pathology Co., Ltd.	Service of scientific laboratories, Type 7.14	8 years	2019 - 2027
N Health Novogene Genomics Co., Ltd.	Service of scientific laboratories, Type 7.14	8 years	Not yet exercise BOI privilege

The Group receive privileges as follows:

1. Exemption of import duty on machinery as approved by the board.
2. Exemption from corporate income tax derived from the promoted operation, with the limited rate of 100 percent of the investment excluding land and working capital for periods as described in the above table.
3. In case of losses being incurred during the corporate income tax exemption period, the Group are allowed to utilise the loss as a deduction against net profits for a period of 5 years after exemption period.
4. Exemption from corporate income tax on dividend paid from the profit of the promoted operation throughout the tax exemption period.
5. Revenues that must be included in calculation of net profit is revenue from sales of by products such as scrap or waste from production process (only The Medicpharma Co., Ltd. and A.N.B. Laboratories Co., Ltd.).

The Group must comply with the conditions stipulated in the investment promotional privileges.

Revenues of the Group for the years 2022 and 2021 can be separated between the promoted and non-promoted operation as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operation		Non-promoted operation		Total	
	2022	2021	2022	2021	2022	2021
Revenue from hospital operations	76,261	55,976	88,458,361	71,485,331	88,534,622	71,541,307
Revenue from sales of goods	1,399,241	963,811	1,999,772	1,946,228	3,399,013	2,910,039
Other income	34,526	45,187	1,007,593	1,222,005	1,042,119	1,267,192
Total revenues	1,510,028	1,064,974	91,465,726	74,653,564	92,975,754	75,718,538

36. Financial instruments

Financial risk management objectives and policies

The Group's financial instruments principally comprise deposits with financial institutions, trade accounts receivable, other receivables, loans to, investments, short-term and long-term loans and other financial instruments. The financial risks associated with these financial instruments and how they are managed is described below.

36.1 Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, deposits with financial institutions and other financial instruments. The Group's maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risks by adopting appropriate credit control policies including credit limit approval, analysis customer's financial status and collection management. Therefore the Group does not expect any material financial losses from credit risk.

The Group does not have high concentrations of credit risk since it has a large and diverse customer base.

Deposits and other financial instruments with financial institutions

The Group manages the credit risks regarding deposits and other financial instruments with financial institutions by controlling in place to create an acceptable balance between the cost of risks and the cost of risk management. The credit risk on deposits and financial instrument with financial institutions are limited because the counterparties are banks with high credit-ratings assigned by domestic credit-rating agencies

36.2 Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into appropriated derivative contracts to manage its risk exposure, including:

Foreign currency risk

The Group is exposed to foreign currency risk mainly in respect of purchase or sales of goods and loan to or loan from, which are denominated in foreign currencies. The Group will consider to enter into forward exchange and cross currency swap contracts to manage the risk as appropriate.

Interest rate risk

The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, bank overdrafts, loans and debentures. However, most of financial assets and liabilities bear floating interest rates or fixed interest rates which are closed to the market rate. The Group will consider to enter into interest rate swap contract to manage the risk as appropriate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by types of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2022

Consolidated financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total
	Within 1 year	1-5 years	Over 5 years			
Financial Assets						
- Cash and cash equivalent	1,900	-	-	10,072	697	12,669
- Trade and other receivables	-	-	-	-	10,246	10,246
- Restricted financial institution deposit	4	-	-	1	-	5
- Other current financial assets	1,793	-	-	-	511	2,304
- Other non-current financial assets	16	31	-	17	970	1,034
- Investments in associates	-	-	-	-	963	963
	<u>3,713</u>	<u>31</u>	<u>-</u>	<u>10,090</u>	<u>13,387</u>	<u>27,221</u>
Financial liabilities						
- Trade and other payables	-	-	-	-	6,176	6,176
- Short-term loans from financial institutions	500	-	-	-	-	500
- Short-term loans from non-related parties	32	-	-	-	-	32
- Long-term loans	-	1,000	-	3,000	-	4,000
- Liabilities under lease agreements	880	464	6,220	-	-	7,564
- Debentures	5,000	6,498	-	-	-	11,498
	<u>6,412</u>	<u>7,962</u>	<u>6,220</u>	<u>3,000</u>	<u>6,176</u>	<u>29,770</u>

(Unit: Million Baht)

As at 31 December 2021

Consolidated financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total
	Within 1 year	1-5 years	Over 5 years			
Financial Assets						
- Cash and cash equivalent	-	-	-	10,148	786	10,934
- Trade and other receivables	-	-	-	-	8,849	8,849
- Restricted financial institution deposit	4	-	-	1	-	5
- Other current financial assets	1,199	-	-	-	509	1,708
- Other non-current financial assets	19	26	-	112	531	688
- Investments in associates	-	-	-	-	931	931
	<u>1,222</u>	<u>26</u>	<u>-</u>	<u>10,261</u>	<u>11,606</u>	<u>23,115</u>
Financial liabilities						
- Trade and other payables	-	-	-	-	5,035	5,035
- Short-term loans from non-related parties	76	-	-	-	-	76
- Long-term loans	-	1,000	-	-	-	1,000
- Liabilities under lease agreements	269	1,196	1,692	-	-	3,157
- Debentures	3,100	11,496	-	-	-	14,596
	<u>3,445</u>	<u>13,692</u>	<u>1,692</u>	<u>-</u>	<u>5,035</u>	<u>23,864</u>

(Unit: Million Baht)

As at 31 December 2022						
Separate financial statements						
Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total
Financial Assets						
- Cash and cash equivalent	-	-	-	3,900	195	4,095
- Trade and other receivables	-	-	-	-	1,505	1,505
- Short-term loans to subsidiaries	-	-	-	2,568	-	2,568
- Long-term loans to related parties	90	337	-	95	-	522
- Other non-current financial assets	-	-	-	17	797	814
- Investments	-	-	-	-	63,312	63,312
	<u>90</u>	<u>337</u>	<u>-</u>	<u>6,580</u>	<u>65,809</u>	<u>72,816</u>
Financial liabilities						
- Trade and other payables	-	-	-	-	1,102	1,102
- Short-term loans from financial institutions	500	-	-	-	-	500
- Short-term loans from subsidiaries	-	-	-	15,005	-	15,005
- Long-term loans	-	1,000	-	3,000	-	4,000
- Liabilities under finance lease agreements	126	250	355	-	-	731
- Debentures	5,000	6,498	-	-	-	11,498
	<u>5,626</u>	<u>7,748</u>	<u>355</u>	<u>18,005</u>	<u>1,102</u>	<u>32,836</u>

(Unit: Million Baht)

As at 31 December 2021						
Separate financial statements						
Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total
Financial Assets						
- Cash and cash equivalent	-	-	-	7,224	243	7,467
- Trade and other receivables	-	-	-	-	1,602	1,602
- Short-term loans to subsidiaries	-	-	-	3,083	-	3,083
- Long-term loans to related parties	90	360	68	123	-	641
- Other non-current financial assets	-	-	-	112	206	318
- Investments	-	-	-	-	58,469	58,469
	<u>90</u>	<u>360</u>	<u>68</u>	<u>10,542</u>	<u>60,520</u>	<u>71,580</u>
Financial liabilities						
- Trade and other payables	-	-	-	-	773	773
- Short-term loans from subsidiaries	-	-	-	14,549	-	14,549
- Long-term loans	-	1,000	-	-	-	1,000
- Liabilities under finance lease agreements	174	656	218	-	-	1,048
- Debentures	3,100	11,496	-	-	-	14,596
	<u>3,274</u>	<u>13,152</u>	<u>218</u>	<u>14,549</u>	<u>773</u>	<u>31,966</u>

Interest rate sensitivity

The sensitivity of the Group's profit before tax to a reasonably possible change in interest rate (other factors remain unchanged) of floating loans as of 31 December 2022 and 2021 are summarised in the table below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Interest rate		Interest rate	
	increase 0.25%		decrease 0.25%	
	2022	2021	2022	2021
Long-term loans from financial institutions	7,500	-	7,500	-

A change in interest rate affects interest payable for the full 12-month period of the sensitivity calculation. The information is not a forecast or prediction of future market conditions and should be used with care.

36.3 Liquidity risk

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

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on estimated contractual undiscounted cash flows:

(Unit: Million Baht)

	As at 31 December 2022				
	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	6,176	-	-	6,176
Short-term loans from financial institution	-	501	-	-	501
Short-term loans from non-related parties	-	32	-	-	32
Long-term loans	-	115	2,320	2,094	4,529
Liabilities under lease agreements	-	995	803	8,478	10,276
Debentures	-	5,274	6,846	-	12,120
Total non-derivatives	-	13,093	9,969	10,572	33,634

(Unit: Million Baht)

As at 31 December 2021

Consolidated financial statements					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	5,035	-	-	5,035
Short-term loans from non-related parties	-	79	-	-	79
Long-term loans	-	36	1,048	-	1,084
Liabilities under lease agreements	-	397	1,625	2,740	4,762
Debentures	-	3,574	12,120	-	15,694
Total non-derivatives	-	9,121	14,793	2,740	26,654

(Unit: Million Baht)

As at 31 December 2022

Separate financial statements					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	1,102	-	-	1,102
Short-term loans from financial institution	-	501	-	-	501
Short-term loans from subsidiaries	15,005	-	-	-	15,005
Long-term loans	-	115	2,320	2,094	4,529
Liabilities under lease agreements	-	148	320	485	953
Debentures	-	5,274	6,846	-	12,120
Total non-derivatives	15,005	7,140	9,486	2,579	34,210

(Unit: Million Baht)

As at 31 December 2021

Separate financial statements					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	773	-	-	773
Short-term loans from subsidiaries	14,549	-	-	-	14,549
Long-term loans	-	36	1,048	-	1,084
Liabilities under lease agreements	-	195	781	310	1,286
Debentures	-	3,574	12,120	-	15,694
Total non-derivatives	14,549	4,578	13,949	310	33,386

37. Fair value of financial instruments and fair value hierarchy

37.1 Fair value of financial instrument

Since the majority of the Group financial instruments are classified as short-term or bear floating interest rates or fixed interest rates which are close to market rate, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The Group has measured fair values of financial instruments as disclosed in accounting policy 4.19

37.2 Fair value hierarchy

As at 31 December 2022 and 2021, the Group had assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets				
- Investments in mutual funds (measured at fair value through profit or loss)	-	511	-	511
Other non-current financial assets				
- Derivatives assets - Interest rate swap contract	-	17	-	17
- Investments in equity instruments (measured at fair value through other comprehensive income)	818	-	152	970
Investment properties	-	-	380	380
Land	-	-	42,956	42,956
Liabilities for which fair value are disclosed				
Debentures	-	11,498	-	11,498

(Unit: Million Baht)

As at 31 December 2021

Consolidated Financial Statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets				
- Investments in mutual funds (measured at fair value through profit or loss)	-	509	-	509
Other non-current financial assets				
- Derivatives assets - Interest rate swap contract	-	112	-	112
- Investments in equity instruments (measured at fair value through other comprehensive income)	385	-	146	531
Investment properties	-	-	354	354
Land	-	-	39,840	39,840
Liabilities for which fair value are disclosed				
Debentures	-	14,596	-	14,596

(Unit: Million Baht)

As at 31 December 2022

Separate Financial Statements

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other non-current financial assets				
- Derivatives assets - Interest rate swap contract	-	17	-	17
- Investments in equity instruments (measured at fair value through other comprehensive income)	771	-	26	797
Investment properties	-	-	726	726
Land	-	-	6,262	6,262
Liabilities for which fair value are disclosed				
Debentures	-	11,498	-	11,498

(Unit: Million Baht)

As at 31 December 2021

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other non-current financial assets				
- Derivatives assets - Interest rate swap contract	-	112	-	112
- Investments in equity instruments (measured at fair value through other comprehensive income)	180	-	26	206
Investment properties	-	-	734	734
Land	-	-	5,464	5,464
Liabilities for which fair value are disclosed				
Debentures	-	14,596	-	14,596

Reconciliation of financial assets which is yearly measured at the fair value hierarchy level 3 as follow:

(Unit: Thousand Baht)

	Consolidated	
	Financial Statements	Separate financial statements
Investments in equity instruments measured at fair value through other comprehensive income		
As at 31 December 2020	150,598	26,551
Purchase during the year	40,000	-
Fair value adjustment during the year	(44,469)	-
As at 31 December 2021	146,129	26,551
Fair value adjustment during the year	43,784	-
Disposal during the year	(38,176)	-
As at 31 December 2022	151,737	26,551

38. Capital management

The primary objective of the Group capital management is to ensure that they have appropriate capital structure in order to support its business and maximise shareholders value. As at 31 December 2022, the Group's debt-to-equity ratio was 0.51:1.0 (2021: 0.46:1.0) and the Company's debt-to-equity ratio was 0.73:1.0 (2021: 0.71:1.0).

39. Subsequent event after reporting date

On 22 February 2023, the meeting of the Company's Board of Directors No. 2/2023 passed the resolution to propose to the Annual General Meeting of the shareholders to approve the allocation of dividend, in respect of retained earnings and 2022 profit at the rate of Baht 0.60 per share, or a total of Baht 9,535.2 million. The Company already paid an interim dividend of 0.30 Baht per share, or a total of Baht 4,767.6 million in September 2022. The remaining dividend is Baht 0.30 per share or a total of Baht 4,767.6 million.

40. Approval of financial statements

These financial statements have been authorised for issue by the Company's Board of Directors on 22 February 2023.