

# 56-1

ONE REPORT 2021

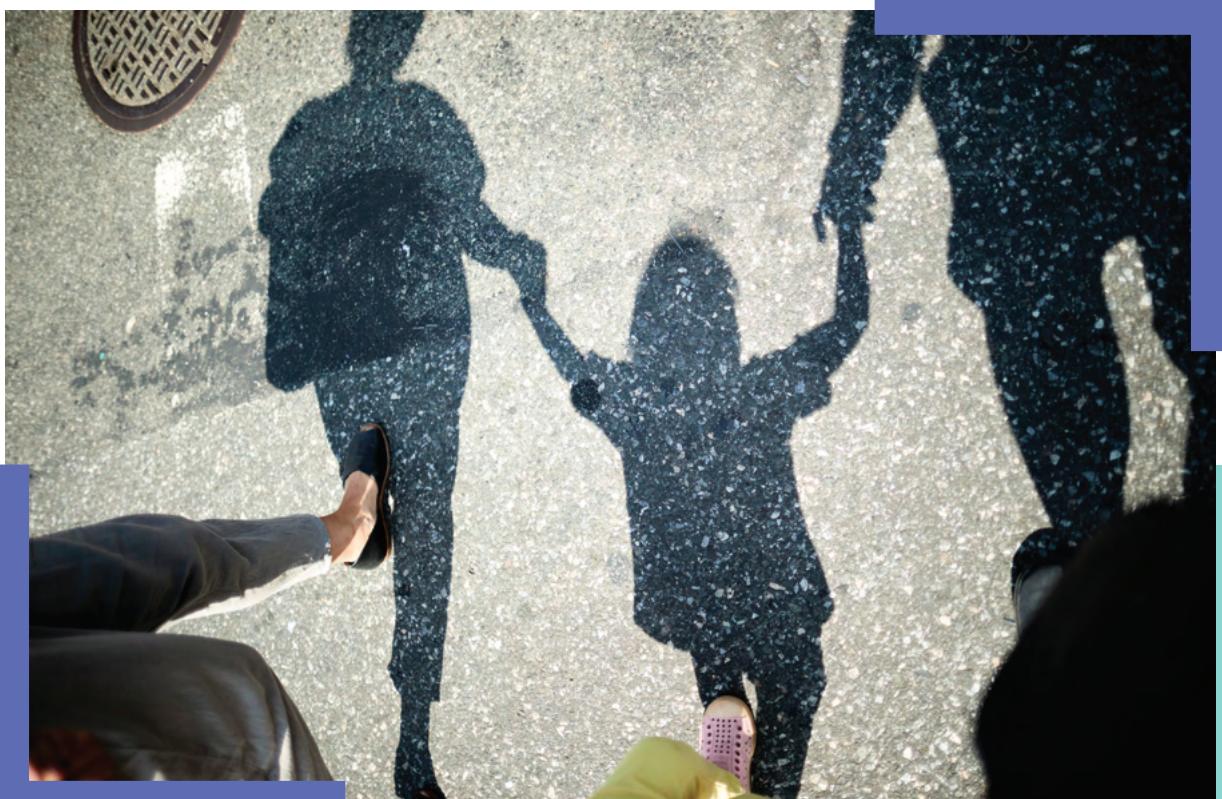


**BDMS** Annual Report 2021





Bangkok Dusit Medical Services



STEP INTO  
**50 years**  
of EXCELLENCE

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## Message from **CHAIRMAN**



In 2021, after Thailand had been confronted with the situation of Covid-19 outbreak and several businesses in the country have adapted themselves in various aspects. Although in the late 2021, an overall economic condition showed a sign of improvement; however, the situation of Covid-19 outbreak has continued until early 2022. This in turn, has incurred a direct impact on an overall purchasing power of the country which has been slowed down. Nonetheless, the Company has adjusted the operational strategies with the aim to maintain the Group's growth level while ensuring business performance satisfaction with the expected growth rate at approximately 10 percent. In addition, the Company has determined its objectives regarding business growth while emphasizing on investments in innovations to be in line with changing social trends and new lifestyles which aim towards the digital era. All of these incur both opportunities and challenges for Bangkok Dusit Medical Service Public Company Limited Group whether the Company is still able to connect its business with new ways of living amidst these constant changes.

However, the Board of Directors and the Company's management have strived to operate the business to achieve the sustainable and stable growth with the determination to manage business in an efficient, transparent and verifiable manner while ensuring credibility and confidence of every stakeholder group as well as fostering sustainable growth of the Company Group. It has been our greatest pride that in 2021, BDMS as one of the medical and healthcare business organization was the first in Thailand to become the member of Dow Jones Sustainability Indices (DJSI) – Emerging Market 2021 and was evaluated in terms of corporate governance at an "excellent" level in the Corporate Governance Report of Thai Listed Companies (CGR) Project. The Board of Directors has realized that sustainable growth under the basis of virtue and integrity while taking into consideration social responsibility are deemed significant in the creation of sustainable and consistent value for shareholders.

For 2022, Bangkok Dusit Medical Service Public Company Limited will have been operating its business for 50 consecutive years and we will continue to move forward while realizing constant and speedy changes of the present world when we are now faced with various challenges and problems. Nonetheless, the Company possesses human resources, both medical personnel and high quality, robust and up-to-date administrative system, including good teamwork and collaboration with network hospitals throughout the country. These factors enable the Company to grow steadily and sustainably.

On behalf of the Board of Directors, I would like to express my admiration to the management which can concretely advance various policies of the Company. Also, I would like to express my sincere gratitude to all customers of Bangkok Hospital and its networks for their confidence and support. Lastly, I would like to thank all shareholders who have consistently trusted the management policy of the Board of Directors.

Signed By *Santasiri Sornmani*

Professor Emeritus Santasiri Sornmani, M.D.  
Chairman



We have strived to develop and provide good quality medical services with the aim to achieve our Sustainability Development Goals (SDGs) under corporate governance principle to ensure the Company's success according to the established goals and objectives while maintaining the utmost benefits of all stakeholders.

# Message from the **PRESIDENT**

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**In 2021, the situation of Covid-19 outbreak in Thailand has become more severe than the previous year while the number of Covid-19 patients have increased tremendously on a daily basis. Nonetheless, from the collaboration of the government sectors, private organizations and many hospitals, coupled with Covid-19 vaccination which has encompassed more population of the country, social distancing principle and the regulation on wearing mask to prevent Covid-19 infection, had resulted in the decline of Covid-19 cases during the fourth quarter of the same year. This in turn, has led to the end of national lockdown, recovery of the tourism industry and the international travelling of foreign patients.**

For long-term business overview of private hospitals, the situation of Covid-19 outbreak has led most private hospitals to introduce technologies to use as a tool in enhancing their service efficiency and facilitating customers which enable the Company to survive in the long run; for example, telemedicine whereby patients and medical personnel can have real-time conversation and is considered an alternative that enables patients to gain more access to medical services without any travelling limitations.

## **In Moving Forward to Innovation and Digital Disruption Era**

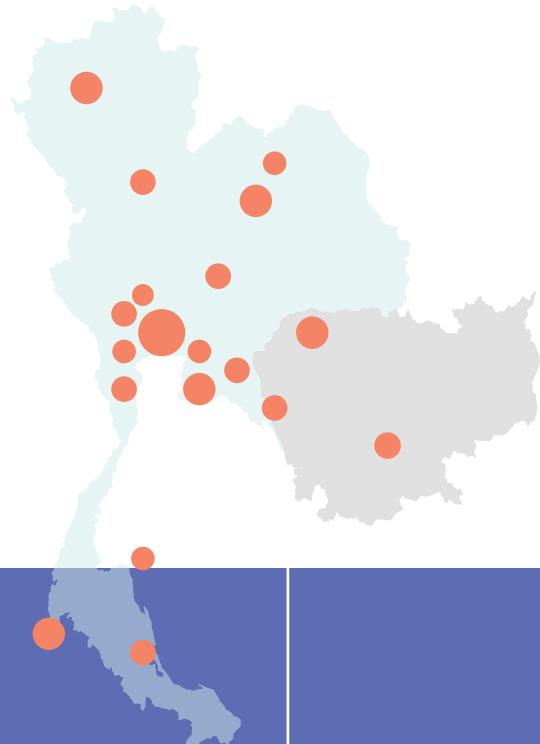
During the past year, several industries have experienced speedy changes and health business have been similarly affected by various factors such as market competition, changing requirements of the customers, the beginning of digital disruption and Covid-19 outbreak. All of these factors have caused BDMS to adapt our business operations to better respond to changing social trends which are moving forward to the digital era.

To achieve this end, BDMS introduced BDMS digital ecosystem, a healthcare service via digital system and a collaboration throughout the entire network. BDMS digital ecosystem is the integration of 9 services on the same platform such as Tele-consultation, Tele-pharmacy, Home lab services, Home care services, Patient Health Records, to enable patients to follow-up their medical information via digital system, coupled with health content which provides credible health-related knowledge and advice, health package, Health Mall and disease management, all of which help connect the customers with other equipment such as smart watch. Besides, such services enable the customers to access necessary information more conveniently.



# BDMS

## Overview



**75,714**

Million Baht

OPERATING INCOME

**7,936**

Million Baht

NET PROFIT

**53**

HOSPITALS

+ **BDMS**  
**WELLNESS**  
**CLINIC**

**11,000+**

DOCTORS

**7,000+**

NURSES

**22,000+**

EMPLOYEES

**AA STABLE**  
**TRIS RATING**

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA



# Financial **HIGHLIGHTS**

	2021	2020	2019
<b>Balance Sheets (Million Baht)</b>			
Total Assets	128,454	136,050	133,662
Total Liabilities	40,689	44,588	46,480
Total Shareholders' Equity	87,765	91,463	87,182
<b>Income Statements (Million Baht)</b>			
Revenue from Hospital Operations	71,541	65,166	79,630
Total Operating Income	75,714	69,057	83,774
Net Profit (Excluding Non-Recurring Items)	7,936	6,045	10,053
Net Profit	7,936	7,214	15,517
<b>Liquidity Ratio</b>			
Current Ratio (x)	1.5	2.7	0.8
Quick Ratio (x)	1.3	2.4	0.7
Average Collection Period (Days)	40.7	43.8	36.8
Average Inventory Period (Days)	14.0	14.4	12.0
Average Payable Period (Days)	34.5	40.5	37.1
<b>Profitability Ratio (%)</b>			
Gross Profit Margin <sup>1/</sup>	33.6	31.9	34.4
EBIT Margin	15.0	12.8	15.7
Net Profit Margin	10.5	10.4	18.5
Return on Equity	9.2	8.4	20.1
<b>Efficiency Ratio</b>			
Return on Assets (%)	6.0	5.3	11.6
Return on Fixed Assets (%)	17.1	16.7	27.8
Return on Assets (%)	0.6	0.5	0.6
<b>Financial Policy Ratio</b>			
Total Liabilities to Equity (x)	0.5	0.5	0.5
Interest Coverage (x) <sup>2/</sup>	24.1	17.2	19.2
Dividend Payout Ratio (%) <sup>3/</sup>	90.1 <sup>4/</sup>	121.2	56.3

1/ Gross profit margin= Gross profit/revenue from hospital operations and revenue from sales of goods

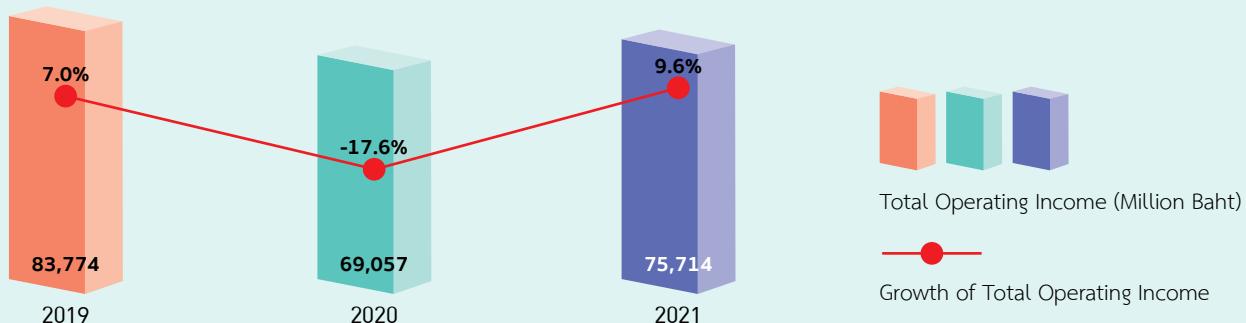
2/ Interest coverage = EBITDA/interest expenses

3/ Dividend payout ratio = Dividend per share/earnings per share (including non-recurring items)

4/ Board of Directors had resolution on 23 February 2022 to propose for dividend payment of Baht 0.45 per share.

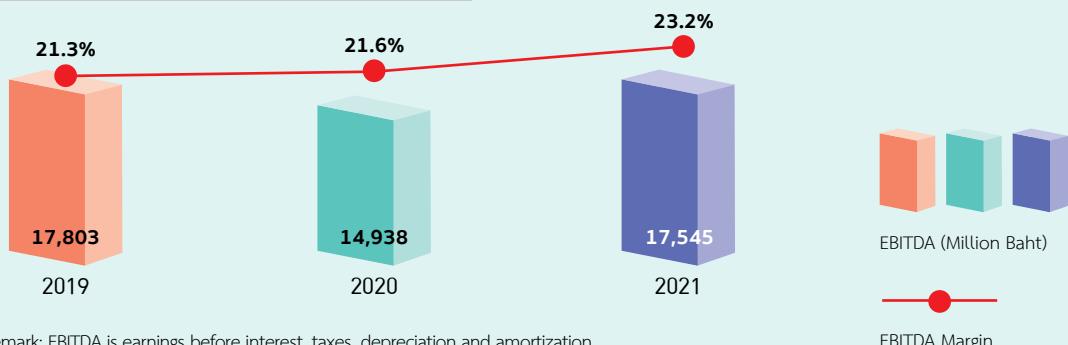
However, the Company already paid an interim dividend of Baht 0.25 per share in October 2021. The remaining dividend is Baht 0.20 per share.

## Total Operating INCOME



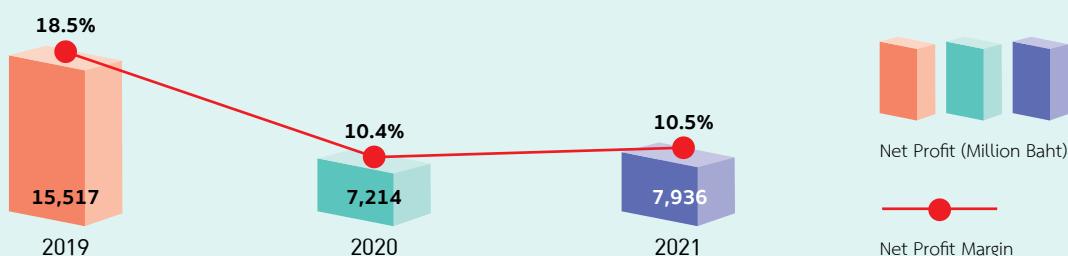
Remark: Operating income is calculated from hospital revenue + revenue from sales of goods + other income

## EBITDA and EBITDA MARGIN

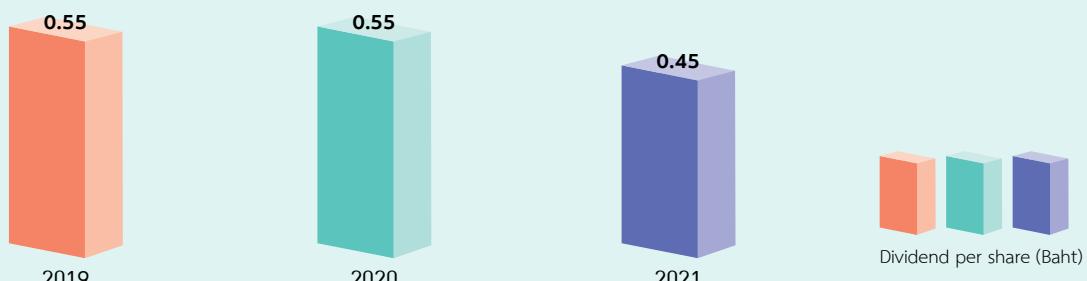


Remark: EBITDA is earnings before interest, taxes, depreciation and amortization

## Net profit and NET PROFIT MARGIN

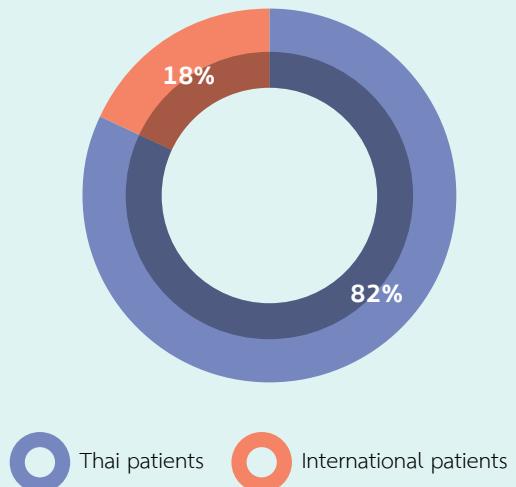


## DIVIDEND per share

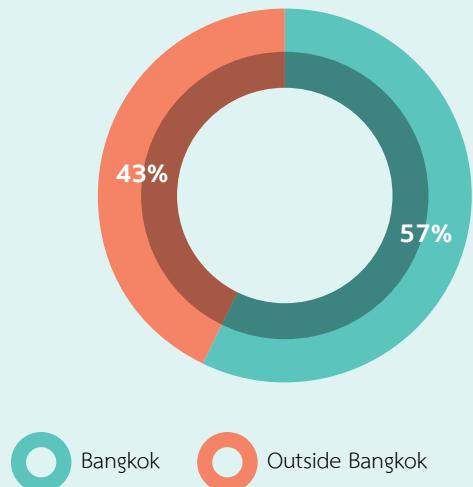


\* Board of Directors had resolution on 23 February 2022 to propose for dividend payment of Baht 0.45 per share.  
However, the Company already paid an interim dividend of Baht 0.25 per share in October 2021. The remaining dividend is Baht 0.20 per share.

### Revenue breakdown BY NATIONALITY



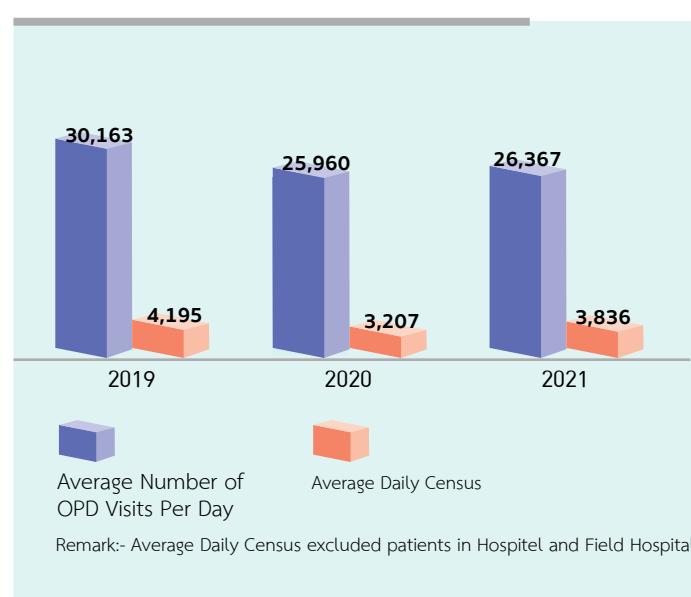
### Revenue breakdown BY LOCATION



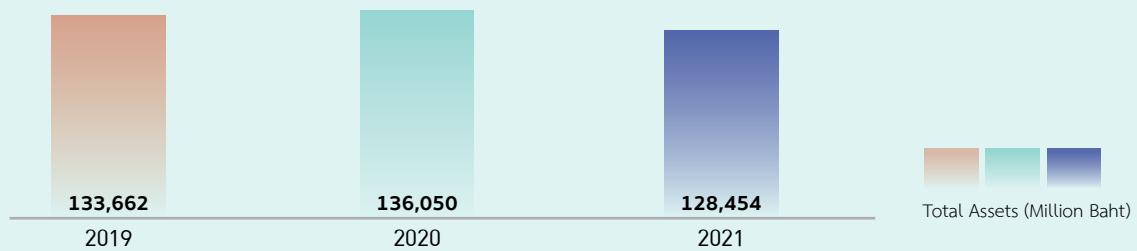
### Revenue breakdown BY OPD and IPD



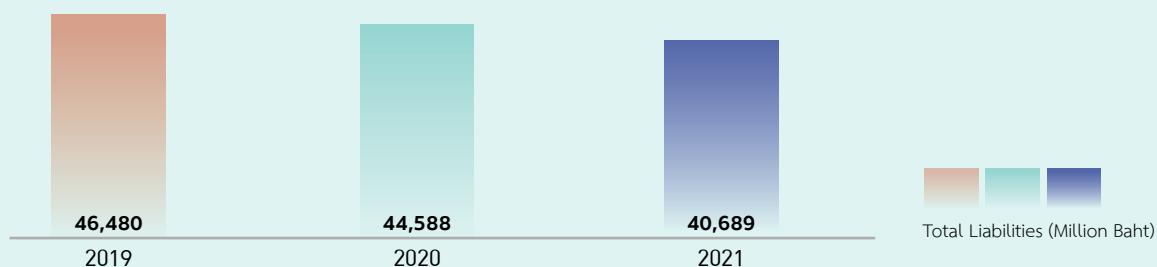
### Average Number of OPD visits per day AND AVERAGE DAILY CENSUS



## Total ASSETS



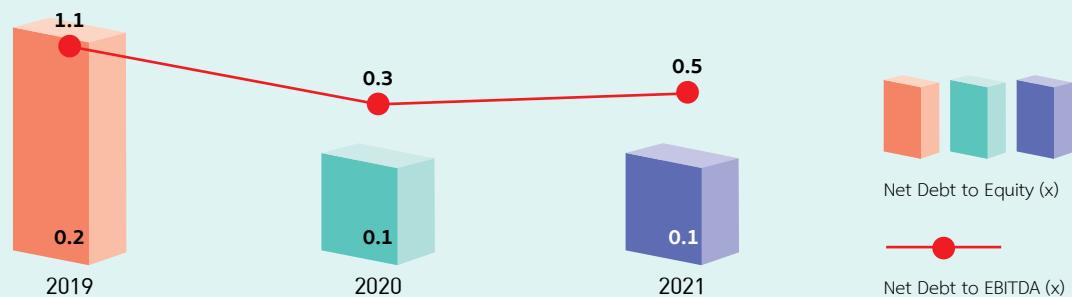
## Total LIABILITIES



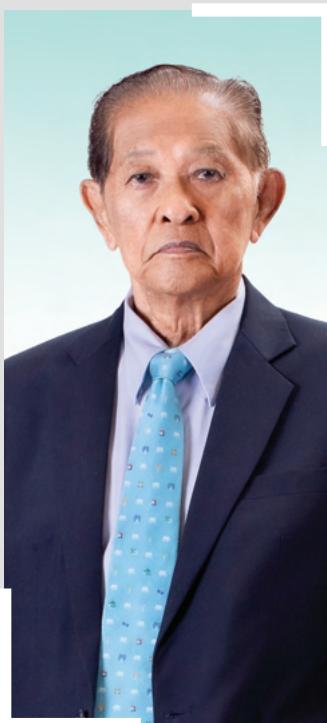
## Total SHAREHOLDERS' EQUITY



## Net Debt to Equity AND NET DEBT TO EBITDA



# Board of **DIRECTORS**



**Professor Emeritus  
Santasiri Sornmani, M.D.  
Chairman**



**Mr. Chuladej  
Yossundharakul, M.D.  
Vice Chairman**



**Mr. Prasert  
Prasarttong-Osoth, M.D.  
Founder and Director**

**Miss Poramaporn  
Prasarttong-Osoth, M.D.**  
President



**Mr. Chairat  
Panthuraamphorn, M.D.**  
Director



**Mrs. Narumol Noi-am**  
Director

**Mr. Pradit Theekakul**  
Director



**Mr. Chavalit  
Sethameteekul**  
Independent Director



**Mr. Sripop Sarasas**  
Director



**Mr. Thongchai  
Jira-alongkorn**  
Director

**Mr. Weerawong  
Chittmittrapap**  
Independent Director



**Mr. Kan Trakulhoon**  
Independent Director



**Mr. Att Thongtang**  
Director



**Mr. Arsa Sarasin**  
Independent Director

**Mr. Puttipong  
Prasarttong-Osoth**  
Director



**Mr. Veerathai  
Santiprabhob, Ph.D.**  
Independent Director



**Mr. Subhak  
Siwaraksa, Ph.D.**  
Independent Director



**Mr. Predee Daochai**  
Independent Director

# AUDIT

## Committee



Mr. Chavalit Sethameteekul  
Chairman



Mr. Weerawong Chittmittrapap  
Member



Mr. Veerathai Santiprabhob, Ph.D.  
Member

# CORPORATE GOVERNANCE

Committee



**Mr. Weerawong Chittmittrapap**  
Chairman



**Mr. Pradit Theekakul**  
Member



**Mr. Sripop Sarasas**  
Member

# NOMINATION and REMUNERATION

## Committee



Mr. Predee Daochai  
Chairman



Mr. Chuladej Yossundharakul, M.D.  
Member



Mr. Chavalit Sethameteekul  
Member

# RISK MANAGEMENT

Committee



Mr. Pradit Theekakul  
Chairman



Mrs. Narumol Noi-am  
Member



Mr. Subhak Siwaraksa, Ph.D.  
Member



Mr. Sripop Sarasas  
Member

# EXECUTIVE

## Committee



Miss Poramaporn  
Prasarttong-Osoth, M.D.  
Chairperson



Mr. Chuladej Yossundharakul, M.D.  
Member



**Mrs. Narumol Noi-am**  
Member



**Mr. Thongchai Jira-alongkorn**  
Member



**Mr. Chairat Panthuraamphorn, M.D.**  
Member

# EXECUTIVES



Miss Poramaporn  
Prasarttong-Osoth, M.D.  
President



Mrs. Narumol Noi-am  
Senior Executive Vice President /  
Chief Financial Officer



**Mr. Chairat Panthuraamphorn, M.D.**  
Chief Operating Officer



**Mr. Trin Charumilind, M.D.**  
Chief Medical Officer



**Mr. Sripop Sarasas**  
Chief Administrative Officer

# field HOSPITAL



vaccine  
**COVID-19**

From the situation of Covid-19 outbreak in 2019 which incurred an extensive impact on the country's overall economy and Thai people's well-being, BDMS, as one of the medical institutions which has stayed side by side Thai people for over 50 years, has realized the difficulty of all Thai people during this crisis; therefore, BDMS has collaborated with the public sector in organizing and managing field hospitals as well as provided vaccination services to prevent Covid-19 with the utmost care towards every Thai people's health.

## **BDMS Field Hospital** at the Royal Thai Air Force Stadium (Thupatemi Stadium)

BDMS have collaborated with Thai Air Force in establishing 100-bed field hospital to support Covid-19 patients in the yellow stage. Apart from being well-equipped with the system, equipment and medical personnel, BDMS has also employed the innovation and technology to provide medical treatment for patients in the most efficient manner.



## **COVID-19** Vaccination Services

Bangkok Hospital, in collaboration with the public sector, has provided Covid-19 vaccination services for the elderly people and patients with seven critical illnesses at Bangkok International Hospital via "Moh Prompt" application by allocating the area according to social distancing principle while ensuring safety and speedy services.

BDMS has also cooperated with Bangkok Metropolitan in opening the vaccination center at Siam Paragon Department Store in the "Safe Bangkok" Project to facilitate people to get vaccine extensively and in a timely manner while ensuring efficient management and utmost safety for all people.



# QUALITY of Service

## Accreditation



**11**

Joint Commission International



**1**

Advanced HA



**30**

Hospital Accreditation



**10**

JCI : Clinical Care Program Certification Standards

- Acute Coronary Syndrome Program
- Acute Ischemic Stroke Program
- Breast Cancer Program
- Childhood Asthma Program
- Diabetes Mellitus Type II Program
- Heart Failure Program
- Knee Replacement Program
- Low Back Pain Program
- Primary Stroke Program
- Traumatic Brain Injury Program



The Commission on Accreditation of Medical Transport Systems (USA) (2015-2021)

&  
The Commission on Accreditation of Medical Transport Systems Europe (2018-2021)

## Dual Medical Transport Accreditation

by Land, Sea and Air

## The Satisfaction of the Customers

Overall Hospital Rating [BDMS]

100%

90%

80%

70%

60%

50%

40%

30%

20%

10%

0%

2013

2014

2015

2016

2017

2018

2019

2020

2021

67% 69% 75% 80% 84% 86% 87% 89% 90%

**56-1**  
ONE REPORT part

01

BUSINESS OPERATION AND  
OPERATING RESULTS

# 1 Structure and Business OPERATIONS

## 1.1 Policy and Business Overview

Bangkok Dusit Medical Services Public Company Limited (“the Company”) was registered on 30 October 1969 under the name “Bangkok Dusit Medical Services Company Limited” with an initial registered capital of Baht 10 million. On 26 February 1972, Bangkok Hospital commenced its operation in providing medical services. The Company was later listed on the Stock Exchange of Thailand on 2 October 1991 and registered its conversion to Public Company Limited in 1994. At present, the Company reports a registered capital of Baht 1,758.22 million, with paid-up capital of Baht 1,589.20 million.

Currently, the Company is known as a business operator of large private hospital in the country with networks both in Thailand and Cambodia, totaling 53 hospitals (as of 31 December 2021). 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 business that supports medical care such as medical laboratories, medicine production, saline production and pharmacies etc.

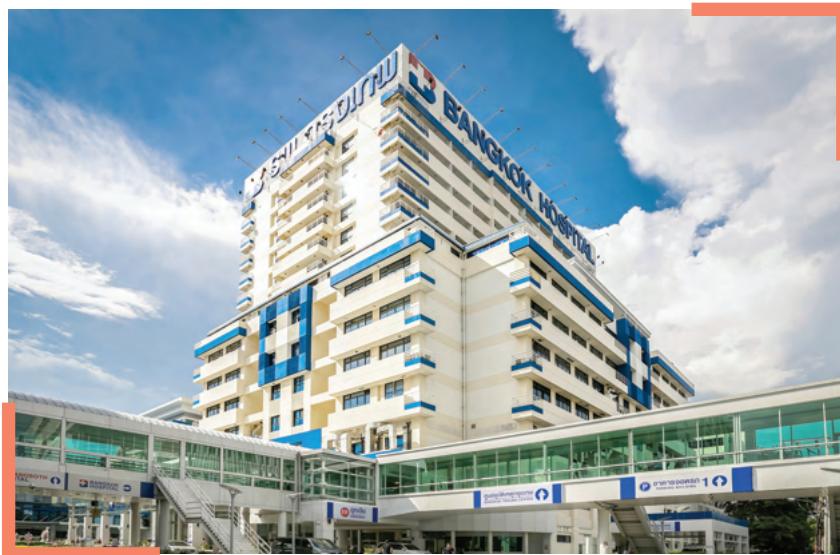
### 1.1.1 Vision, Mission and Business Direction

#### Vision

Bangkok Hospital is a premier tertiary healthcare provider, dedicated to international quality, customer-oriented care to ensure trust and utmost satisfaction of every customer.

#### Mission

We are committed to being the leader in providing internationally acceptable, efficient and ethical high-quality care through a dedicated healthcare team, effective leadership, up-to-date technology, adherence to standards and professional ethics while being committed to consistently develop quality of service for the



develop quality of service for the highest interest and utmost satisfaction of every customer as well as sustainable growth of the organization.

To achieve such mission, the Company has set the following operation guidelines:

#### Hospital

- Tertiary Excellence :

Establish structure, process and high-level success which are comparable to tertiary organization with world-class excellence.

- High Standard:

Continuously improve the standard of medical care at the tertiary level in terms of service, efficiency and environmental conservation.

- International Level Quality:

Cooperate with world-renowned medical organizations so as to achieve accreditation at the international level.

#### Customer

- Trustworthiness:

Provide medical care that focuses on quality and safety at a reasonable and transparent price.

- Satisfaction:

Provide excellent services which can be evaluated for further improvement.

#### 1.1.2 Major Changes and Developments

##### 2021

- BDMS has initiated BDMS Genomic Center Project with the objective to develop genetic testing to enhance competency in providing personalized medical treatment both in terms of prevention and treatment as well as to support research and development with pharmaceutical and vaccine manufacturing companies in the future. This Center will provide services to customers of all 53 BDMS network hospitals, including hospitals and external agencies, both in Thailand and in ASEAN countries. BDMS Genomic Center is under the operation of N Health Novogene Genomics Company Limited, a subsidiary in which BDMS has invested with NovogeneAIT Genomics Singapore Pte. Ltd. at the ratio of 75:25.

- BDMS was selected as a member of “Dow Jones Sustainability Indices (DJSI)- Emerging Market in 2021. BDMS is considered the first medical and healthcare business organization in Thailand which has passed the evaluation of sustainability indices in the area of economy, society and environment of DJSI, the sustainability indices accepted by many institutional investors globally, and this proof has shown that BDMS’s operational efficiency is comparable to other leading organizations with the aim to create good returns in a sustainable manner.

- In 2021, BDMS was chosen to be in the list of Thailand Sustainability Investment (THSI) in the service sector for 2 consecutive years from the Stock Exchange of Thailand. The process in selecting Thailand Sustainability Investment will take into consideration the guidelines on governance and





practices to support business operations to be responsible according to corporate governance principle and to integrate innovation with the aim to further value and social developments, conserve and maintain the environment as well as retain and develop personnel while being responsible and promoting good health of the community and overall society.

- BDMS Simulation Center or BDMS Clinical Skills Training Center was officially visited by the Society for Simulation in Healthcare (SSH), the leading health care simulation accreditation body in the world. The Center had passed the evaluation in terms of program administration, systematic evaluation of learning and teaching, resources management in an appropriate and worthy manner. In addition, during the Covid-19 situation, the Center has introduced teaching and learning innovation by applying BDMS Tele-Simulation Network System, enabling BDMS Simulation Center to become the first in Thailand to receive full accreditation in both core standard and teaching/education standard sections from SSH on 1 December 2021. Such accreditation is considered clinical skills training accreditation by using medical simulation technique which has been accepted at an international level and such accreditation has also been accepted in other leading medical institutions abroad such as Harvard University, John Hopkins University, Yale University, Duke University etc.
- BDMS has been certified with Research Development and Innovation Management System (RDIMS) from National Science and Technology Development Agency (NSTDA) to certify that BDMS is the organization with potential and acceptable standard in conducting research, development and innovation. BDMS has been the first health organization which has been granted with such certification that can certify the research project with the value not exceeding Baht 3 million. Any research expenditures can be used for tax deduction at the rate of 200 percent in a form of self-declaration, starting from 31 March 2021 to 30 March 2024.
- BDMS has developed BDMS Health Ecosystem, a digital healthcare system, by investing through Health Plaza Company Limited with a registered capital of Baht 1,040 million. This system enables the users to quickly access medical and healthcare services provided by BDMS team of doctors, pharmacists and medical personnel specializing in various fields, from everywhere and at any time via online system. The service includes a delivery of medicines and medical supplies directly to the customers' home. In addition, BDMS Health Ecosystem is also a platform that gathers medicines, health-related products, comprehensive health care knowledge to meet the needs of customers in today's rapidly changing world.

#### **2020**

- According to the situation of the COVID 19 epidemic, BDMS Group has adjusted a working process, modified service formats as well as developed medical services in various dimensions for safety and building confidence among users, such as

- Telecare, a medical service system via information technology innovation where patients can consult doctors through online treatment systems at any time
  - Tytocare, an innovation which facilitates a preliminary health checkup so that patients can perform self-screening of disease and send a result to a doctor for online diagnosis, reducing the risk of travel
  - Germ disinfection robot to clean Covid-19's patient wards.
  - Drug and medical supplies delivery project by applying the Pharmasafe application as a channel for drug delivery tracking and drug consultation by hospital pharmacists.
  - Bangkok Pattaya Company Limited, a subsidiary under BDMS network, started its operation of "Jomtien Hospital" with 232 beds in total. Jomtien Hospital is located on Sukhumvit Road, Amphoe Banglamung, Chonburi and is well recognized as the 49<sup>th</sup> hospital of BDMS network.
- 2019**
- Bangkok Hospital Chiang Rai Company Limited, a subsidiary under BDMS
- network, started its operation of "Bangkok Hospital Chiang Rai" with 80 beds in total. The hospital is located on Phaholyothin Road (Chiang Rai-Mae Jun) Amphoe Meung, Chiang Rai, with the intention to being able to support ASEAN countries situated in the upper area as well as the southern part of China.
- The Company commenced the operation of "Bangkok International Hospital", a 172-bed hospital located in Soi Soonvijai, New Petchaburi Road. It is specialized in neurology, orthopedic and spine diseases performed by experienced and skillful medical doctors and multi-disciplinary under the concept of "Rediscovering Your Life" that combines art and science to provide a holistic treatment as a way to completely fulfill the needs of both patients and their relatives.
  - Samitivej Public Company Limited, a subsidiary under BDMS network started the operation of "Japanese Hospital by Samitivej", the first Japanese hospital in AEC. It is located near Samitivej Sukhumvit Hospital. With its 30 beds in total, the 24-hour providing service hospital is well-equipped with a team of medical



doctors and Japanese nurses, coupled with state-of-the-art equipment and tele-translation which can translate Japanese language via video call system.

### Awards

- The Company was awarded “All-Asia Executive Team 2021-Most Honored Company” from the category of Best CEO, Best CFO, Best IR Professional, Best IR Program and Best ESG in healthcare & pharmaceuticals Sector for the rest of Asia (ex-China) in 2021 from Institutional Investor Magazine.
- Global Health Asia-Pacific Award 2021 was granted to BDMS Group by Global Health and Travel Magazine, a leading magazine in promoting tourism and health in the Asia Pacific region as follows:
  - ➔ BDMS Wellness Clinic was awarded in 3 following areas which are:
    - Integrated Health and Wellness Service Provider of the Year in the Asia-Pacific
    - Dental Medical Centre of the Year in the Asia-Pacific
    - Fertility Medical Centre of the Year in the Asia-Pacific
  - ➔ Samitivej Hospital was awarded in 5 following areas which are:
    - Smart Hospital of the Year in the Asia-Pacific
    - Best Hospital of the Year in Thailand
    - Hospital COVID-19 Healthcare Service Provider of the Year in the Asia-Pacific
    - Pediatric Cardiology Service Provider of the Year in the Asia Pacific
    - Gastroenterology Service Provider of the Year in the Asia-Pacific
  - ➔ Bangkok Phuket Hospital was awarded in the area of “Heart and Vascular Service Provider of the Year in the Asia-Pacific”
- The Company was granted “Outstanding Investor Relations Awards” for companies listed in the Stock Exchange of Thailand with market Capitalization over Bath 100,000 million from SET AWARDS 2021 organized by the Stock Exchange of Thailand.
- The Company was awarded “Best IR in Healthcare Sector” from IR Magazine that grants such award to the companies in South East Asia with outstanding investor relations.
- The Company was awarded “Most Outstanding Company in Thailand-Healthcare Sector” from “Asia’s Outstanding Companies Poll 2021 held by Asiamoney.
- Phyathai & Paolo Hospital Group under BDMS network was granted “HR Asia Best Companies to Work for in Asia 2020” from HR Asia Magazine for 2 consecutive years. Such award represents the organization’s determination in human resources management which is deemed a key factor in moving the organization toward sustainable growth.



## 1.2 Nature of Business

### 1.2.1 Revenue Structure

The Company's main line of business is the private hospital business which is operated through the Company and its subsidiaries. Apart from the private hospital business, the Company has also invested in many other supporting or related businesses. Such businesses and their income structure according to the consolidated financial statements can be summarized as follows:

**Revenue Structure of the Company and its Subsidiaries:** (Year 2019-2021)

(Unit : Million Baht)

Type of Revenue	Operated by	% of Holding	2021		2020		2019	
			Amount	%	Amount	%	Amount	%
<b>Revenue from Patient Services</b>								
Bangkok Dusit Medical Services Pcl.	100.00	10,364.25	14.49	9,863.89	15.14	14,703.51	18.46	
Samitivej Pcl.	95.76	10,679.69	14.93	10,167.13	15.60	12,449.03	15.63	
BNH Medical Center Co., Ltd.	91.48	2,060.00	2.88	2,110.45	3.24	2,990.17	3.76	
Prasit Pattana Pcl.	98.62	11,278.41	15.76	11,112.57	17.05	13,506.70	16.96	
Paolo Medic Co., Ltd.	100.00	4,582.55	6.41	3,543.32	5.44	3,672.88	4.61	
Siam Medical Co., Ltd.	85.71	1,414.96	1.98	1,117.02	1.71	1,136.52	1.43	
Thai Medical Center PCL.	99.76	1,192.34	1.67	972.51	1.49	1,059.13	1.33	
Paolo Samut Prakran Co., Ltd.	93.65	1,775.60	2.48	1,248.68	1.92	1,339.45	1.68	
Paolo Hospital Prapraeang Co., Ltd.	84.00	596.85	0.83	374.38	0.57	400.93	0.50	
Bangkok Pattaya Hospital Co., Ltd.	97.27	3,546.32	4.96	3,361.76	5.16	4,069.42	5.11	
Bangkok Rayong Hospital Co., Ltd.	100.00	2,604.80	3.64	2,434.87	3.74	2,785.63	3.50	
Bangkok Trat Hospital Co., Ltd.	99.76	510.90	0.71	549.05	0.84	630.56	0.79	
Wattanavej Co., Ltd.	99.72	1,651.18	2.31	1,466.18	2.25	1,634.85	2.05	
Bangkok Hospital Hatyai Co., Ltd.	98.82	1,816.19	2.54	1,485.80	2.28	1,664.75	2.09	
Bangkok Samui Hospital Co., Ltd.	100.00	384.30	0.54	532.62	0.82	774.38	0.97	
Bangkok Phuket Hospital Co., Ltd.	99.70	2,237.65	3.13	2,224.01	3.41	3,028.52	3.80	
Bangkok Ratchasima Hospital Co., Ltd.	91.45	1,894.02	2.65	1,701.49	2.61	1,893.11	2.38	
Bangkok Udon Hospital Co., Ltd.	100.00	960.61	1.34	791.56	1.21	1,026.76	1.29	
Bangkok Hospital Phitsanulok Co., Ltd.	100.00	725.75	1.01	678.82	1.04	767.19	0.96	
Thonburi Medical Center PCL.	64.03	750.44	1.05	687.21	1.05	944.11	1.19	
Bangkok Hospital Chiangmai Co., Ltd.	100.00	1,253.96	1.75	1,096.05	1.68	1,181.62	1.48	
Bangkok Khon Kaen Hospital Co., Ltd.	100.00	765.68	1.07	715.91	1.10	742.13	0.93	
Bangkok Hospital Sanamchan Co., Ltd. (BSN)	100.00	1,506.43	2.11	1,435.85	2.20	1,559.35	1.96	
Thepakorn Hospital Co., Ltd. (TPK)	50.03	149.49	0.21	160.79	0.25	150.94	0.19	
<b>Held through BSN</b>								
Bangkok Phuket International Hospital Co., Ltd.	100.00	966.01	1.35	768.13	1.18	1,158.88	1.46	
Samitivej Chonburi Co., Ltd.	100.00	1,161.21	1.62	954.32	1.46	898.17	1.13	
Bangkok Hospital Muangraj Co., Ltd.	100.00	596.81	0.83	565.50	0.87	648.21	0.81	
Bangkok Hospital Surat Co., Ltd.	100.00	458.62	0.64	363.79	0.56	316.37	0.40	
BDMS Wellness Clinic Co., Ltd.	100.00	399.84	0.56	446.13	0.68	239.06	0.30	
Bangkok Hospital Chiangrai Co., Ltd.	100.00	187.79	0.26	138.18	0.21	126.46	0.16	
Angkor Pisith Co., Ltd.	80.00	110.24	0.15	125.43	0.19	199.38	0.25	
Phnom Penh Medical Services Co., Ltd.	100.00	1,067.88	1.49	983.48	1.51	940.37	1.18	
<b>Total</b>		<b>69,650.79</b>	<b>97.36</b>	<b>64,176.92</b>	<b>98.48</b>	<b>78,638.54</b>	<b>98.75</b>	

(Unit : Million Baht)

Type of Revenue	Operated by	% of Holding	2021		2020		2019	
			Amount	%	Amount	%	Amount	%
<b>Revenue from Related Services</b>								
National Healthcare Systems Co., Ltd.	98.69	1,604.29	2.24	939.10	1.44	945.33	1.19	
N Health (Cambodia) Co., Ltd.	100.00	28.48	0.04	18.17	0.03	4.26	0.01	
N Health Pathology Co., Ltd.	95.00	0.03	0.00	0.26	0.00	-	-	
N Health Myanmar Co., Ltd.	60.00	157.72	0.22	31.23	0.05	42.17	0.05	
Bio-Molecular Laboratories (Thailand) Co., Ltd.	95.00	100	0.14	0.80	0.00	-	-	
<b>Total</b>		<b>1,890.52</b>	<b>2.64</b>	<b>989.55</b>	<b>1.52</b>	<b>991.75</b>	<b>1.25</b>	
<b>Grand Total</b>		<b>71,541.31</b>	<b>100.00</b>	<b>65,166.46</b>	<b>100.00</b>	<b>79,630.29</b>	<b>100.00</b>	

**Remark:**

Apart from the core operating revenue as per the above income structure, The Company also records income from selling saline, medicines and medical supplies from subsidiaries, which is shown in the sales of goods in the income statement as follows:

(Unit : Million Baht)

Operated by	% of Holding	2021	2020	2019
A.N.B. Laboratories Co., Ltd.	100.00	1,333.11	1,343.22	1,408.71
The Medic Pharma Co., Ltd.	87.05	812.34	790.33	824.70
Save Drug Center Co., Ltd.	100.00	641.13	654.74	735.01
First Health Food Co., Ltd.	95.76	123.46	119.33	123.92
<b>Total</b>		<b>2,910.40</b>	<b>2,907.62</b>	<b>3,092.35</b>

**1.2.2 Products and Services****Healthcare Business**

No.	Hospital	Company	Size (Beds)	Total Beds	% of Holding
<b>Bangkok Hospital Group</b>					
1	Bangkok Hospital	Bangkok Dusit Medical Services PCL.	329		
2	Bangkok Heart Hospital	Bangkok Dusit Medical Services PCL.	54		
3	Wattanosoth Cancer Hospital	Bangkok Dusit Medical Services PCL.	48		
4	Wattanosoth International Hospital	Bangkok Dusit Medical Services PCL.	30		
5	Chiva Transitional Care	Bangkok Dusit Medical Services PCL.	52		
6	Bangkok International Hospital	Bangkok Dusit Medical Services PCL.	172		
7	Bangkok Hospital Huahin	Bangkok Dusit Medical Services PCL.	58		

No.	Hospital	Company	Size (Beds)	Total Beds	% of Holding
<b>Bangkok Hospital Group</b>					
8	Bangkok Hospital Sanamchan	Bangkok Hospital Sanamchan Co., Ltd.	191		100.00
9	Bangkok Hospital Muangraj	Bangkok Hospital Muangraj Co., Ltd.	140		100.00
10	Bangkok Hospital Phetchaburi	Bangkok Hospital Sanamchan Co., Ltd.	200		100.00
11	Bangkok Hospital Pattaya	Bangkok Pattaya Hospital Co., Ltd.	400		97.27
12	Bangkok Hospital Rayong	Bangkok Rayong Hospital Co., Ltd.	222		100.00
13	Bangkok Hospital Chantaburi	Wattanavej Co., Ltd.	200		99.72
14	Bangkok Hospital Trat	Bangkok Trat Hospital Co., Ltd.	100		99.76
15	Koh Chang International Hospital	Bangkok Trat Hospital Co., Ltd.	3		99.76
16	Bangkok Hospital Chiangmai	Bangkok Hospital Chiangmai Co., Ltd.	139		100.00
17	Bangkok Hospital Ratchasima	Bangkok Ratchasima Hospital Co., Ltd.	285		91.45
18	Bangkok Hospital Pakchong	Bangkok Ratchasima Hospital Co., Ltd.	40		91.45
19	Bangkok Hospital Udon	Bangkok Udon Hospital Co., Ltd.	105		100.00
20	Bangkok Hospital Phitsanulok	Bangkok Hospital Phitsanulok Co., Ltd.	200		100.00
21	Bangkok Hospital Khon Kaen	Bangkok Khon Kaen Hospital Co., Ltd.	150		100.00
22	Bangkok Hospital Phuket	Bangkok Phuket Hospital Co., Ltd.	234		99.70
23	Bangkok Hospital Hat Yai	Bangkok Hospital Hat Yai Co., Ltd.	193		98.82
24	Bangkok Hospital Samui	Bangkok Samui Hospital Co., Ltd.	57		100.00
25	Bangkok Hospital Surat	Bangkok Hospital Surat Co., Ltd.	88		100.00
26	Bangkok Hospital Chiangrai	Bangkok Hospital Chiangrai Co., Ltd.	80		100.00
27	Bangkok Hospital Siriroj	Bangkok Phuket International Hospital Co., Ltd.	181	3,951	100.00
<b>Samitivej Group</b>					
28	Samitivej Sukumvit Hospital	Samitivej PCL.	275		95.76
29	Japanese Hospital bysamitivej	Samitivej PCL.	30		95.76
30	Samitivej Srinakarin Hospital	Samitivej PCL.	300		95.76
31	Samitivej Sriracha Hospital	Samitivej Sriracha Co., Ltd.	260		67.47
32	Samitivej Thonburi Hospital	Thonburi Medical Center PCL. <sup>(1)</sup>	150		64.03
33	Samitivej Chonburi Hospital	Samitivej Chon Buri Co., Ltd.	250		100.00
34	Samitivej Chinatown Hospital	Bangkok Dusit Medical Services PCL.	50	1,315	

**Remark:**

(1) 35.01% held by BDMS and 29.02% held by Royal Bangkok Healthcare Co., Ltd., a 100% subsidiary of BDMS

No.	Hospital	Company	Size (Beds)	Total Beds	% of Holding
<b>BNH</b>					
35	BNH Hospital	BNH Medical Center Co., Ltd.	115	<b>115</b>	91.48
<b>Royal Hospital Group</b>					
36	Royal Angkor International	Angkor Pisith Co., Ltd.	33		80.00
37	Royal Phnom Phen Hospital	Phnom Penh Medical Services Co., Ltd.	100	<b>133</b>	100.00
<b>Phyathai Hospital Group</b>					
38	Phyathai 1 Hospital	Phyathai 1 Hospital Co., Ltd. <sup>(2)</sup>	174		98.62
39	Phyathai 2 Hospital	The Phya Thai II Hospital Co., Ltd. <sup>(2)</sup>	262		97.81
40	Phyathai 3 Hospital	PhyaThai 3 Hospital Co., Ltd. <sup>(2)</sup>	260		96.87
41	Phyathai Sriracha Hospital	Sriracha Nakorn General Hospital PCL. <sup>(2)</sup>	295		74.51
42	Phyathai Nawamin Hospital	Thai Medical Center PCL.	140	<b>1,131</b>	99.76
<b>Paolo Hospital Group</b>					
43	Paolo Hospital Phaholyothin	Paolo Medic Co., Ltd.	220		100.00
44	Paolo Hospital Rangsit	Paolo Medic Co., Ltd.	128		100.00
45	Paolo Hospital Kaset	Paolo Medic Co., Ltd.	162		100.00
46	Paolo Hospital Samutprakarn	Paolo Samut Prakran Co., Ltd.	200		93.65
47	Paolo Hospital Chokchai 4	Siam Medical Co., Ltd.	169		85.71
48	Paolo Hospital Chokchai	Siam Medical Co., Ltd.	29		85.71
49	Paolo Hospital Phrapradaeng	Paolo Hospital Phrapradaeng Co., Ltd.	60	<b>968</b>	84.00
<b>Community Hospitals</b>					
50	Sri Rayong Hospital	Bangkok Rayong Hospital Co., Ltd.	195		100.00
51	Thepakorn Hospital	Thepakorn Hospital Company Limited <sup>(3)</sup>	100		50.03
52	Dibuk Hospital	Bangkok Phuket Hospital Co., Ltd.	75		99.70
53	Jomtien Hospital	Bangkok Pattaya Hospital Co., Ltd.	232	<b>602</b>	97.27
<b>Total Number of Beds</b>				<b>8,215</b>	
<b>Investment in Other Hospitals which BDMS has not managed</b>					
1	Aek Udon International Hospital	Udon Pattana (1994) Co., Ltd. <sup>(4)</sup>	350		25.11

**Remark:**

(2) Held by Prasit Pattana Pcl., a 98.62% subsidiary of BDMS

(3) Held by Bangkok Hospital Sanamchan Co., Ltd., a 100% subsidiary of BDMS

(4) 15.26% held by BDMS and 10.00% held by Phyathai 1 Hospital Co., Ltd.

## Business Related to Medical Services

Nature of Business	Operated By	% of Holding
1 Wellness Clinic	BDMS Wellness Clinic Co., Ltd.	100.00
2 Manufacture saline and medical equipment	A.N.B. Laboratories Co., Ltd. <sup>(1)</sup>	100.00
	The Medic Pharma Co., Ltd.	87.05
	General Hospital Products PCL. <sup>(2)</sup>	47.17
3 Pharmaceuticals	Save Drug Center Co., Ltd. <sup>(3)</sup>	100.00
4 Medical Lab and Share Services (central procurement)	National Healthcare Systems Co., Ltd. <sup>(4)</sup>	98.69
	N Health Pathology Co., Ltd. <sup>(1)</sup>	95.00
	N Health (Cambodia) Pte. Ltd. <sup>(5)</sup> (Cambodia)	100.00
	N Health Myanmar Co., Ltd. <sup>(5)</sup> (Myanmar)	60.00
	N Health Novogene Genomic Co., Ltd. <sup>(8)</sup>	74.02
5 Bio Molecular Lab	Bio-Molecular Laboratories (Thailand) Co., Ltd.	95.00
6 Information and technology for company and the Subsidiaries Shared service	Greenline Synergy Co., Ltd.	100.00
7 Medical evacuation	Bangkok Helicopter Services Co., Ltd. <sup>(6)</sup>	100.00
8 Catering and general support for company and the subsidiaries	Irving Sheridan SE Co., Ltd. <sup>(7)</sup>	95.74
	First Health Food Co., Ltd. <sup>(7)</sup>	95.76
9 Land holding company in Cambodia	S.R. Property Investment Co., Ltd.	49.00
	Siem Reap Land Investment Co., Ltd.	49.00
	Phnom Penh First Property Co., Ltd.	49.00
10 Healthcare business (Holding Company)	Royal Bangkok Healthcare Co., Ltd.	100.00
	Bangkok Save Drug Co., Ltd.	100.00
	BDMS Inter Pte. Ltd. (Singapore)	100.00
	N Health Asia Pte. Ltd. (Singapore)	100.00
11 Training	BDMS Training Co., Ltd.	100.00
12 Health insurance	Bangkok Health Insurance Co., Ltd.	100.00
	Bangkok Premier Life Insurance Co., Ltd.	100.00
13 Accounting	BDMS Accounting Co., Ltd.	100.00
14 Property management	BDMS Property Management Co., Ltd.	100.00
15 Hotel	BDMS Wellness Resort Co., Ltd.	100.00
16 Health Innovation	Digital Health Venture Co., Ltd. <sup>(7)</sup>	95.76
17 E-Commerce	Health Plaza Co., Ltd. <sup>(9)</sup>	100.00
	Samawat Health Co., Ltd. <sup>(10)</sup>	57.46

Remark:

- (1) Held by Royal Bangkok Healthcare Co., Ltd.
- (2) 46.88% held by Royal Bangkok Healthcare Co., Ltd. and 0.33% held by The Medic Pharma Co., Ltd.
- (3) Held by Bangkok Save Drug Co., Ltd.
- (4) 74.02% held by BDMS, 21.04% held by Samitivej PCL and 4.93% held by BNH Medical Center Co., Ltd.
- (5) Held by N Health Asia
- (6) 87.25% held by BDMS, 12.75% held by Royal Bangkok Healthcare Co., Ltd.
- (7) Held by Samitivej PCL.
- (8) Held by National Healthcare Systems Co., Ltd.
- (9) 96.15% held by BDMS and 3.85% held by Royal Bangkok Healthcare Co., Ltd.
- (10) Held by Digital Health Venture Co., Ltd.

### (1) Nature of Services

At present, Bangkok Hospital Head quarter is under direct management of Bangkok Dusit Medical Services Public Company Limited, which consists of Bangkok Hospital, Bangkok Heart Hospital, Wattanosoth Hospital, Bangkok International Hospital, Chiva Transitional Care Hospital and Bangkok Hua Hin Hospital. In addition, there is one hospital of the Company under the management of Samitivej PCL, which is Samitivej China Town Hospital.

#### 1. Bangkok Hospital

A 329-bed hospital, located in Soi Soonvijai, New Pechburi Road, has opened its services to cover every area of medical treatment by expert medical team, coupled with state-of-the-art technology and a wide range of medical equipment. The Hospital has provided services to both outpatients and inpatients 24-hour a day. The Hospital is comprised of 50 specialized centers and clinics in total with specialized physicians as follows:

1. Bangkok Academy of Sports and Exercise Medicine (BASEM)
2. Endoscopy Center
3. Health Design Center
4. Occupational Health Center
5. Surgery Center
6. BDMS Medevac Center
7. Urology Center
8. Eye Center
9. Civil Aeromedical Center
10. LASIK Center
11. Hyperbaric Oxygen Therapy Center
12. Ear, Nose, Throat Center
13. Dental Center
14. Chest and Respiratory Center
15. Diabetes, Thyroid and Endocrine Center
16. Allergy and Asthma Center
17. Skin & Aesthetic Center
18. Kidney Center
19. Child's Health Center
20. Rehabilitation Center
21. Trauma Center
22. Fertility Center
23. Plastic Surgery and Reconstruction Center
24. Hearing, Speech, Balance Tinnitus Center
25. Woman Center
26. Advanced Wound Care Center
27. Longevity Center
28. GI and Liver Center
29. Mental Health Rehabilitation and Recovery Center
30. Hemodialysis Center
31. Vascular Center
32. Bariatric Surgery Center
33. Arthritis & Rheumatic Clinic
34. Vaccine Clinic
35. Internal Medicine Clinic
36. Hypertension Clinic
37. Night Clinic
38. Infectious Clinic



- 39. Men's Health Clinic
- 40. Glaucoma Clinic
- 41. Weight Management and Obesity Clinic
- 42. Prostate Health Center
- 43. Special Clinic
- 44. Fresh Breath Clinic
- 45. Colorectal Surgery Clinic
- 46. Well Baby Clinic
- 47. Child Development Neuropsychiatric Clinic
- 48. Neonatal Intensive Care Unit
- 49. GI Motility Unit
- 50. Nutrition Therapeutic Department



**Foreign Customer Service:** Provides services to both outpatients and inpatients with the interpreters who are fluent in various languages such as English, Japanese, Arabic, Korean, French, Chinese, Burmese and Cambodian etc. Besides, the Center also provides other facilities to foreigners; for example, contact with foreign insurance companies, visa extension services, airplane ticket reservation, hotel reservation, foreign money exchange etc. The services provided to foreigners can be divided as follows:

- Japanese Medical Service: JMS
- Arab Medical Services: AMS
- Myanmar Medical Services: MMS
- Bangladesh Medical Services: BMS
- International Medical Services: IMS

From 2006 until present, the Foreign Customer Service Center has been providing its services to foreign patients of over 160 countries worldwide. The Center has been admired for its ability to respond to patients' satisfaction in an excellent manner, especially foreign patient care program, resulting in healthier and happier patients who are able to recover more speedily with less expenditure and less time in hospitalization. Also, the Center provides customers of different nationalities by stressing mainly on high-quality medical services.

## 2. Bangkok Heart Hospital

A 7-floor hospital building (including basement) with 54 beds in total. The Hospital is directly operated by Bangkok Dusit Medical Service PCL. and located in Soi Soonvijai, next to Bangkok Hospital. Bangkok Heart Hospital is the first private hospital in Thailand established from the success of Bangkok Heart Center which was previously the specialized medical center under the operation of Bangkok Hospital. Owing to an increasing number of cardiac

patients, coupled with technology advancement in treating cardiac patients, the Company's management decided to expand the facilities for better treatment of these patients. Therefore, "Bangkok Heart Hospital" was established and has been well-equipped with 3 major factors; namely, expertise of medical personnel in every field, state-of-the-art technology, complete range of services, starting from the prevention of cardiac disease, treatment and rehabilitation of cardiac patients according to international standards to ensure the customers' utmost satisfaction.

Bangkok Heart Hospital consists of skillful cardiac medical team in every field such as cardiologists, specialized cardiologists who treat congestive heart failure and prevent cardiovascular disease, cardiac radiologists, cardiac rehabilitation physicians who have been trained abroad such as U.S.A., Australia, England, Belgium, Germany, including nurses and medical personnel who are well-prepared to provide treatment and care to cardiac patients based on international standard. The Hospital offers diagnosis, treatment, surgery, prevention and rehabilitation of cardiovascular disease as well as transfers cardiac patients by mobile CCU 24 hours a day, 7 days a week. Bangkok Heart Hospital is comprised of:

1. Cardiac Center
  - Cardiology Clinic
  - Cardiac Intervention Clinic
  - Pediatric Cardiology Clinic
  - Cardiovascular Genetic Clinic
2. Special Cardiac Center
  - Arrhythmia and AF Clinic
  - Anticoagulant Clinic
  - Heart Failure Clinic



- Preventive Cardiology and Lipid Clinic
- 3. Cardiothoracic Surgery Center
- 4. Cardiothoracic Operating Room
- 5. Cardiac Care Unit (CCU-1 Surgery)
- 6. Cardiac Care Unit (CCU-2 Medicine)
- 7. Intermediate Cardiac Care Unit (ICCU)
- 8. Cardiac Ward 5H, 6H
- 9. Non-invasive Cardiology Laboratory
- 10. Cardiac Rehabilitation Clinic
- 11. Cardiac Catheterization Laboratory
- 12. Cardiac Imaging Laboratory

With its world-class medical services, coupled with the outstanding experiences in providing treatment of cardiovascular disease in the region, Bangkok Heart Hospital is well-equipped with a full range of state-of-the art and high-quality innovations and medical equipment as detailed below:

- Hybrid Operating Room combines cardiac catheterization lab and cardiac



surgery room in a case where the patient has some complications owing to cardiac catheterization or when the coil is being inserted in the aorta, the surgery can be done instantly without moving the patient's bed or room to ensure the utmost accuracy and safety of treatment for patient with heart valve malfunction or the elderly with high risk of complicated cardiac disease.

- Multi Detector Computed Tomography 256-Slice with Dual Source and Dual Energy (Spectral) with new technology equipped with Dual Energy (spectral) system. This machine helps with more accurate diagnosis of calcified plaque under intima layer in the patients with coronary artery disease. Software dual energy helps in the subtraction of calcium, enabling clearer visibility of coronary arteries. Besides, this machine helps detect the area where myocardial ischemia takes place which relates to coronary artery. This is the state-of-the-art innovation whereby MDCT has been employed in CAD diagnosis, allowing for one-time diagnosis.

- CMR: An innovation in the diagnosis of cardiac and coronary artery diseases without an x-ray, enabling the physician to detect any abnormalities of coronary arteries and cardiac muscles, including any abnormalities of the structure and heart valve.

- Cartosound: The latest technology to aid in the diagnosis and treatment of cardiac arrhythmia, detecting the location of cardiac arrhythmia more accurately and speedily which in turn, enabling the electrophysiologist to use real-time intra cardiac ultrasound imaging instead of the x-ray, causing the abnormal cardiac rhythm at such location being eliminated.

- Off-Pump CABG enabling the surgeon to go ahead and bypass the blocked artery while the heart is still beating without the use of cardiopulmonary bypass machine.

- Treatment of aortic aneurysm and aortic dissection by surgery and coronary stent implantation, performed by skillful surgeon and well-equipped with state-of-the-art tools and equipment.

- ECMO (Extracorporeal Membrane Oxygenation) whereby the ECMO physician will place the cannulas which allow blood to be removed from the patient and move through the ECMO circuit where it has oxygen added and carbon dioxide removed. This machine is suitable for critical patients who are unable to get normal treatment as well as enhance safety during the transfer of such critical patients who are previously unable to be transferred. Such patient transfer will be performed by specialized and expert medical team, nurses and patient transfer team.

- Uniportal video-assisted thoracic surgery (Uniportal VATS): Apart from the decreased number and size of wound, Electromagnetic Navigation Bronchoscopy (ENB) is also employed whereby GPS helps clearly and accurately detect the lung tumor which is smaller than 1 centimeter in size. This in turn, enables the specialized physician to perform the invasive surgery at the exact location with shorter operation time.

- 24-hour Intervention: For patients experiencing chest pain with potential myocardial ischemia, coronary artery disease or heart attack. This service

also includes the diagnosis, coronary artery angiography and angioplasty, including stent inserting performed by expert medical team 24 hours a day.

- Mobile CCU (Mobile Cardiac Care Unit): An intensive care unit on wheels imported from Germany. This special-equipped ambulance is outfitted with state-of-the-art monitoring systems, equipment and life-saving pharmaceuticals used in the hospitals' intensive care units. The CCU is staffed with the very best physicians and nurses ready to transfer patients and provide medical treatment to severe or sudden cardiac patients before being admitted at the hospital.

#### ***Services of Specialized Cardiac and Chest Diseases***

- The Heart Center at Bangkok Heart Hospital was established to offer a complete range of services relate to heart and blood vessel conditions, at the standard comparable to that offered by other foreign hospitals and with the aim to provide knowledge to Thai people in the prevention and care of a healthy heart. Medical personnel of the Center consist of expert physician in the examination, diagnosis, treatment and operation. The Center also offers rehabilitation and prevention of heart diseases in every field for both adults and children. The Center is comprised of the following clinics:
  - Cardiology Clinic
  - Cardiac Intervention Clinic and cardiac diagnosis
  - Pediatric Cardiology Clinic
  - Cardiovascular Genetic Clinic
- Special Cardiac Center offers the treatment of complicated cardiac diseases with high-tech technology and medical personnel equipped with various specialized skills whereby the treatment outcome can be comparable to that offered by other foreign hospitals.
  - Arrhythmia and AF Clinic
  - Anticoagulant Clinic
  - Heart Failure Clinic
- Cardiothoracic Surgery Center offers the full range of diagnosis and treatment of cardiovascular abnormality and bypass grafting, both on-pump CABG and off-pump CABG, heart valve repair and replacement, treatment of aortic aneurysm and aortic dissection. Such treatment includes options of both open surgery and endovascular repair with stent placement through a thin tube. Besides, the Transport Extra Corporal Membrane Oxygenator or TRANSPORT ECMO has also been used with the readiness of our medical team, nurses and critical patient transfer team.
  - Cardiothoracic Operating Room
  - Cardiac Care Unit (CCU-1 Surgery)
  - Cardiac Care Unit (CCU-2 Medicine)
  - Intermediate Cardiac Care Unit (ICCU)
  - Cardiac Ward 5H, 6H





- Non-invasive Cardiology Laboratory for cardiac function tests by using medical tools and equipment to be in contact with the outer part of a human body. The test is aimed to provide accurate diagnosis of cardiovascular disease as well as to monitor treatment outcomes predict disease progression and disease prognosis with cutting-edge equipment and technology.
- Cardiac Rehabilitation Clinic which is a medically supervised program of exercise, education

and activity to help heart patients recover quickly, improve both physical and mental fitness to ensure that these patients can return to their normal lifestyle.

- Cardiac Catheterization Laboratory
- Cardiac Imaging Laboratory

### [3. Wattanosoth Hospital](#)

A 48-bed hospital located in Soi Soontijai, at the same campus with Bangkok Hospital, is known for its first private dedicated cancer care institution in Thailand. The Hospital aims to provide quality service, coupled with cutting-edge technology for the diagnosis and treatment of cancer, including expert physicians and multidisciplinary team for comprehensive cancer care. The Hospital is comprised of the following centers and clinics:

1. Breast Center
2. Hematology Center
3. Medical Oncology Center
4. Ambulatory Chemotherapy Care Center
5. Oncology Imaging Center
6. PET/CT Scan Center
7. Blood and Marrow Stem Cell Center
8. Surgical Oncology Center
9. Radiation Oncology Center
10. Supportive Care Center
11. Prevention and Early Detection Center
12. Nuclear Medicine Clinic
13. Pain Clinic
14. Intervention Oncology Clinic
15. Gastrointestinal Cancer Clinic
16. Gynecologic Oncology Clinic
17. Head and Neck Cancer Clinic
18. Lung and Thoracic Clinic



### Cutting-Edge Medical Technology for Cancer Patient Care

• The Cyclotron is capable of producing PET radiopharmaceuticals such as F-18 FDG used for PET/CT Scan and first introduced in late 2005 for use at Wattanosoth Cancer Hospital and other hospitals equipped with Pet/CT Scan but do not have Cyclotron such as Bumrungrad Hospital, Chulalongkorn Hospital, Siriraj Hospital, Rajavithi Hospital, Ramathibodi Hospital, Chulabhorn Hospital and Faculty of Medicine, Khon Kaen University etc. In 2010, Wattanosoth Cancer Hospital successfully launched C-11 Acetate for the first time in Thailand to facilitate the diagnosis of cancer at the organ where F-18 FDG is able to work at

a limited extent; for example, liver cancer and prostate cancer. In 2012, the Hospital conducted research to produce a new radiopharmaceutical called C-11 PiB or Pittsburgh Compound B which can be applicable to patients with Alzheimer's disease and in the following year, the hospital successfully introduced F-18 FDOPA to help with the diagnosis of Parkinson and Neuroendocrine Tumor. In addition, in 2019, Ga-68 PSMA was first introduced to facilitate the diagnosis of prostate cancer.

- PET/CT Flow Motion to detect cancer with the aim to determine the stage of cancer and how cancer is responding to the treatment as well as detect recurrences at an early stage whereby over 10,000 cancer cases have already received this service and is considered the series provided to the largest number of customers.

- LINAC-model Varian EDGE is a linear accelerator customizes high-energy x-rays offering higher accuracy treatment while being able to make adjustments to suit the tumor's size and shape with the use of 3D-CRT to position the treatment location. LINAC yields high-energy x-rays around the small area with more precision, similar to the surgery or radiosurgery. It is also equipped with respiratory monitoring systems which reduce time required for radiological therapy with high-energy x-rays as well as reduce damage done to tissue and surrounding organs which ultimately minimizes long-term side effect while being convenient and speedy in that patients may spend only 15 minutes in the radiation room.

- Vital Beam, an innovation of radiotherapy which combines intensity modulated radiotherapy and image-guided radiation therapy to precisely pinpoint the tumor with the least impact on the surrounding tissues.

• Investments on other medical equipment and create the hospital's atmosphere as healing atmosphere as well as invest on cancer specialists with the aim to become the hospital well-equipped with medical team, nurses and staffs ready to provide services to the patients 24 hours a day, 7 days a week.

#### **Personalized Service**

• Translation services of over 26 different languages available, coupled with the medical team, nurses and interpreters with excellent English language skills. These personnel are ready to provide services to foreign patients anytime they have been admitted, including other services such as making appointment, providing treatment information, medical services, transportation services to transfer patients, advice on medical expenditures and report of any news to the person specified by the patient.

• Personalized patient care with multidisciplinary team, consisting of a group of cancer specialists. Tumor board conference has been organized among medical team for complicated cases as well as family meeting which will be held on a weekly basis.

• Precision surgery, Precision medicine and Precision radiotherapy

In addition, the Company has registered Wattanosoth International Hospital, a 30-bed hospital which is located in the area of Wattanosoth Hospital.

#### **4. Bangkok International Hospital**

A 172-bed hospital located in Soi Soonvijai, at the same campus with Bangkok Hospital, with the “Integrated Care Services” provided by an experienced multidisciplinary team specialized in neurology, orthopedic and spine diseases. The Hospital is well-equipped with 5 operating rooms (including hybrid operating rooms), 1 intervention suite and a total of 32 ICUs (ICU 6, ICU 7 and ICU 8) with the aim to become the leader of the “Smart Hospital” in Asia-Pacific region while being able to truly respond to ever changing needs of the digital era.

Bangkok International Hospital or BIH is operated under the concept of “Every treatment is an art”. The Hospital, where art meets science, has elevated “People” or multidisciplinary personnel to become a key factor which drives the organization towards growth and sustainability. The Hospital has consistently emphasized on specialized medical skills and the mindset which mainly stresses on “the utmost satisfaction of patients” to ensure effective health care delivery and holistic patient management. Also, the healthcare services will be individually customized and provided based on patients’ needs and preferences at a reasonable price.

This one-stop care center has emphasized on combining art with treatment technology whereby the services provided can be comparable to those of the 5-star hotels. Patients can gain access to 24-hour medical services and butler services from their own room and other areas throughout the hospital. Moreover, cutting-edge technology has been employed to enhance medical treatment and minimize potential side effects; for example,

- ARTIS Pheno - Cutting-edge robotic imaging that provides high resolution and detailed 3D imaging to drive minimally invasive orthopedic surgery with more precision, accuracy and prevention of potential side effects.

- Hybrid OR - An innovation of operation room which combines imaging systems; for example, CT Scan and MRI with the navigation system and other surgical equipment within the same operation room.

- Biplane Interventional Suite - An operation room for cardiovascular disease with the installation of angiogram which enables 3D imaging of nervous and vascular systems, including other operation tracing tool of the nervous system during surgery.

- 3-Tesla MRI scan - A non-invasive tool that uses strong magnetic fields at 3.0 Tesla provides excellent image quality and superb diagnostic capabilities to see more detailed organs, including tissues, bones and body structure

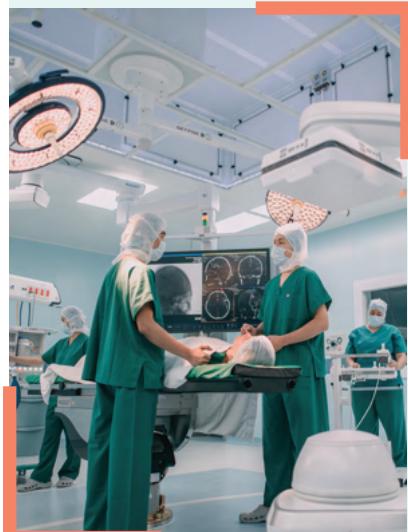
- Robot-assisted gait training (RAGT) - A physical therapy assisted by robot to improve mobility of patients suffered from stroke or other neurological disorders.

Bangkok International Hospital has established the centers for diagnosis and specialized treatment fully equipped with a team of medical specialists as follows:

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| 1. Brain and Nervous System Center 1 | 5. Spine Center                     |
| 2. Brain and Nervous System Center 2 | 6. Radiology - MRI                  |
| 3. Orthopedic Center                 | 7. Radiology - CT                   |
| 4. Hip and Knee Center               | 8. Radiology - X-ray                |
|                                      | 9. Rehabilitation Center            |
|                                      | 10. Integrated Care Services Center |

These centers have provided services to both Thai and foreign customers, whether outpatients or inpatients, coupled with the interpreters who are skillful in key languages such as English, Arabic, Burmese, Cambodian, German, French and Japanese etc. Besides, the centers have provided other facilities to foreign patients; for example, contact with foreign insurance companies, visa extension, airplane ticket reservation, hotel reservation, foreign money exchange etc.

Since July 2019 until present, Foreign Customers Service Center has provided services to foreign customers from over 160 countries worldwide and has been praised for its ability to respond to patients' satisfaction at an excellent level, especially in providing patient care with personal butler, which in turn help the patients to have a better health and speedy recovery.



### 5. Chiva Transitional Care Hospital

The Hospital has provided medical and rehabilitative care necessary for patients after surgery who require physical therapy; for example, knee joint surgery, hip surgery and patients with nervous system diseases such as post stroke patients, patients with paralysis or traumatic brain injury, severe trauma patients with the injury of many body systems or elderly patients with congenital disease. The Hospital helps minimize potential complications from pain while providing rehabilitation for body and mind with the holistic approach to ensure physical and mental readiness before returning home, enabling these patients to resume their normal lifestyle more speedily. Nonetheless, in a case of emergency, patients can get prompt treatment and can be transferred in a timely manner.

The Hospital has emphasized on “Holistic Medical Care” performed by a team of physicians, geriatric physicians, rehabilitation physicians, physical therapists, occupational therapists, speech therapists, pharmacists, nutritionists and registered nurses who cooperatively plan on consecutive patient care while taking good care of these patients like their relative, organizing meeting to closely monitor the treatment, employing cutting-edge technology and designing recreational activities program to promote recovery, relaxation, including physical and mental exercise program with the aim that the patients can pursue their healthy lifestyles, regain their strength and independence as well as be able to participate in social

funding from the Board of Investment are private, spacious, clean, safe and well-equipped with complete facilities appropriate for patients with limited movement. Intelligent switches have been provided in case of emergency and the Hospital’s landscape was perfectly designed by professional architects to better respond to the requirements of the elderly people and patients under rehabilitation.

### 6. Bangkok Hua Hin Hospital

A 58-bed hospital under the ownership and management of Bangkok Dusit Medical Service PCL.





The Hospital has received business funding from the Board of Investment and located on 12-rai area on Pet chakasem Road, Hua Hin subdistrict, Hua Hin district, Prachuap Khiri Khan. The hospital is a 5-storeyed building with roof-top helipad and has 255-car parking space outside the building facilities. The Hospital was officially open for medical services to both outpatients and inpatients on 6 April 2011.

Bangkok Hua Hin Hospital provides comprehensive medical services from diagnosis and treatment to prevention and rehabilitation according to medical standards with the team of experienced and specialized physicians in every field such as emergency medicine, obstetrics and gynecology, surgery, orthopedic surgery, neurosurgery, pediatrics, general medicine, arthritis and rheumatic medicine, neurology, gastroenterology, pulmonary, nephrology, cardiac medicine and dentists.

**Details of services categorized by service area:**

- Medical Record and Welcoming Center
- Heart Center and 1 cardiac catheterization lab
- Trauma and Emergency Center
- Health Check Up Center
- Bone and Joint Clinic
- Pediatric Clinic
- Obstetrics and Gynecology Clinic
- Skin and Aesthetic Clinic
- Outpatient Department which consists of 24 outpatient examination rooms
- X-ray Department which consists of MRI, CT-Scan, Ultrasound 4D-3D, Mammogram and General X-ray

- Pharmacy Department
- Operation Room Department consists of 2 operation rooms
- 1 Gastrointestinal Endoscopy Room
- 2 Delivery Rooms (OB)
- ICU consists of 14 rooms for critical patients
- Hemodialysis Unit consists of 4 hemodialysis rooms
- Dental Clinic consists of 3 dental rooms
- Nursery Department (NSY)
- Physical Therapy Department
- Laboratories
- Meeting rooms and medical staff room
- Director's Office
- Inpatient ward which consists of 50 patient beds

Rooftop floor for helipad and patient transfer by air

**7. Samitivej China Town Hospital**

A secondary care 50-bed hospital located on Yaowarat Road in Bangkok's Sambanthawong District is a part of Samitivej Hospital Group management. The Hospital's mission is to provide high-quality medical services to Thai society, including medical consultation, diagnosis and treatment by teams of specialists with an emphasis on supervision of the elderly patients' health and diseases. In addition, Samitivej China Town Hospital has been well-equipped with cutting-edge technology and medical equipment, including medical excellence which in turn, represents the Hospital's values and excellent services that meet the Samitivej Hospital standard. The Hospital consists of the following centers:

- Life Center provides complete and comprehensive health check-up, including physical fitness test
- Samitivej Smart Joint Center provides osteoarthritis patients with comprehensive care or other problems relating to muscle system and bone structure
- Internal Medicine Center provides diagnosis, health-related services which do not require surgery, including normal flu, respiratory or stomach problems.
- Ear Nose Throat Center provides medical advice on ear, nose and throat problems.
- Heart Center provides services for patients with cardiac and blood circulation problems.
- Rehabilitation Center provides the full spectrum of rehabilitative services for patients after surgery or prevention of potentially severe symptoms by licensed therapists.
- Royal Life Anti-Aging Center provides a complete range of services to maintain patients' physical and mental well-being so that all may enjoy a longer and happier life.
- Pediatric Center provides services to children, ranging from minor injuries to complicated health problems.
- Liver and Digestive Institute provides services related to digestive and liver diseases.
- X-ray Center provides X-ray, CT-Scan, Ultrasound, MRI and state-of-the-art medical imaging technologies.
- Trauma Center provides medical treatment to trauma patients such as patients suffered from car accident, heat attack, including other emergency cases by a team of specialists who are always ready to respond to critical incidents and provide prompt assistance 24 hours a day.
- Eye Center provides treatment and surgery of eye-related diseases.
- Aesthetic Center offers a variety of skin rejuvenation services.
- Hair Restoration Medical Center offers a highly effective medically supervised natural hair regrowth program.
- Lasik Center offers services to correct myopia and astigmatism.

### Medical Cooperation

#### 1. Oregon Health & Science University (OHSU)

The Company has cooperated with Oregon Health & Science University (OHSU) from 2014 until present with the purpose to deliver the potential of medical personnel to have the same standard as most institutions in the U.S.A. To achieve this end, the Company and the University have developed and elevated their personnel's knowledge by providing them with training, expanding channels of medical treatment and research while closely working together to gear toward the Center of Excellence in every aspect such as:

**Occupational Health:** Phyathai Hospital Group and Paolo Hospital Group are leaders in introducing complete healthcare with the aim to enhance



the organization's potential in providing their employees with good health while minimizing risks arising from work-related diseases and inappropriate and unhealthy lifestyle. Therefore, BDMS in collaboration with OHSU introduced "Let's Get Healthy! (LGH) Thailand Application for their customers, the organization and personnel with the aim to instill awareness of risks of both physical and mental health in various aspects to enable the organization to acknowledge an overall health condition of personnel. The results from health productivity management (HPM) Report will be employed in designing appropriate healthcare plan for personnel which in turn, helps manage the expenditures concerning personnel healthcare, enhance operational efficiency of the organization as well as promote the corporate culture of good health in a sustainable manner. Besides, rehabilitation physicians and trained personnel with specialized rehabilitation skills have become the first in SEA to receive Matheson's Certified Functional Capacity Evaluator and Matheson's Certified Ergonomic Evaluation Specialist from U.S.A. These skillful personnel can evaluate patients sent by the client company and deemed qualified to get back to their work after being injured from their operation or personnel confronted with work-related ergonomic difficulty.

**Rehabilitation:** From their training at OSHU, the rehabilitation physicians, physical therapists and occupational therapists have brought back knowledge to develop and consistently provide treatment to patients. Many hospitals under BDMS Group have introduced new services to enhance the efficiency of patient rehabilitation such as Cognitive Communication Therapy in treating patients with communication impairment to communicate with their relatives and close friends Fiberoptic Endoscopic Evaluation of Swallowing (FEES) and modified barium swallowing study to assess swallowing condition of neurological patients and elderly patients. In addition, LSVT BIG program a newly introduced technique, has been used to rehabilitate patients with neurodegenerative disease, especially Parkinson patients. Quality of service and treatment program have also been employed to improve rehabilitation quality and daily management system (Huddle). A format of daily organization management has been implemented to solve problems immediately. The team has also organized internal meeting to ensure collaborative development and various international outcome measurement tools to measure efficiency of rehabilitation treatment periodically to adjust the program to suit each patient's medical condition such as critical patients, post-surgery patients etc.

**Clinical Simulation:** BDMS aims to elevate the standard in clinical training for every hospital group assigned to become the Center of Excellence by emphasizing on the efficiency improvement of medical personnel in the area of up-to-date medical care, teamwork and effectiveness as well as internal communication, both within the team and across multidisciplinary team, to ensure the utmost efficiency and safety of patients.

In 2018, BDMS Training Center for clinical skills or also known as BDMS Simulation Center has been certified with Provisional Accreditation from



Society for Simulation in Healthcare (SSH), U.S.A., the most acceptable healthcare simulation accreditation body in the world.

In addition, BDMS Simulation Center has been approved by many medical associations and colleges, both domestic and abroad, such as the Heart Association of Thailand under the Royal Patronage, the Royal Congress of Surgeons of Thailand, American College of Surgeons to organize training programs concerning high-level medical revival; for example, Advanced Cardiac Life Support (ACLS), Pediatric Advanced Life Support (PALS), Advanced Trauma Life Support (ATLS) and Civil Aeromedical Transportation (CAMT).

As for social responsibility, BDMS Simulation Center was honored as an advisor in supporting information for the Simulation Center of the Faculty of Medicine, Chulalongkorn University in 2019 in order that its standard would be inspected and received accreditation from SSH. Moreover, BDMS Simulation Center also serves as a site for study visit under the topic of new teaching and learning systems for various leading medical institutions in Thailand.

During the monitoring of Covid-19 outbreak since the beginning of 2020, BDMS Simulation Center, in compliance with the government's policies of social distancing but still maintaining its excellence in teaching and learning, successfully developed Self-simulation Network System for BDMS network hospitals. This enables their medical personnel to perform their clinical skill training under remote simulation conditions without having to travel outside of their area. At present, every hospital which are the Center of Excellence, can successfully organize their own teaching and learning programs via Tele-simulation Network System.

In December 2021, SSH made an official visit to BDMS Simulation Center and the Center has received many compliments in the areas of program management, systematic learning and teaching evaluation, suitable and worthwhile resource management, including an introduction of learning innovation via BDMS Tele-Simulation Network System during the Covid-19 situation. From all of these impressions, BDMS Simulation Center the first clinical training center which performs medical situation simulation in Thailand, has been granted full accreditation in teaching/education sector. This helps ensure the quality of learning and teaching system which promotes the efficiency of patient treatment performed by a team of multidisciplinary experts in order to enhance the positive treatment outcome by adhering to the utmost safety of patients.

From the quality accreditation granted to BDMS Simulation Center, this does not only guarantee internationally acceptable quality, but also certifies the same standards applied by leading medical schools abroad such as Harvard University, John Hopkins University, Yale University and Duke University etc.

**Preventive Cardiology:** BDMS and OSHU medical doctors jointly prepared the Handbook of Preventive Cardiology 2020 to exchange knowledge and experiences in assessing risks and medical treatments which are different between western countries and Thailand, with the aim to foster knowledge





that encompasses more comprehensively in the area of heart and coronary disease prevention with medical doctors, nurses, pharmacists, dietitians, medical technicians, including other interested individuals in Thailand, Europe and U.S.A. This handbook has been made in a form of electronic book and book and subsequently, the original English version was translated into Thai by the personnel of the Company and guest speaker from the Faculty of Medicine, Siriraj Hospital and the Ministry of Public Health to facilitate an easy access of complicated content. For this year, BDMS was also granted approval from the service plan committee of the Ministry of Public Health to make additional publications with the purpose to distribute to personnel of the Heart Center and network hospitals of the Ministry of Public Health nationwide.

**Dentistry:** After the completion of study visit in digital dentistry at OHSU, BDMS Wellness Center (BWC) Dental Lab was established. This lab was known for its complete dentistry service, especially in the digital area and also considered the most perfect in-house dental laboratory which can support crown without metal as a component. BWC is the only dental lab in Thailand where dentists of every field participate in each step of dental treatment, starting from setting up treatment plan, providing treatment and producing dental work as well as crowning the patients. Therefore, the patients can be certain that every dental work will be of good quality and bring them satisfaction. Accordingly, Dental Wellness Clinic has been awarded the Dental

Medical Center of the year in Asia-Pacific from Global Health Asia-Pacific Awards 2020 and 2021 for 2 consecutive years.

**Nursing:** After the study visit in nursing at OHSU, BDMS Nursing Management from every hospital group assigned to become the Center of Excellence has applied the knowledge in treating patients; for example, Case Management to ensure that the treatment will encompass all aspects of body, mind and society, Daily Management System (or Huddle) in every level to manage daily problem in a timely manner, including meeting arrangement to communicate with both internal and multidisciplinary teams responsible for major diseases for the utmost efficiency and safety of every patient. Besides, Multidisciplinary Team Round, Case Management as well as the establishment of quality improvement in nursing project learned from foreign countries in a consecutive manner and with the same standard and in a hope that patient treatment of the hospitals under BDMS Group will receive excellence in nursing at an international level. During a long period of Covid-19 outbreak, administrative nurses and the team responsible for critical patients have applied knowledge from OHSU to modify the infrastructure, equipment and protocol used in treating Covid-19 patients, both in the intensive care unit and field hospital to ensure the utmost safety of patients.

**Accident:** The Company's Center of Excellence has cooperated with OHSU since October 2021 in providing advice, suggestion and exchanging knowledge and skills in various fields

in the establishment of emergency and trauma center providing services, especially for pediatric patient, including efficient treatment procedures, pediatric patient transfers between hospitals and medical equipment.

#### **2. Sano Hospital**

Samitivej PCL., the Company's subsidiary, has consistently cooperated with Sano Hospital, Japan, in studying and developing projects on gastrointestinal tract disease with innovative endoscopy of the digestive and stomach cancer as well as patient transfers as deemed appropriate to the illness between these two hospitals.

#### **3. Kameda Medical Center, Japan**

The institution famous for its lymph node surgery is well accepted in Japan and other foreign countries in performing bypass of small lymph nodes to relieve the swollen arms after the surgery. In 2020 until present, Kameda Medical Center signed an MOU with Wattanosoth Hospital to cooperate in the surgery program called "Breast Cancer Surgery and Lymphedema Training and Academic Programs". In addition, these two institutions have jointly developed medical personnel while simultaneously exchanging experiences and clinical research to further the potential and capability in providing medical treatment and care for cancer patients.

#### **4. Nagoya University**

The Company has consistently cooperated with Nagoya University, Japan in 2 significant matters:

1. Cooperation in studies through medical personnel exchanges between these 2 institutions for training in every field of medicine.
2. Referrals and transfers of patients between the University and the hospital in a case where a patient should be travelling to Thailand and other neighboring countries or travel to Nagoya and nearby places.

#### **5. Collaboration with World's Leading Neurosurgeon**

BDMS has collaborated with Dr. Keith L. Black, Director of the Maxine Dunitz Neurosurgical Institute at Cedars-Sinai in the U.S.A., in researching and developing capabilities in preventing and treating brain diseases and nervous system, thus enabling BDMS to become one of the most up-to-date medical centers in brain disease and nervous system (neuroscience) in the Asia Pacific region.

#### **6. Cooperation with the Straumann Group**

Bangkok Hospital Dental Center has collaborated with Straumann Group AG, the world's number one expert in dental implant in developing the potential of dentists by organizing training program to enhance efficiency in the dentistry implant for a neater work that can support a long-term occlusion while maintaining oral hygiene care. Besides, Bangkok Hospital Headquarter has been the first hospital to be appointed as Straumann Partner in Thailand since 2015. Subsequently, in 2018, Bangkok Hospital Headquarter was appointed as Straumann Group Valued Partner which covers every product of Straumann Group (Thailand).

## 7. Doernbecher Children's Hospital

Samitivej PCL., the Company's subsidiary, signed an alliance agreement with Doernbecher Children's Hospital, located in Oregon, U.S.A., a well-known children's hospital awarded the highest rating for quality and safety in children's healthcare in 2014 from the University Health System Consortium of Hospitals for Pediatric Quality. The Hospital also opened "Samitivej Children's Hospital" of both Sukhumvit and Srinakarin campuses as well as developed this Hospital to become the Excellent Center in many fields such as Neonatal and Pediatric Laparoscopic Surgery, Pediatric Rehabilitation in children with complicated diseases, Pediatric and Neonatal Emergency and Critical Care Management, including Pediatric Trauma in which Thailand has experienced the shortage of skillful medical team at the moment. This Hospital shall become one of the organizations in supporting the country's policies and directions in becoming Asian Medical Hub in a sustainable manner.

## 8. Missouri Orthopedic Institute

BDMS and Missouri Orthopedic Institute, U.S.A, signed an academic agreement for 5 more years, starting from 2021 in an exchange of knowledge and skills in orthopedics through various activities such as medical conferences to continuously improve the personnel as well as promote study and research in orthopedics and other medical collaborations. This collaboration shall improve the efficiency of orthopedic patient care in the hospital.

## 9. Hannover Medical School, Germany

BDMS and the Department of Orthopedics and Trauma at Hannover Medical School signed an agreement to collaborate in an exchange of knowledge and skills in orthopedic and trauma surgery for 5 more years, starting from 2021. Through this agreement, the Company has successfully organized various academic activities such as arranging medical seminars, encouraging both medical personnel and nurses to attend both short-term and long-term trainings at Hannover Medical School, Germany for an ongoing personnel development as well as promoting academic and research work in orthopedics and trauma to improve efficiency of orthopedic and trauma patient care.

## 10. Takatsuki Hospital, Japan

Samitivej Children's Hospital and Samitivej Sukhumvit Hospital, the Company's subsidiaries, have signed an alliance agreement with Takatsuki Hospital, Japan in pediatrics and orthopedic surgery with the objective to mutually develop medical personnel, exchange experiences to further the potential of Samitivej Hospital which opened its Japanese Hospital by Samitivej in mid-2019 to provide medical care to the Japanese patients living in Thailand and those referred from other neighboring countries.

## 11. N Health Pathology Co., Ltd., together with the Royal College of Pathologists of Thailand

N Health Pathology Co., Ltd., together with the Royal College of Pathologists of Thailand has organized the Inter-hospital Renal Clinicopathological Conference since 2016 to provide the opportunity to over 50 kidney and

pathology specialists as well as resident physicians from various medical schools and hospitals in Thailand to share knowledge and interesting case studies to enhance diagnosis and treatment of kidney disease. This kidney academic conference shall be held 3 times a year.

#### **12. Icahn School of Medicine at Mount Sinai (ISMMS) U.S.A**

Samitivej Allergy Institute (SAI) has emphasized its leading role in providing allergy treatment at the international standard level by signing an MOU between SAI, Faculty of Medicine of Siriraj Hospital and Icahn School of Medicine at Mount Sinai (ISMMS), U.S.A, which is a world-renowned medical institution specialized in allergy treatment, to collaborate in the area of medicine, study, research and development of innovation in treating allergy.

#### **13. Faculty of Medicine, Siriraj Hospital**

Phyathai 1 Hospital has conducted research with the Faculty of Medicine, Siriraj Hospital, under the topic of “the Development of Cancer Avatar Model” to study the response level to anti-cancer medication and specify cancer avatar model for drug testing. This research project will take approximately 3 years and potential benefits may be the guidelines on new approach for cancer treatment as well as treatment improvement and the predicted response to treatment of patients with cancer.

#### **14. Burapha University**

The Company signed an MOU with Burapha University in December 2020 with key cooperative framework of personnel development, promotion, prevention, treatment and rehabilitation of people's health. Besides, these two institutions have agreed to promote academic work, research and innovation while quality assurance systems and other activities have been put in place.

#### **15. Olympus (Thailand)**

In 2021, Samitivej Sukhumvit Hospital collaborated with Olympus (Thailand) in bringing artificial intelligence (AI) to support the colonoscopy to search for and diagnose the polyp which is a major cause of adenoma. This technology is 1.4 times more efficient in searching for and analyzing the polyp.

#### **Quality of Service**

At the end of 2021, the Company was considered one of the private hospital groups that received accreditation at various levels; for example, 30 hospitals received accreditation from Hospital Accreditation Thailand-HA and 11 hospitals received accreditation from Joint Commission International-JCI. In addition, Bangkok Hospital Head-quarter was also granted Advanced HA.

Hospital	Joint Commission International-JCI	Hospital Accreditation Thailand-HA	Advanced HA
1 Bangkok Hospital Headquarter - Bangkok Hospital	•		(Excluding Chiva
- Bangkok Heart Hospital			Transitional Care
- Wattanosoth Hospital			Hospital and Bangkok
- Chiva Transitional Care Hospital			International Hospital)
- Bangkok International Hospital			
2 Samitivej Sukhumvit Hospital	•	•	
3 Samitivej Srinakarin Hospital	•	•	
4 Samitivej Thonburi Hospital		•	
5 BNH Hospital	•	•	
6 Phyathai 1 Hospital		•	
7 Phyathai 2 Hospital	•	•	
8 Phyathai 3 Hospital		•	
9 Phyathai Nawamin Hospital		•	
10 Paolo Phaholyothin Hospital		•	
11 Paolo Chokchai 4 Hospital		•	
12 Paolo Kaset Hospital		•	
13 Paolo Phrapadaeng		•	
14 Paolo Samutprakarn Hospital		•	
15 Bangkok Hospital Pattaya	•	•	
16 Samitivej Chonburi Hospital		•	
17 Samitivej Sriracha Hospital		•	
18 Phyathai Sriracha Hospital		•	
19 Bangkok Hospital Rayong		•	
20 Sri Rayong Hospital		•	
21 Bangkok Hospital Chanthaburi		•	
22 Bangkok Hospital Chiangmai	•		
23 Bangkok Hospital Phitsanulok		•	
24 Bangkok Hospital Khon Kaen		•	
25 Bangkok Hospital Udon		•	
26 Bangkok Hospital Ratchasima		•	
27 Bangkok Hospital Muangraj		•	

Hospital	Joint Commission International-JCI	Hospital Accreditation Thailand-HA	Advanced HA
28 Bangkok Hospital Huahin	●		
29 Bangkok Hospital Phuket	●	●	
30 Bangkok Hospital Siriroj	●		
31 Bangkok Hospital Hat Yai		●	
32 Royal Phnom Penh Hospital	●		
33 Bangkok Hospital Trad		●	
34 Paolo Hospital Rangsit		●	
35 Bangkok Hospital Surat		●	

## (2) Market Outlook and Competition

### Overview of Private Hospital Industry in Thailand

During 2021, the situation of Covid-19 outbreak in Thailand has become more severe compared to the previous year while the number of Covid-19 patients have increased tremendously, resulting in the shortage of patient beds in public and private hospitals in many provinces during the second and third quarters. Nonetheless, the public sector, private sector and other hospitals have collaboratively adjusted their plan to respond to such crisis; for example, the hospital has cooperated with hotel entrepreneurs to establish the hospitels by changing the hotel rooms to become temporary medical facilities with the aim to monitor patients with mild symptoms as well as set up field hospitals and home isolation. Such measures help alleviate the problem of shortage of patient beds which in turn, enable these patients to enter the treatment procedures more speedily. Besides, Covid-19 vaccines that cover a larger number of citizens, social distancing and wearing mask measures which have been put in place to prevent Covid-19 infection helped reduce the number of Covid-19 cases during the fourth quarter and ultimately lead to the end of the national lockdown, recovery of tourism industry, including a gradual return of foreign patients in need of medical treatment.

For an overview of Covid-19 outbreak in 2022, it must be clearly monitored owing to its mutations or new variants. Nonetheless, extensive Covid-19 vaccination at a global level, including the development of new generation vaccine which respond more efficiently to the mutation may result in the controllable level of infection rate which in turn, will affect the confidence in getting medical treatment and international travelling of foreign patients.

For a long-term business overview of private hospitals, many private hospitals have employed a full range of technology as a tool to enhance service efficiency and to facilitate both service providers and customers as

well as to move the business forward to survive in the long run; for example, telemedicine which enable the patient and medical personnel to have real-time conversation and is considered another alternative that facilitate people to gain access to medical services more conveniently. Furthermore, Covid-19 helps people in general to pay more attention to their health, both in terms of disease prevention and treatment of complicated disease to ensure their longevity while promoting more purchases of health insurances and encouraging people to get medical treatment at the private hospital more increasingly.

#### **Market Condition and Competition**

During the second and third quarters of 2021, there was another severe outbreak of Covid-19 and Thailand reported over 20,000 Covid-19 cases per day while the number of the deceased were more than hundreds each day. Therefore, the government had issued various measures which in turn, incurred an impact on the market condition and competition as follows:

1. To control and limit the spread of virus: The government has determined measures to limit time when people can go out of their house during nighttime, limit travelling to other provinces as well as add more measures in travelling into and out of Thailand, resulting in the lower number of OPD and foreign patients.
2. To prevent infection and relieve illness: The government has imported Covid-19 vaccines from different manufacturing sources and provide such vaccines to Thai citizens throughout the country. This can be done by online registration via applications and subsequently has introduced walk-in approach that enable these people to get their vaccines from various places. Also, Thai people have learned to adapt their lifestyle and take better care of their health, including their family's health as well as made use of health applications more increasingly.
3. To provide more surveillance venues and enhance treatment capacity by adding more patient beds at the hospitals, establishing field hospitals to provide medical treatment to Covid-19 patients, hospitels and home isolation etc. in order that Covid-19 patients of different degrees of severity can have more treatment alternatives.

Owing to the Covid-19 outbreak in Thailand, the number of IPD, especially Covid-19 patients have tremendously increased whereas medical personnel and resources are limited. Many agencies, especially the hospitals have adapted themselves and adjusted their operational procedures to respond to such situation. Concurrently, the private and people sectors have provided assistance, adapted themselves as well as take better care of their employees and families, search for additional health information and use health applications more increasingly.

In addition, the Company has adjusted its marketing operations during the decline of the number of foreign patients. Domestic patients without any emergency/urgency have postponed their appointment whereas in

a case of an emergency, necessity and urgency to get treatment, there have been stricter measures to ensure the safety of patients, relatives, physicians, nurses and employees of the hospital. Besides, the Company has still maintained its relationship with business partners, insurance companies, both domestic and international, via application and online marketing strategies in response with the situation in a timely manner.

#### Marketing Strategies

The Company is well-known as the leader of famous network hospitals in Asia-Pacific region and was ranked in the top 5 of the world's leading private hospitals. In 2021, the Company has operated its business in a form of network hospital and applied state-of-the-art technologies in various forms of marketing activities of many projects as listed below:

**BDMS checkup:** BDMS is advancing towards its 50<sup>th</sup> anniversary; thus, the Company has introduced health check-up package at the special price of Baht 990 and this price has been sold throughout the country, both via

online and at the network hospitals. This package is considered a reward to the Company's loyal customers while enabling us to establish new customer bases who have never used the services of network hospitals to try our services.

The Company has assigned N Health, a subsidiary in charge of supervising the laboratories throughout the country to monitor lab results and Save Drug, one of the Company's subsidiaries, will be responsible for online sales. Besides, other hospitals under BDMS Group; for example, Bangkok, Samitivej, Phyathai, Paolo, BNH and BDMS Wellness Clinic have collaboratively joined in the marketing, showing the synergy of BDMS Group.

**Health applications:** After more severe outbreak of Covid-19, the customers and patients in general do not prefer to go to the hospital if not necessary; therefore, the hospital's health applications have been acceptable and gained more usage as they are convenient, speedy and the patients do not have to come to the hospital if not necessary. The hospitals under BDMS Group have set up health applications as follows:

“Samitivej Virtual Hospital” or “S+” introduced by Samitivej Hospital Group

“My B+” introduced by Phyathai Hospital group

“Health up” introduced by Phyathai and Paolo Hospital group

The users of health applications can access these services 24 hours; for example, looking at their own medical history, making the doctor's appointment or appointment for vaccination, online consultation with physician, buying health check-up package, looking at health check-up



result and other lab results, including other interesting information or in-trend health information which are available for the users.

**Home delivery services:** Another service which has been advertised and received positive feedback. This service involves the collection of blood and urine samples for laboratory testing, vaccination, drug delivery at home, office or factory.

**BDMS Virtual Roadshow:** For foreign markets where travelling and conducting any activities in the area are still prohibited, the Company has organized BDMS Virtual Roadshow for the market in Indonesia where a number of people have travelled abroad for medical treatment. During such period, most people still worked from home; therefore, they were available to attend the virtual roadshow and those who attended were mostly medical agents from the hospitals, clinics and insurance companies.

This was the first virtual roadshow organized by BDMS in which 8 hospitals under BDMS Group participated; namely, Wattanosoth Hospital, Samitivej Children's Hospital, BNH Hospital, Phyathai 2 Hospital, Bangkok Phuket Hospital, Samitivej Sriracha Hospital, Bangkok Hospital Hat Yai and BDMS Wellness Clinic and received positive feedback from people who had attended.

**Dubai Expo:** BDMS participated in the Dubai World Expo as the trusted healthcare partner of Thailand Pavilion for the period of 6 months from 1 October 2021 to 31 March 2022. The World Expo is the world's largest expo next below the World Cup and the Olympic. In 2021, it was the first time that Thai government allowed the private sector to participate in support of Thailand Pavilion. Moreover, BDMS was proposed as Thailand's Medical Hub where many foreigners have travelled for medical treatment as well as provides tele-communication whereby patients can have conversation and consult about their health-related problems with BDMS physicians 24 hours a day, regardless of where they reside.

#### Insurance Marketing

During the past 3-4 years, the Company has fostered alliance with the insurance companies, both domestic and foreign, to encompass every type of insurance such as life insurance, health insurance, travel insurance and has collaborated with these alliances in various aspects. Specifically, during the Covid-19 outbreak Thai people have realized the importance of health insurance in minimizing risks and financial burden which in turn, helps increase the income ratio of the insurance companies.

**Domestic Insurance Companies:** In 2021, the Company collaborated with leading insurance companies as follows:

- Launched health insurance program called "Cancer Pro by BDMS" in collaboration with Viriyah Insurance PCL., which is the insurance program for cancer and special trauma with an insurance coverage up to Baht 9,000,000 million. Such policy will cover cancer treatment by employing high technology and modern innovation, coupled with complete patient care provided at Bangkok Cancer Hospital and other hospitals under BDMS Group. The program has provided cancer screening test and annual health check-up when the insurance policy has been extended.

- Launched BDMS E-claim & E-billing services in collaboration with AIA, Alliance, Muang Thai Life Assurance and Thai Life Insurance. Such services help connect the computer system operations between the hospital and the insurance company to check the insured's right according to the insurance plan with regard to incurred expenses. This enables the customer/patient to save time and every related person can clearly verify the procedures, steps and relevant documents.

**Foreign Insurance Company Group:** The Company has extended the cooperation and operation with other leading foreign insurance companies to respond to 2 key customer groups which are:

- Foreign patient group with health insurance can travel and receive medical treatment at the hospitals under BDMS Group through leading foreign insurance companies which are the Company's alliances.
- Travelers or foreign tourists who become sick or injured during their stay in Thailand and other neighboring countries can contact and receive medical treatment through the Company's alliance network more conveniently.

#### Digital Marketing

The Company has employed digital technology to promote its marketing in various dimensions, both domestic and international. Apart from using digital media or platforms as a medium for communication and providing of general health information to the public with the aim to facilitate their easy access the Company has also employed these digital channels to connect with the customers and patients in need of the service of the hospital, providing them with different service channels without having to travel to the hospital.

The Company also invited expert physicians to provide health insight with the topics under the interest of the target groups in order to give opportunity and to provide online communication channels. Moreover, the Company has used other communication channels which can be linked to foreign platform and social media because of a large number of users, coupled with the consistent presentation of various interesting contents which can be beneficial to others.

In summary, the year 2021 was a challenging year in which the Company has used the strategy of "Connect old, reach new patients and expand the markets".

#### (3) Product and Service Procurement

##### Medical Personnel

Medical personnel are deemed significant factor of medical service system; therefore, the Company has the policy to recruit physicians and dentists who are experts in each field as well as nurses and other medical personnel in order to provide diagnosis, treatment, including medical advice or suggestion for patients or customers in an efficient and standardized manner. For the acquisition of physicians, dentists, nurses and other medical personnel, the Company has recruited by selecting candidate from renowned medical schools and institutions, both domestic and international. Moreover, every

physician, dentist, nurse and other medical personnel must be selected and approved by the Medical Committee to ensure their knowledge and potential.

However, for the use of medical care during current condition, there have been an increased use of services with changing patterns such as changes concerning population and epidemiology, resulting in an increasing number of aging people, a higher rate of chronic diseases, coupled with the occurrence of some emerging diseases like Sars, Influenza, Covid-19 etc., all of which have called for a higher need of medical personnel with specialized expertise and skill.

To achieve this end, the Company has tried to recruit skillful and knowledgeable medical personnel while promoting the development of new knowledge and medical advancement both in terms of profession and technology via online learning system to exchange, transfer and further knowledge, both within and outside, with other network hospitals. The Company also developed BDMS MSO Training program which can be employed at every hospital of the BDMS Group, including a constant search for expert physicians via this application. Moreover, the Company has provided trainings on new technologies in response to current situations; for example, the use of telemedicine as a service alternative to ensure the safety of customers, organizing academic conferences in a form of Virtual Meeting and CME Online (Live) to enhance knowledge on a regular basis, including the establishment of specialized program to train for

specialized surgery; for example, skills training program on orthopedic surgery etc. Besides, the Company has consistently supported research conduct, especially medical research to ensure good quality and standardized medical treatment as well as the introduction of many innovations for the society at large such as knowledge acquired from Clinical Practice Guideline and Routine to Research (R2R) to benefit the patients or customers. In 2021, our medical team was granted BDMS Award 2021 from the innovation of “Hip Replacement Surgery with New Technology Without Removing Muscles, Enhancing Satisfaction, Live Your Life as You Desire”. In addition, there have been many publications of medical personnel published in Bangkok Medical Journal and foreign journal on a regular basis. Also, the Company has collaborated with universities or leading hospitals, both domestic and international, especially the Center of Excellence such as heart, brain, cancer, orthopedic and established such center to become a training center where knowledge can be shared with physicians, nurses and medical personnel. The Company has sent these personnel for study visit and collaboratively organized academic conferences, both conference meeting and online meeting to mutually exchange knowledge. Furthermore, the Company has realized the importance of investment on medical technology and medical equipment, including other facilities for medical personnel to ensure their happiness and positive attitude towards their daily work and operation. The Company prepares the employee

satisfaction survey on an annual basis to gain insight on the attachment of physicians and medical personnel to the organization and use such information to improve and develop the organization so that the physicians and medical personnel will be physically and mentally happy in order to continually retain and maintain efficient medical personnel with the Company. The result from the satisfaction survey has shown that the physicians and medical personnel have positive attachment consecutively. Besides, in 2021, good doctors have been selected at a Company Group level to foster morale and retain these good doctors with the organization. In the future, a list of magnet doctors or physicians with expertise and skills in providing medical treatment to patients will be prepared. These physicians have never done any severe misconducts and have been a good doctor as well as received outstanding work and award to foster confidence to the customers to ensure that they will receive safe and trustworthy medical treatment.

#### [\*\*Procurement of Medicine, Medical Supplies and Medical Equipment\*\*](#)

The condition of the Covid-19 outbreak which has taken place consecutively during 2021, the Company's; thus, has adjusted and established the policy of medicines, medical supplies and medical equipment management to respond to current situation accordingly and to be in line with the policy determined by the public sector which emphasizes on the principle of awareness and timely self-adaptation. Moreover, the Company has clearly understood the classification of medicines, medical supplies and medical equipment for emergency situation which may lead to the efficient selection and procurement procedures during crisis, especially medicines, medical supplies and medical equipment necessary for rescuing life and medicine group which will be used to treat this emerging disease by planning the procurement procedures during emergency situation based on the prediction of the severity of Covid-19.

Apart from policy adjustment to be in line with the notification of the Ministry of Public Health, the Company has emphasized on the network system and centralized administration, then distributes the authority to other centers nationwide; therefore, the Company possesses an up-to-date information concerning the requirements of medicines, medical supplies and medical equipment, including the consumption rate of every region throughout the country. In addition, vaccines are considered a group of medicine in which the Company has emphasized on the management from upstream to downstream to enable every group of people to gain access and receive qualified and efficient medicine.

Although the number of Covid-19 patients have risen constantly during the past year, the Company has maintained the policy and determination to further the relationship with business partners with the aim to foster sustainable value in a fair manner while stressing on the procurement of medicines and medical supplies since they are considered a key factor for the Company's business operations. The Company has established the policy to procure medicines and medical supplies from qualified manufacturers

and distributors while ensuring high safety and certified standard as well as taking into consideration in affordable price and being able to deliver product within the time specified. Moreover, the Company also provides after-sales services, including prepares product inventory constantly in order to provide patients with continuous and efficient care. The Company also stresses on the complete inventory management by employing state-of-the-art technology and innovation to enhance efficiency and effectiveness of its business operations while being able to control the inventory, having an appropriate number of products as well as minimizing cost management in a more efficient manner. In addition, the Company has set up its strategic plan in price negotiation and relationship management with its business partners, particularly with its major partners. The Company has gathered and analyzed data on medical purchasing behavior of its network hospitals and has segregated information to find out the relationship and classification to increase its negotiation power. This in turn, enables the Company to be more competitive, resulting from reduced product cost or known as economies of scale and the control of the quantity of product to be varied more appropriately. In addition, the Company has reviewed and developed appropriate operational procedures and risk management to minimize time in waiting for medicines and medical supplies while being able to enhance the efficiency of IT system by emphasizing on data which can be employed in an analysis and development of services to achieve the Company's sustainable growth. Also, the Company has clearly determined the policy of fair, transparent and verifiable competition while stressing on concrete ethical conduct and morality in procurement. The Company has clearly determined its procurement of medicines and medical supplies and employed e-sourcing system to facilitate every procurement procedure to be verifiable while providing an opportunity for potential vendors to become the Company's business partners.

#### (4) Assets Used in Business Operation

The Company and subsidiaries have fixed assets used for their business operations such as land, buildings and building improvements, medical tools and equipment, structural equipment, furniture, fixture and office equipment, vehicles, buildings under construction and medical tools and equipment under installation, investment property as well as assets under the rental agreement. Details of fixed assets as of 31 December 2021 can be seen in Attachment 4.

As of 31 December 2021, the Company and subsidiaries reported net intangible at Baht 1,289.0 million. Most of these assets consist of computer program used for business operation of the hospital and will be recorded as expenditures of the income statement and can be calculated by using linear method according to the time period expected to gain economic interest/benefit of computer program between 5-10 years.

Service Mark	Owner of Service Mark	Service	Date of Registration
 Bangkok Dusit Medical Services	Bangkok Dusit Medical Service PCL.	Hospital	Extended on 20 February 2019 and will expire on 19 February 2029
	Bangkok Dusit Medical Service PCL.	Hospital	Extended on 24 April 2017 and will expire on 23 April 2027
	Samitivej PCL.	Hospital	Extended on 17 November 2018 and will expire on 16 November 2028
	Samitivej PCL.	Hospital	Extended on 25 July 2013 and will expire on 24 July 2023
	Samitivej PCL.	Hospital	Extended on 25 July 2013 and will expire on 24 July 2023
	Paolo Medic Co., Ltd.	Hospital	Registered on 19 June 2015 and will expire on 18 June 2025
	Prasit Pattana PCL.	Hospital	Extended on 23 July 2018 and will expire on 22 July 2028
	Prasit Pattana PCL.	Hospital	Extended on 14 February 2019 and will expire on 13 February 2029
	Save Drug Center Co., Ltd.	Manufacture and sell pharmaceutical product	Extended on 26 August 2013 and will expire on 25 August 2023

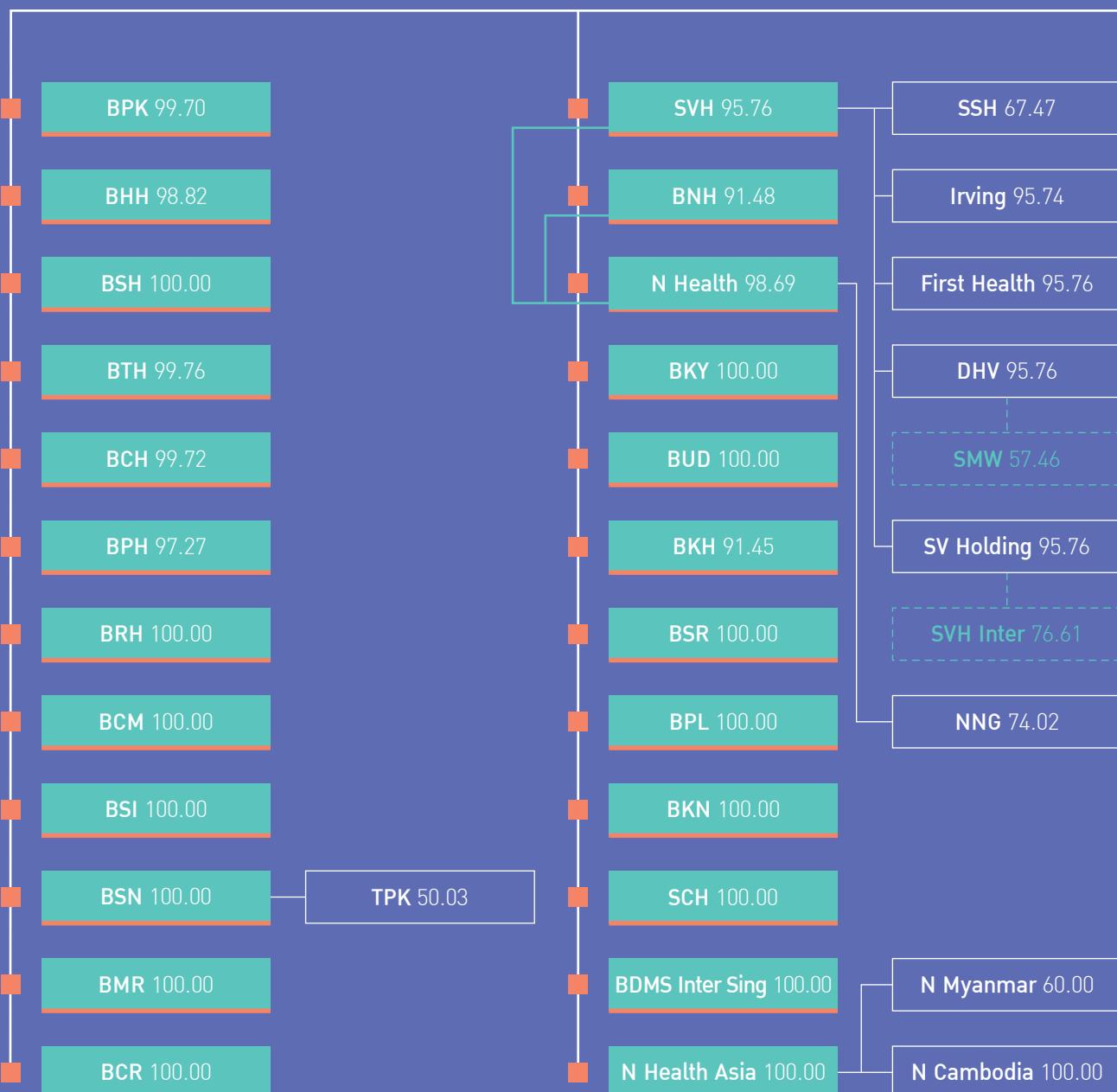
According to the Trademark Act B.E.2534, such trademark registration will last 10 years and may be extended every 10 years.

### 1.3 Shareholding Structure of the Company Group

The Company is the business operator of large private hospital in Thailand with a total of 53 network hospitals in Thailand and Cambodia (as of 31 December 2021) and operated the business under the name of 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 has operated business concerning prevention and health rehabilitation; namely, BDMS Wellness Clinic Company Limited and BDMS Wellness Resort Company Limited, including businesses which support medical operation, drug manufacturing, saline manufacturing business and pharmacies and medical supplies business etc.

### 1.3.1 Group Structure

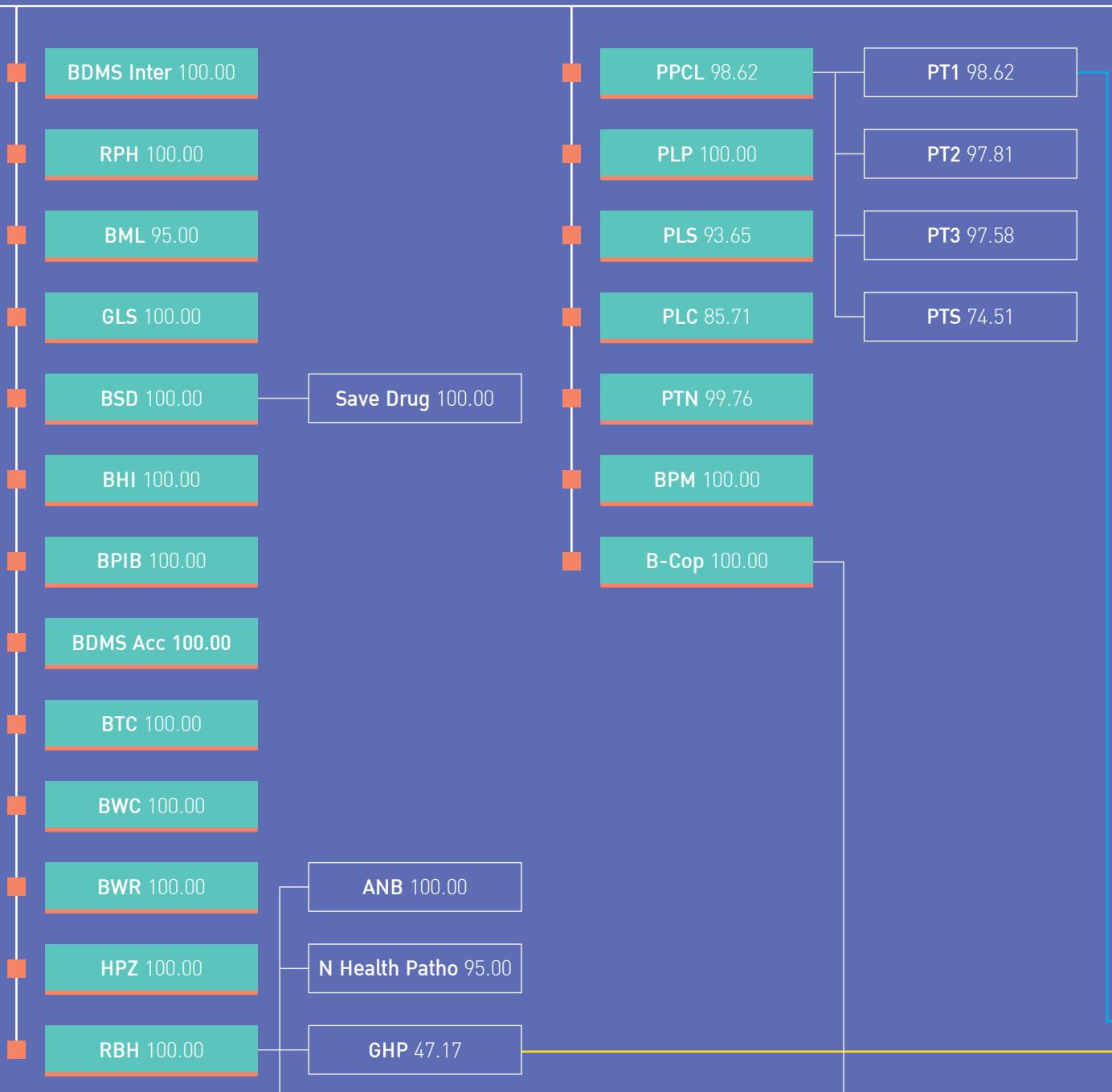
as at December 31, 2021



#### COMPANY NAME

ANB	A.N.B. Laboratories Co., Ltd.	BKY	Bangkok Hospital Khao Yai Co., Ltd.
BCH	Wattanavej Co., Ltd.	BML	Bio Molecular Laboratories (Thailand) Co., Ltd.
BCM	Bangkok Hospital Chiangmai Co., Ltd.	BMR	Bangkok Hospital Muangraj Co., Ltd.
B-Cop	Bangkok Helicopter Services Co., Ltd.	BNH	BNH Medical Centre Co., Ltd.
BCR	Bangkok Hospital Chiangrai Co., Ltd.	BPH	Bangkok Pattaya Hospital Co., Ltd.
BDMS Acc	BDMS Accounting Co., Ltd.	BPIB	Bangkok Premier Insurance Broker Co., Ltd.
BDMS Inter	BDMS International Medical Services Co., Ltd.	BPK	Bangkok Phuket Hospital Co., Ltd.
BDMS Inter Sing	BDMS Inter Pte. Ltd.	BPL	Bangkok Hospital Phitsanulok Co., Ltd.
BHH	Bangkok Hospital Hatyai Co., Ltd.	BPM	BDMS Property Management Co., Ltd.
BHI	Bangkok Health Insurance PCL.	BRH	Bangkok Rayong Hospital Co., Ltd.
BKH	Bangkok Ratchasima Hospital Co., Ltd.	BSD	Bangkok Save Drug Co., Ltd.
BKN	Bangkok Khon Kaen Hospital Co., Ltd.	BSH	Bangkok Samui Hospital Co., Ltd.

More than **90** %



#### COMPANY NAME

BSI	Bangkok Phuket International Hospital Co., Ltd.	HPZ	Health Plaza Co., Ltd.
BSN	Bangkok Hospital Sanamchan Co., Ltd.	Irving	Irving Sheridan SE Co., Ltd.
BSR	Bangkok Hospital Surat Co., Ltd.	KDH	Thonburi Medical Centre PCL.
BTC	BDMS Training Co., Ltd.	MP	The Medic Pharma Co., Ltd.
BTH	Bangkok Trat Hospital Co., Ltd.	N Cambodia	N Health (Cambodia) Co., Ltd.
BWC	BDMS Wellness Clinic Co., Ltd.	N Health	National Healthcare Systems Co., Ltd.
BWR	BDMS Wellness Resort Co., Ltd.	N Health Asia	N Health Asia Pte. Ltd.
BUD	Bangkok Udon Hospital Co., Ltd.	N Myanmar	N Health Myanmar Co., Ltd.
DHV	Digital Health Venture Co., Ltd.	N Health Patho	N Health Pathology Co., Ltd.
First Health	First Health Food Co., Ltd.	NNG	N Health Novogene Genomics Co., Ltd.
GHP	General Hospital Products PCL.	PLC	Siam Medical Co., Ltd.
GLS	Greenline Synergy Co., Ltd.	PLD	Paolo Hospital Phrapradaeng Co., Ltd.

**50-89%**

**20-49%**

PLD 84.00

KDH 64.03

RAH 80.00

MP 87.05

S.R. Property 49.00

Siem Reap 49.00

PPFP 49.00

Udon Pattana 25.11

#### COMPANY NAME

PLP	Paolo Medic Co., Ltd.	S.R. Property	S.R. Property Investment Co., Ltd.
PLS	Paolo Samut Prakran Co., Ltd.	Save drug	Save Drug Center Co., Ltd.
PPCL	Prasit Patana PCL.	SCH	Samitivej Chonburi Co., Ltd.
PPFP	Phnom Penh First Property Co., Ltd.	Siem Reap	Siem Reap Land Invesment Co., Ltd.
PT 1	Phyathai 1 Hospital Co., Ltd.	SMW	Samawat Health Co., Ltd.
PT 2	The Phyathai II Hospital Co., Ltd.	SSH	Samitivej Sriracha Co., Ltd.
PT 3	Phya Thai 3 Hospital Co., Ltd.	SV Holding	SV Holding Co., Ltd.
PTN	Thai Medical Center PCL.	SVH	Samitivej PCL.
PTS	Sriracha Nakorn General Hospital PCL.	SVH Inter	Samitivej International Co., Ltd.
RAH	Angkor Pisith Co., Ltd.	TPK	Thepakorn Hospital Co., Ltd.
RBH	Royal Bangkok Healthcare Co., Ltd.	Udon Pattana	Udon Pattana (1994) Co., Ltd.
RPH	Phnom Penh Medical Services Co., Ltd.		

## Juristic persons in which the company hold 10% of shares or greater as of 31 December 2021

Name	Registered Date	Location	Business	Shares issued and paid-up	% Held
1 Bangkok Health Insurance PCL.	2 Jan 1981	2301/2 New Petchaburi Rd., Huaykwang, Bangkok	Health insurance	25,000,000 Par value Baht 10/share	100.00%
2 Save Drug Center Co., Ltd. Held through BSD	26 Aug 1998	2301/2 New Petchaburi Rd., Bangkok	Pharmacy	100,000,000 Par value Baht 10/share	100.00%
3 National Healthcare Systems Co., Ltd. (NHS) BDMS : 74.02% SVH : 21.04% and BNH : 4.93%	25 Jul 2001	2301/2 New Petchaburi Rd., Bangkok	Central Lab	7,500,000 Par value Baht 10/share	98.69%
4 Paolo Samut Prakran Co., Ltd.	30 Jan 1992	123 Srinakarin Rd., Tambon Banmueng, Ampor Mueng, Samut Prakran	Private Hospital	8,400,000 Par value Baht 5/share	93.65%
5 Paolo Medic Co., Ltd.	8 Oct 1986	670/1 Phaholyothin Rd., Samsennai, Phyathai, Bangkok	Private Hospital	100,000,000 Par value Baht 10/share	100.00%
6 First Health Food Co., Ltd. (First Health) Held through SVH	23 Mar 2004	488 Srinakarin Road, Suanluang, Bangkok	Restaurant and health food	1,400,000 Par value Baht 10/share	95.76%
7 General Hospital Products PCL. Held through RBH : 46.88% and MP : 0.33%	22 Oct 1992	101/99 Soi Navanakorn 7, Phahon Yothin Road, Khlong Nueng Subdistrict Khlong Luang District Pathum Thani Province	Manufacture of pharmaceuticals	12,000,000 Par value Baht 10/share	47.17%
8 A.N.B. Laboratories Co., Ltd. Held through RBH	1 Jun 1961	39/1 Ram-Indra Road, Kannayao, Bangkok	Manufacture and distribution of medicine	49,900,000 Par value Baht 10/share	100.00%
9 N Health Pathology Co., Ltd. Held through RBH	8 Dec 2014	2301/2 New Petchaburi Rd., Bangkok	Central Lab	3,000,000 Par value Baht 10/share	95.00%
10 SV Holding Co., Ltd. (SV Holding) Held through SVH	28 Aug 2013	488 Srinakarin Road, Suanluang, Bangkok	Investment Company	800,000 value Baht 100/share	95.76%
11 Irving Sheridan SE Co., Ltd., Held through SVH	14 Nov 2002	488 Srinakarin Road, Suanluang, Bangkok	Asset Management	10,000 Par value Baht 10/share	95.74%
12 Thepakorn Hospital Co., Ltd. (TPK) Held through BSN	14 Jun 1995	24 Soi 1 Thesa Road, Phrapathom Jedeet, Nakorn Pathom	Private Hospital	3,000,000 Par value Baht 10/share	50.03%
13 Paolo Hospital Phrapraidaeng Co., Ltd.	7 Sep 1992	288 Suksawat, Amphoe Muang, Samutprakarn	Private Hospital	10,500,000 Par value Baht 10/share	84.00%
14 Bangkok Hospital Khao Yai Co., Ltd.	18 Jul 2007	2 Soi Soonwijai 7, New Petchaburi Rd., Bangkok	Private Hospital (Not yet in operations)	7,000,000 Par value Baht 10/share	100.00%
15 Bangkok Ratchasima Hospital Co., Ltd.	24 Nov 1992	1308/9 Mitraparp Road, Nai Muang, Amphoe Muang, Nakornratchasima	Private Hospital	30,000,000 Par value Baht 10/share	91.45%
16 Bangkok Samui Hospital Co., Ltd.	14 Aug 2003	57 Moo 3, Bor Pud, Samui Island, Suratthani	Private Hospital	15,000,000 Par value Baht 10/share	100.00%

Name	Registered Date	Location	Business	Shares issued and paid-up	% Held
17 Bangkok Hospital Chiangmai Co., Ltd.	24 May 2012	88/8 M.6, Nong Pa Khrang, Muang, Chiang Mai	Private Hospital	150,000,000 Par value Baht 10/share	100.00%
18 Bangkok Hospital Chiangrai Co., Ltd.	4 Aug 2015	369 Moo 13, Muang, Chiang Rai	Private Hospital	60,000,000 Par value Baht 10/share	100.00%
19 Bangkok Hospital Muangraj Co., Ltd.	27 Jul 2015	59/3 Phet Kasem Rd., Na Muang, Muang, Ratchaburi	Private Hospital	130,000,000 Par value Baht 10/share	100.00%
20 Bangkok Khon Kaen Hospital Co., Ltd.	8 Feb 2013	888 Nai Muang, Muang, Khon Kaen	Private Hospital	150,000,000 Par value Baht 10/share	100.00%
21 Bangkok Trat Hospital Co., Ltd.	25 Jan 1994	276 Sukhumvit Rd., Amphoe Muang, Trad	Private Hospital	50,000,000 Par value Baht 5/share	99.76%
22 Bangkok Pattaya Hospital Co., Ltd.	1 May 1989	301 Sukhumvit Road km 143, Pattaya, Chonburi	Private Hospital	28,000,000 Par value Baht 10/share	97.27%
23 Bangkok Hospital Phitsanulok Co., Ltd.	26 Aug 2013	138 Phra Ongdam Rd., Nai Muang, Muang, Phitsanulok	Private Hospital	80,000,000 Par value Baht 10/share	100.00%
24 Bangkok Phuket Hospital Co., Ltd.	15 Mar 1994	2/1 Hongyokuthit Rd., Amphoe Muang, Phuket	Private Hospital	100,000,000 Par value Baht 5/share	99.70%
25 Bangkok Phuket International Hospital Co., Ltd.	26 Aug 2014	44 Chaloem Prakiat R.9 Rd., Wicheit, Muang, Phuket	Private Hospital	361,000,000 Par value Baht 10/share	100.00%
26 Bangkok Rayong Hospital Co., Ltd.	13 Aug 2002	8 Moo 2, Soi Saengchanniramit, Rayong	Private Hospital	40,000,000 Par value Baht 10/share	100.00%
27 Bangkok Hospital Sanamchan Co., Ltd. (BSN)	27 May 2014	1194 Phet Kasem Rd., Sanam Chan, Muang, Nakhon Pathom	Private Hospital	365,500,000 Par value Baht 10/share	100.00%
28 Bangkok Hospital Surat Co., Ltd.	26 Jun 2013	179 M.1 Wat Pradu, Muang, Surat Thani	Private Hospital	100,000,000 Par value Baht 10/share	100.00%
29 Bangkok Hospital Hatyai Co., Ltd.	27 Jul 1995	75 Soi 15, Petchkasem Rd., Amphoe Muang, Songkla	Private Hospital	100,000,000 Par value Baht 5/share	98.82%
30 Bangkok Udon Hospital Co., Ltd.	28 May 2007	111 Thongyai Rd., Mak Khaeng, Muang, Udon Thani	Private Hospital	80,000,000 Par value Baht 10/share	100.00%
31 Phyathai 1 Hospital Co., Ltd. (PT1) Held through PPCL	11 Dec 2001	364/1 Sri Ayutthaya Rd., Phayathai, Ratchathewi, Bangkok	Private Hospital	48,100,000 Par value Baht 10/share	98.62%
32 The Phyathai II Hospital Co., Ltd. Held through PPCL	7 Sep 1984	943 Phaholyothin Rd., Samsennai, Phayathai, Bangkok	Private Hospital	22,511,351 Par value Baht 10/share	97.81%
33 Phyathai 3 Hospital Co., Ltd. Held through PPCL	24 Sep 1996	111 Phet Kasem Rd., Pak Khlong Tarat Phasi Charoen, Bangkok	Private Hospital	Common share 5,442,995 Par value Baht 10/share Prefer share 3,750,000 value Baht 10/share	97.58%

Name	Registered Date	Location	Business	Shares issued and paid-up	% Held
34 Sriracha Nakorn General Hospital PCL. Held through PPCL	17 Feb 1995	90 Siracha Nakorn 3 Rd., Sriracha, Sriracha, Chonburi	Private Hospital	35,954,180 Par value Baht 10/share	74.51%
35 Bio-Molecular Laboratories (Thailand) Co., Ltd.	7 Nov 2001	2 Soi Soonwaijai 7, New Petchaburi Rd., Bangkok	Bio molecular laboratories	1,000,000 Par value Baht 10/share	95.00%
36 Greenline Synergy Co., Ltd.	18 Aug 2008	488 Samitivej Srinakarin Hospital Srinagarindra 24, Suanluang, Bangkok	Information technology	20,000,000 Par value Baht 10/share	100.00%
37 Bangkok Save Drug Co., Ltd. (BSD)	23 Sep 2014	2 Soi Soonwaijai 7, New Petchaburi Rd., Bangkok	Holding Company	101,000,000 Par value Baht 10/share	100.00%
38 Bangkok Helicopter Services Co., Ltd. BDMS : 87.25% and RBH : 12.75%	29 Jun 1995	2301/2 New Petchaburi Rd., Bangkok	Air medical transport	40,000,000 Par value Baht 10/share	100.00%
39 Bangkok Premier Insurance Broker Co., Ltd.	29 Aug 2011	2301/2 New Petchaburi Rd., Bangkok	Insurance Broker	2,000,000 Par value Baht 10/share	100.00%
40 Siam Medical Co., Ltd.	17 Jul 1970	1 Chokchai 4 Rd., Lat Phrao, Khet Lat Phrao, Bangkok	Private Hospital	Common Share 8,700,000 Par value Baht 10/share Prefer share 1,300,000 Par value Baht 10/share	85.71%
41 Thonburi Medical Centre PCL. BDMS : 35.01% and RBH : 29.02%	7 Jan 1993	337 Somdet Phrachao Taksin Rd., Samre, Thon Buri, Bangkok	Private Hospital	19,384,226 Par value Baht 10/share	64.03%
42 BNH Medical Centre Co., Ltd. (BNH)	27 Aug 1991	9/1 Convent Rd., Silom, Bangrak, Bangkok	Private Hospital	58,611,935 Par value Baht 10/share	91.48%
43 BDMS Training Co., Ltd.	23 Sep 2010	2 Soi Soonwaijai 7, New Petchaburi Rd., Bangkok	Training Center for staff within network	100,000 Par value Baht 10/share	100.00%
44 BDMS Wellness Clinic Co., Ltd.	12 Jan 2017	2/4 Wireless Rd., Khwaeng Lumphini, Khet Pathum Wan, Bangkok	Preventive Healthcare	1,260,000,000 Par value Baht 10/share	100.00%
45 BDMS Wellness Resort Co., Ltd.	19 Dec 2018	2 Wireless Rd., Khwaeng Lumphini, Khet Pathum Wan, Bangkok	Hotel	60,000,000 Par value Baht 10/share	100.00%
46 BDMS Accounting Co., Ltd. (BDMS Acc)	17 Jul 2003	1/1 New Petchaburi Rd., Huaykwang, Bangkok	Accounting Services	3,000,000 Par value Baht 10/share	100.00%
47 BDMS Property Management Co., Ltd.	21 Apr 2016	2 Soi Soonwaijai 7, New Petchaburi Rd., Bangkok	Property Management	1,000,000 Par value Baht 10/share	100.00%
48 Prasit Patana PCL. (PPCL)	14 Jan 1974	943 Paholyothin Rd., Samsennai, Phyathai, Bangkok	Holding Company	1,108,208,020 Par value Baht 1/share	98.62%

Name	Registered Date	Location	Business	Shares issued and paid-up	% Held
49 Royal Bangkok Healthcare Co., Ltd. (RBH)	11 Feb 2008	2 Soi Soonwijai 7 New Petchaburi Rd., Bangkok	Holding Company	108,600,000 Par value Baht 10/share	100.00%
50 Wattanavej Co., Ltd.	28 Oct 1983	25/14 Thaluang Rd., Amphoe Muang, Chantaburi	Private Hospital	18,000,000 Par value Baht 10/share	99.72%
51 Thai Medical Center PCL.	27 Jan 1993	44/505 Navamin Rd., Khet Bueng Kum, Bangkok	Private Hospital	200,538,671 Par value Baht 10/share	99.76%
52 Samitivej PCL. (SVH)	28 Dec 1976	133 Sukhumvit 49, Klongtan, Wattana, Bangkok	Private Hospital (Samitivej Sukhumvit, Samitivej Srinakarin)	100,000,000 Par value Baht 10/share	95.76%
53 Samitivej Chonburi Co., Ltd.	22 Aug 2013	888/88 M.3, Ban Suan, Muang, Chon Buri	Private Hospital	80,000,000 Par value Baht 10/share	100.00%
54 Samitivej Sriracha Co., Ltd. Held through SVH	30 Oct 1990	8 Soi Laemkate, Choem Chormphon Rd., Si Racha, Chon Buri	Private Hospital	18,751,000 Par value Baht 10/share	67.47%
55 The Medic Pharma Co., Ltd. (MP)	26 Aug 1971	124 Thonburi-Parktor Rd., Bangkok	Manufacture and distribution of medicine	4,286,000 Par value Baht 10/share	87.05%
56 Udon Pattana (1994) Co., Ltd.* BDMS : 15.26% and PT1 : 10.00%	9 Jun 1994	555/5 Posri Rd., Amphoe Muang, Udornthani	Private Hospital	30,000,000 Par value Baht 10/share	25.11%
57 DIGITAL HEALTH VENTURE CO., LTD. Held through SVH	23 Apr 2020	488 Srinagarindra Rd., Suanluang, Bangkok	Health Innovation	4,000,000 Par value Baht 100/share Paid-up Baht 33.33/share	95.76%
58 HEALTH PLAZA CO., LTD. BDMS : 96.15% and RBH : 3.85%	29 Jul 2020	2 Wireless Rd., Khwaeng Lumphini, Khet Pathum Wan, Bangkok	E-Commerce	104,000,000 Par value Baht 10/share Paid-up Baht 10/share for 4,000,000 shares Paid-up Baht 4/share for 100,000,000 shares	100%
59 N HEALTH Novogene Genomic CO., LTD. Held through N Health	9 Nov 2020	2301/2 New Petchaburi Rd., Bangkok	Central Lab	1,500,000 Par value Baht 10/share Paid-up Baht 26/share	74.02%
60 Angkor Pisith Co., Ltd.	20 Dec 2005	National Road No.6, Svay Dangkom Commune, Siem Reap, Cambodia.	Private Hospital in Cambodia	10,000 value USD 1,000/share	80.00%
61 B.D.M.S. International Medical Services Co., Ltd.	20 Dec 2005	61A Street 214, Sangkat Beong Rang, Phnom Penh, Cambodia.	Private Hospital in Cambodia (Not yet in operations)	1,000 Par value KHR 9,200,000/share	100.00%
62 BDMS Inter Pte. Ltd.	8 Apr 2013	Singapore	Investment company	200,000 Par value USD 1/share	100.00%
63 N Health Asia Pte. Ltd.	8 Apr 2013	Singapore	Investment company	3,500,000 Par value USD 1/share	100.00%
64 N Health Cambodia Co., Ltd. Held through N Health Asia Pte. Ltd.	27 Jun 2014	Cambodia	Central Lab	1,000 Par value KHR 1,280,000/share	100.00%
65 N Health Myanmar Co., Ltd. Held through N Health Asia Pte. Ltd.	21 Sep 2015	No. 807 Mahabandoola, Lanmadaw Township, Yangon, Myanmar	Laboratory business	100,000 Par value MMK 5,000/share	60.00%

Remark : \* The Company does not involve in management of the business

Name	Registered Date	Location	Business	Shares issued and paid-up	% Held
66 Phnom Penh First Property Co., Ltd.	27 Nov 2006	61A Street 214, Sangkat Beong Rang, Phnom Penh, Cambodia	Land Holding Company	1,000 Par value KHR 20,000/share	49.00%
67 Phnom Penh Medical Services Co., Ltd.	27 Nov 2006	Toek Thla Village, Russian Federation Blvd., Phnom Penh, Cambodia.	Private Hospital in Cambodia	22,000 Par value USD 2,500/share	100.00%
68 S.R. Property Investment Co., Ltd.	20 Dec 2005	517 Road No.6, Khum Svay Damdum, Siem Reap, Cambodia.	Land Holding Company	1,000 Par value KHR 20,000/share	49.00%
69 Samitivej International Co., Ltd. Held through SV Holding	22 Sep 2014	Republic of the Union of Myanmar	Clinic	1,250,000 Par value USD 1/share	80.00%
70 Siem Reap Land Investment Co., Ltd.	10 Feb 2006	517 Road No.6, Khum Svay Damdum, Siem Reap, Cambodia	Land Holding Company	1,000 Par value KHR 20,000/share	49.00%
71 Samawat Health Co., Ltd. Held through DHV	3 Mar 2021	488 Srinakarin Road, Suanluang, Bangkok	e-commerce business, providing digital platform for telemedicine services in the area of Dermatology and Beauty.	500,000 Par value Baht 100/share	57.46%

### 1.3.2 Shareholder Structure

Top ten shareholders of the Company as of the latest registrar closing date on 30 December 2021 are summarized below:

No.	Top 10 Major Shareholders	Number of Shares	Percentage of Shareholding
1	Mr. Prasert Prasarttong-Osoth, M.D. and spouse	2,312,955,640	14.55
2	Thai NVDR Co., Ltd.	1,378,543,205	8.67
3	Bangkok Airways PCL. <sup>(1)</sup> Bangkok Airways Holding Co., Ltd. <sup>(2)</sup>	828,418,690 205,000,000	
	Total	1,033,418,690	6.50
4	The Viriyah Insurance PCL. <sup>(3)</sup>	932,943,830	5.87
5	Social Security Office	624,327,600	3.93
6	UBS AG SINGAPORE BRANCH	574,582,402	3.62
7	Miss Poramaporn Prasarttong-Osoth, M.D.	568,377,610	3.58
8	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	556,857,818	3.50
9	Mr. Chirothana Suchato, M.D. and spouse	394,221,090	2.48
10	Mr. Att Thongtang and spouse	337,874,295	2.13
<b>Grand Total</b>		<b>8,714,102,180</b>	<b>54.83</b>

Source: Thailand Securities Depository Company Limited and Information from Shareholders

**Note:**

(1) Top 5 shareholders of Bangkok Airways Public Company Limited as of the latest registrar closing date on 11 March 2021 are as follows:

No.	Name - Last Name	Number of Shares	Percentage of Shareholding
1	Mr. Puttipong Prasarttong-Osoth and spouse	426,187,900	20.29
2	Mr. Prasert Prasarttong-Osoth, M.D. and spouse	337,192,000	16.06
3	Mrs. Ariya Prasarttong-Osoth	243,440,900	11.59
4	Miss Poramaporn Prasarttong-Osoth, M.D.	136,250,000	6.49
5	Bangkok Bank Public Company Limited	105,000,000	5.00
<b>Total</b>		<b>1,248,070,800</b>	<b>59.43</b>

(2) Bangkok Airways Public Company Limited hold 99.99% of Bangkok Airways Holding Company Limited

(3) Top 5 major shareholders of the Viriyah Insurance PCL, as of 15 October 2021 are as follows:

No.	Name - Last Name	Number of Shares	Percentage of Shareholding
1	Viriyahphan Capital Co., Ltd.	8,000,000	40.00
2	Mr. Paphon Wiriyaphan	3,438,543	17.19
3	Mr. Phijarn Wiriyaphan	1,641,666	8.21
4	Mrs. Sriwanna Wiriyaphan	1,500,000	7.50
5	Pol. Lt. Gen Phaothai Thongthew	1,050,000	5.25
<b>Total</b>		<b>15,630,209</b>	<b>78.15</b>

#### 1.4 Registered Capital and Paid-up Capital

As of 31 December 2021, the Company reported a registered capital of Baht 1,758,223,567.20 and paid-up capital of Baht 1,589,200,189.50 which can be divided into 15,892,001,895 common shares with a par value of Baht 0.10 per share.

#### 1.5 Other Securities

The Company has issued debentures under the name of Bangkok Dusit Medical Services Public Company Limited. Details are as indicated as of 31 December 2021 are as below:

No. of Debenture	Name of Debenture (Symbol)	Issued Date	Maturity Date	No. of Unit	Issued Value (Million Baht)	Outstanding Value (Million Baht)	Interest Rate (percentage p.a.)	Latest Credit Rating*
1/2012	BDMS228A	6 Aug. 2012	6 Aug. 2022	500,000	500	500	4.50	
2/2012	BDMS228B	8 Aug. 2012	8 Aug. 2022	100,000	100	100	4.50	
1/2013	BDMS233A	14 Mar. 2013	14 Mar. 2023	4,000,000	4,000	4,000	4.63	AA
2/2013 Series 2	BDMS235A	10 May 2013	10 May 2023	1,000,000	1,000	1,000	4.39	
1/2015	BDMS256A	25 Jun. 2015	25 Jun. 2025	2,000,000	2,000	2,000	3.95	AA
1/2016	BDMS266A	24 Jun. 2016	24 Jun. 2026	3,000,000	3,000	3,000	2.99	AA
1/2017 Series 2	BDMS222A	8 Feb. 2017	8 Feb. 2022	2,500,000	2,500	2,500	2.97	AA
1/2017 Series 3	BDMS242A	8 Feb. 2017	8 Feb. 2024	1,500,000	1,500	1,500	3.46	AA
<b>Total</b>					<b>14,600</b>	<b>14,600</b>		

\* Only debentures with the credit ranking by TRIS Rating Company Limited

## 1.6 Dividend Payment Policy

### Dividend Payment Policy of the Company

The Company has the policy on dividend payment no less than 50 percent of net profit of consolidated financial statements, depending on business expansion and capital requirement of the Company in each year. Such policy must be approved at the shareholders' meeting, except in a case of interim dividend payment which can be approved by the Board of Directors. In a case where the Board of Directors deems that the Company has good operating results and sufficient liquidity.

### Historical dividend payment from the Company's operations for the last 5 years

Dividend Payment from operation results for the year	2016	2017	2018	2019	2020	2021 (Jan-June)
Earning per share (Consolidated Financial Statements)	0.54	0.66	0.59	0.99	0.45	0.18
Earning per share (Separate Financial Statements)	0.45	0.46	0.43	1.05	0.70	0.30
Dividend per share (Baht/Share)	0.29	0.36	0.32	0.55	0.55	0.25
Par value of common share (Baht/Share)	0.10	0.10	0.10	0.10	0.10	0.10
Dividend payout ratio (%)						
- Consolidated financial statements	54%	55%	54%	56%	122%	139%
- Separate financial statements	64%	78%	74%	52%	79%	83%

### Dividend Payment Policy of the Company

In a case of subsidiaries which are not listed on the Stock Exchange of Thailand, the Company has set up the policy for such subsidiaries to allocate profits as reserves prescribed by law as well as cash reserves as deemed necessary for business operations. Subsequently, the subsidiaries may allocate the dividends to the shareholders.

For subsidiaries which are listed on the Stock Exchange of Thailand, the dividend payment policy shall be determined by the Board of Directors of each Company as deemed appropriate and in line with the policy that each subsidiary had announced to the investors.

# 2 Risk MANAGEMENT



## 2.1 Risk Management Policy and Plan

The Company realizes the importance of risk management which is deemed an essential element of good corporate governance. We believe that risk management is an important mechanism and tool in ensuring that the Company meets the determined objectives and goals of the organization as well as minimizing obstacles or unexpected occurrences that potentially affect the Company's profits, operation and trust of the investors and stakeholders. Consequently, the Board of Directors appointed the Risk Management Committee to screen the Company's overall risk management policies and guidelines as well as to monitor and follow-up the compliance of risk management policies and procedures.

Moreover, the Board of Directors, as proposed by the Risk Management Committee, approved the Risk Management Policy and announced such policy to the Company and subsidiaries. Executive management and employees at all levels have the responsibility of being aware of the risks that may occur in their work and organizations and should give sufficient and appropriate importance to risk management. The Board also determined important risk management that affects the

achievement of the organization's objectives as follows:

- Determine risks in a timely manner
- Analyze, assess and prioritize potential risks and their impact in case they actually take place
- Manage risks in accordance with the established risk management process by taking into consideration any related expenditures and impacts from such risk management
- Follow-up and evaluate results to ensure that organizational risks have been appropriately mitigated

Furthermore, risks that may affect high and very high-level business plans and strategies of the organization must be reported to the Risk Management Committee, the Executive Committee and the Board of Directors for their acknowledgement.

Subsequently, the Board of Directors has approved and announced the information technology security management policy to enable the most efficient use of IT system and computer network as well as to prevent potential problem arising from risky use that may cause damage. The Board also monitors IT system while simultaneously ensuring the security of data and communication network so that any operations in term

of personal data protection will be safe and in line with an international standard as well as conform to both Thai and foreign laws. In 2021, BDMS has been certified by the British Standards Institution with Information Security Management System at an international level; namely, ISO/IEC 27001 : 2013 and ISO 27799.

To ensure the efficiency of information technology security management, the Company has set up the committee and working committee as follows:

1) Information Security Management Committee with major roles and duties as follows:

- Specify and approve the criteria for risk level and acceptable risk
- Consider risk evaluation results and corrective measures of significant risks of the organization
- Consider an appropriate penalty for anyone who violates IT security management policy
- Provide support on resources required for the operation

2) BDMS Computer Emergency Response Team (BDMS CERT) has major roles and duties as follows:

- Respond to and handle cyber security incident (Incident Response)
- Provide advice and resolve threats concerning cyber security (Cyber Security Advisor)
- Follow-up and publicize news and incidents relating to cyber security to every related person in the Company
- Study, improve and update tools and operation guidelines to enhance cyber security of the Company

Besides, the Company appointed the Enterprise Risk Management Steering Committee, consisting of the senior executives from various departments of the Company. This Committee is responsible for handling and controlling risks affecting the business operation to be at an acceptable level as well as integrating risk management with business decision to ensure that the operation shall be systematic and in line with the Company's established strategies. The Committee has the responsibilities as indicated below:

#### Duties and Responsibilities of the Enterprise Risk Management Steering Committee

1. Determine and gather potential risk items of the organization to encompass every area according to BDMS risk domain by taking into consideration both internal and external factors that potentially impact the Company.
2. Evaluate and prioritize the possibility of risks in order to efficiently prevent and resolve.
3. Specify directions, policies and strategies to minimize risk possibility and impact within the organization as well as communicate to every practitioner throughout the organization.
4. Specify guidelines on the monitoring, follow-up and evaluation of

results and ensure an appropriate internal control system.

5. Integrate risk management with other important tasks of the organization.

6. Organize meeting at least every quarter or as deemed appropriate.

7. Report operational results to the Risk Management Committee and the Policy and Strategy Planning Working Team at least every quarter.

## 2.2 Risk from Operation

### 2.2.1 Risk from Current or Future Operation of the Company or the Company Group

#### Risk from Future Changes in the Standards or Regulations Governing the Company

The Company operates its business under the supervision of the Ministry of Public Health and other related government agencies. Furthermore, the Company must have a license to operate a healthcare business and health clinics as stipulated by the law governing health clinics. Besides, the Company must comply with laws relating to health clinics, companies and other relevant laws.

Any changes in the interpretation of current regulations, law enforcement or new regulations and policies that are likely to become stricter may impact the Company's operations, including the deliberation of the draft Protection of Injured People from Health Care Services Act which aims to protect the individuals who have been wronged or received damages from health care services with the goal to compensate the injured people in a timely manner without having to prove any wrongdoings, all of which may affect health care providers,

including the Company. There is also a consideration of setting up patient protection fund to compensate for damages to the patients whether health care clinics (including the Company as one of the health care business operators) are responsible for contributing money to such fund in accordance with the rules, procedures and rates determined by the Patient Protection Committee. In addition, the Personal Data Protection Act B.E. 2562 was issued with the aim to protect the gathering, collection, use and disclosure of personal data of various groups of people, including customers of health care clinics. Such Act has determined the company responsible for controlling personal data to establish appropriate security measures to prevent any losses, accesses, changes or disclosures of personal data without authority as well as to inform objectives and to request for approval of the data owner in the gathering, collection, use and disclosure of personal data before any of such proceedings can take place, except in the case where the law allows to perform such proceedings without prior approval. Besides, the data owner has the right to request the data controller to proceed with their data according to the law stipulated and if the Company and the hospital are unable to provide safety measures and handle various matters as specified by law, the data owner and government agency may file suit to request for damage fees and fines as a penalty. Consequently, the Company cannot guarantee that future changes of laws and regulations or the issuance of new regulations

or policies relating to the Company's business will not affect the Company's operations and business opportunities.

Nonetheless, the Company and network hospitals have determined various measures to prevent and alleviate any potential impacts that may arise from the enforcement of the draft Protection of Injured People from Health Care Services Act such as Joint Commission International (JCI) and Hospital Accreditation (HA) to operate and comply with HA system. Such system requires that a committee must be established to supervise the quality of patient care and ensure that it meets the standard of safety and environmental conservation as well as monitor various risks, especially risk in providing medical care and treatment. For the prevention and alleviation of impact arising from the enforcement of the Personal Data Protection Act B.E. 2562, the Company and network hospitals have set up a committee to supervise and monitor various matters in accordance with the prescribed law; for example, the establishment of appropriate safety and security measures to protect personal data stored at the Company and the hospitals, the specification of personal data protection policy which determines details in maintaining, collecting, using and disclosing personal data. Furthermore, such policy also covers the exercising or various rights of the owner of personal data, including the appointment of personnel who will be responsible for personal data protection as specified by relevant law etc. The Company considers that such proceedings may help prevent and lessen potential impacts that may arise from the alterations of related laws and regulations.

#### Risk from Competition

Private hospital business is highly competitive. Apart from competing with other hospitals of the same level, the Company must also compete with mid-level and lower-level private hospitals which have constantly improved and developed their medical services while simultaneously acquiring state-of-the-art medical equipment in order to expand their customer base.

At present, there are over 380 private hospitals nationwide with over 36,000 beds in total. It was forecasted that there will be an opening of many private hospitals in Bangkok and suburban areas in the next 3-5 years, resulting in approximately 2,000 more beds available. Nonetheless, the Company expects the actual number of beds in use of the newly established hospitals will be gradually of service during the first 3-5 years of their operation; thus, the supply of beds in the country does not seem to significantly increase. However, the Company has closely monitored different situations to get ready for higher competition in the future whereby the team of expert medical doctors and nurses are more than ready to provide medical services in every aspect. Besides, the Company established the Center of Excellence where medical services have been improved according to the international standard of Joint Commission International (JCI). The Company has well

received cooperation from leading medical institutions and successfully set up network hospitals in every region with the purpose to facilitate the customers and to provide them with more alternatives while being able to transfer them to other network hospitals in case of potentially complicated treatment procedures.

#### Risk in Retaining Medical Personnel or Key Executives

Risk from being unable to retain medical personnel or key executives is one of the Company's risks since these medical personnel and executives are considered major factors that drive the organization toward success. Thus, the Company has realized the importance of risk management in this matter by fostering their confidence, creating good well-being and public health safety for personnel while providing them with various incentives and allocating factors that may affect personnel retention to be more adequate and pertinent to their requirements; for example,

- Consistently develop knowledge and competency to enhance knowledge and skills in different areas necessary for personnel's operation according to their position. The Company also established BDMS Simulation Center to improve skills and expertise in clinical operation.
- Promptly allocate the Covid-19 vaccination shots to the Company's staff which is one of the first groups in the country that get vaccinated. In addition, the Company has allocated the Covid-19 vaccines to their family and relatives residing in the same houses and the Company is deemed one of the few organizations in Thailand that takes into consideration personnel welfare in a comprehensive manner. Besides, the Company has made available ATK for its personnel whereby every department must do the swab test every week and at least once a week before coming to work. Besides, the test must be performed more frequently in a case that these employees must get to work after their long holiday break in order to minimize risk and create the ultimate healthy environment for every personnel.
- Adjust the Company's welfare program to be more flexible and compatible with personnel requirements, including those of the executives and medical personnel of each age group. The Company also provides a variety of health insurance programs so that the personnel can choose their own preferred program according to their age and working habits. Exercising and fitness center comprise of Weight Training room with expert providing advice on accurate and appropriate exercising programs as well as BDMS Well-Being Program whereby outdoor exercising classes are held by adhering to social distancing principle to encourage personnel to learn how to properly exercise while emphasizing on cardio exercise. Besides, stretching is also a part of the exercising program to

promote the personnel's healthy and well-balanced health.

- Encourage morale of every executive and personnel, especially during the Covid-19 outbreak when medical personnel have to work very hard. The Company has arranged for a Work from Home or specified suitable holidays, especially for personnel who have small children or pre-schoolers to minimize risks and to ensure that personnel's satisfaction and well-balanced working condition. For personnel who must work regularly during the Covid-19 outbreak, the Company has provided them with shuttle buses to transport them between home and office for the utmost safety of these personnel.

Since the Company has network hospitals that encompass almost the entire area of the country, the Company has consistently encouraged its executives and personnel to return to their hometown as well as provide them with the opportunity to be transferred among network in order for them to prosper in their career path or have adequate time to take care of their family. Since the Company has strongly emphasized on such risk and has well managed to foster attachment and incentives to the personnel. Therefore, the impact of risk incurred from the inability to retain medical personnel or key executives is at an acceptable and manageable level at present.

#### Legal Risk

Currently, many countries, including Thailand are more aware of consumers' right protection; thus, there has been the issuance of some new acts to protect the consumers' right which facilitate the consumer's filing and claim for the compensation for damages caused by consumption; for example, Consumer Case Procedure Act, B.E. 2551 and the Council of the Consumer Organization Act B.E. 2562 etc. Such acts enable the consumers to file suit against health care service providers, including medical personnel which in turn will put the Company at higher risk of being sued for medical services it provides. According to the issuance of the Personal Data Protection Act B.E. 2562 that protects the right of the data owner, including the establishment of the standards in gathering, collecting, using or disclosing personal data, the Company, as one of the medical facilities that gathers, collects and uses patients' data has been impacted by the issuance of such act since the Company has gathered a large number of personal data that makes the Company at risk of being sued in accordance of such act.

The Company has realized such risk factors; therefore, risk management measures have been put in place to supervise, inspect and control the quality of medical services, screen the physicians, respect patients' rights in explaining necessary information to patients, manage patients' expectations, evaluate customers' satisfaction as well as constantly promote service

standards to be in line with those at an international level to ensure quality and safety of medical services and provide training on legal knowledge relating to the Company's personnel, specification of policy and measures to maintain security for personal data to be in line with relevant laws. Moreover, the Company has realized the significance of reporting system and problem solving when the customers file complaints which in turn helps prevent or minimize any legal disputes. Besides, the public sector has been aware of increasing lawsuits and in order to lessen burden of court trial; therefore, the public sector has promoted dispute settlement by mediation; for example, the modification of the Civil Procedure Code (issue no.32) on proceedings to mediate disputes prior to prosecution and the enactment of Dispute Mediation Act B.E. 2562 which allows for peaceful dispute settlement and without dispute ruling. This in turn, lessen the number of cases that must be proceeded to court trial as well as minimize conflict while reducing risk that may be incurred from lawsuit.

#### Risk of Reliance on Revenues from Foreign Patients

The Company earns some incomes partly from foreign patients, including persons living or working in Thailand or tourists traveling to Thailand for pleasure or specifically to receive medical care as well as staffs of foreign governments or agencies or employees of foreign companies. This customer group chooses to come to Thailand

for health care services because of our internationally recognized standards and quality of medical services, reasonable medical fees and Thailand's renowned tourism industry.

Therefore, the Company has risks from different crises that may affect the patients' confidence in visiting Thailand for health care services which are beyond the Company's control such as domestic political situations, natural disasters and increasing competition. All of these factors will directly impact the number of foreign patients who will travel to Thailand for medical service purposes. Thus, the Company has specified the policy to diversify and lessen these risks by expanding the hospital network to other provinces across the country which have potential and require medical services. In addition, the Company has expanded its foreign patient bases to encompass more countries to reduce risk concentration of patients in any specific group.

#### Risk from Foreign Investment

As of 31 December 2021, the Company has made foreign investments with a total value (in the form of paid-up capital, loans to subsidiaries and loan guarantee with financial institutions for subsidiaries) of USD 75.6 million or equal to Baht 2,531.2 million or 2.0 percent of the Company's total assets.

The Company's foreign investments, including the majority shares held currently are as follows:

- Angkor Pisith Co., Ltd. which manages Royal Angkor International Hospital at the rate of 80.0 percent
- Phnom Penh Medical Services Co., Ltd. which manages Royal Phnom Penh Hospital at the rate of 100.0 percent
- BDMS International Medical Services Co., Ltd. at the rate of 100.0 percent
- N-Health Asia Pte., Ltd., the Company's 100% subsidiary, has invested in N-Health (Cambodia) Co., Ltd. and N-Health Myanmar at the rate of 100.0 percent and 60.0 percent respectively to operate central lab business

Factors that may negatively impact the Company's foreign investments are as follows: foreign laws, regulations or government policies which govern the Company's offshore business or political and economic conditions, foreign currency exchange volatility or higher than expected capital costs or operations. The aforementioned factors may result in the Company's failure in achieving returns of investment as expected or may impact the Company's financial status and performance.

#### Financial risk

##### *Risk in Receiving Payment of Medical Fees*

In providing a medical care before collecting fees and expenses create a potential risk that the Company may be unable to collect payment for such services. However, the Company has established the following policies to minimize such significant risks as follows:

1. In providing services to self-pay patients, the Company has set up the policy to assess the expenses before providing any medical services so that the patients will be aware of the budget and able to make payment or deposit in advance.
2. The Company has the policy to notify the payor of medical expenses incurred throughout the entire course of treatment and allow for the payment by installments to minimize the burden of one-time payment at the end of treatment.
3. For payments made by the counterparty, the Company also has a policy to provide credit for payment of medical services with caution by analyzing the counterparty's credit history and financial status as well as regularly reviewing the relationship of such company. When the outstanding credit exceeds the limit, the Company will suspend the credit which in turn, helps lessen the risk of non-payment.

The Company has set up the Debtor Management Committee, comprising of the management from finance and operations and has organized the meeting on a regular basis. The Committee shall consider risks that already took place, review, determine measures as well as find appropriate solutions for the Company and patients when there is a default of payment to minimize such risk.

### *Risk from Interest Rate Volatility*

As of 31 December 2021, the Company reported liabilities with floating interest rate of 27.4 percent of all financial liabilities. Therefore, these interest rate fluctuations may affect the Company's financial costs. However, the Company has set up the policy to prevent the risk of interest rates, including entering into Interest Rate Swap agreement as deemed appropriate to the market situation.

### *Impacts of Global Economy and Volatility of Foreign Currency Exchange*

The Company's revenues partly derive from services provided to foreigners who travel to Thailand. Therefore, the economic status of the country of origin of foreign patients incurs an impact on the number of local patients getting services of the Company's hospital network in the same manner that the economic factor of the country will affect the number of patients. Thus, the Company's business, financial status, operation results and business opportunities may be impacted by the economic condition of the countries of origin of foreign patients.

Besides, the volatility of foreign currency against Thai baht, one of the determining factors in setting competitive pricing compared to health care providers in other countries, is another factor that may affect the Company's revenues. The Company thus may face the risk of the volatility of foreign currency exchange which is considered an external factor beyond the Company's control. In such case, the Company has tried to maintain an appropriate ratio of domestic and foreign patients in order to minimize this risk. In 2021, the Thai baht fluctuated between Baht 29.59-33.66 US dollar.

#### **2.2.2 Risk from Investment of Securities Holders**

##### **Risk from the Uncertainty of Return on Investment that the Investors Expect to Receive**

In any investments, the investor may receive return on investment both from increased securities price and also from the dividend of such securities being invested. Nonetheless, the Company' share price may increase or decrease depending on various factors that are beyond the Company's control; for example, changes in policies, regulations or conditions affecting the industry, economic situation, crisis and other irregular circumstances such as the Covid-19 outbreak etc. These factors may cause the share price to become lower than the price the investor purchase and/or higher than the price sold by the investor. In addition, these factors that are beyond the Company's control may incur an impact on the Company's ability to pay dividend. Consequently, although the Company has set its policy to pay dividend not lower than 50 percent of net profit of consolidated financial statement; however, annual dividend to be received may be lower than the level expected, causing the investors to be at risk of the uncertainty of return on investment.

# 3 Driving Business Toward SUSTAINABILITY



## 3.1 Sustainability Policy and Goals<sup>1</sup>

BDMS has set forth sustainable development policy and guidelines on organizational management according to the sustainable development principle to create involvement with every stakeholder group while simultaneously maintaining balance and controlling potential impact on economy, society and environment. The Company has specified duties and responsibilities of the Board of Directors, the President, the Sustainability Committee and the Sustainable Development Committee as well as every personnel of the organization to conform to the practices stipulated with the aim to move BDMS toward sustainability. Besides, the Company has emphasized on the

stakeholders' involvement throughout the value chain, specification and assessment of key matters, response to and handling of such key matters, including communication of operating result on sustainability to the public.

BDMS sustainable development policy and operation are considered part of the Company's business operation strategies in the area of health innovation and sustainable development in 2021. The organization's strategy in innovation has consistently emphasized on the integration of telemedicine and e-commerce as well as the support on the use of innovation to gain access to health services, including the empowerment of medical services and sustainable development strategy that stresses on the integration of standards and guidelines on economic, environmental and social management throughout every business activity.

## 3.2 Handling of Impact on Every Stakeholder Group in Business Value Chain<sup>2</sup>

Key procedures in delivering services throughout the entire BDMS value chain will encompass procedures, starting from screening of the customers to the end of the treatment process or health support. The screening procedures prior to getting services will identify the ability

<sup>1</sup> The Company's Sustainability Report at: <http://investor.bangkokhospital.com/storage/downloads/corporate-governance/20200409-bdms-sustainability-development-policy-th.pdf> and clip at: <http://youtu.be/QgVeUZ7A24g>

<sup>2</sup> See more details on BDMS Stakeholders in the 2021 Sustainability Report

and service prioritization before getting into service procedures that cover the registration and providing of treatment information, process, services or expected behavior in the service facility, including communication of any related expenditures to enter into service procedures performed by medical personnel and supporting personnel; for example, emergency services, diagnosis, treatment and other related services until the end of such procedures. Besides, these may include treatment referral or monitoring of any symptoms as deemed appropriate.

BDMS has constantly fostered stakeholders' involvement throughout the value chain in which key BDMS stakeholder groups can be divided into 5 groups. The Company also provided detailed examples of expectation and guidelines to respond to such expectation; for example, specification of the responsible person who has been well-trained in order to deliver standardized service to the customers and patients, specification of communication channel and other related projects to develop potential and attachment of employees and medical personnel, communication of directions and operating results on sustainability to ensure transparency and risk management measures for investors and shareholders. Furthermore, BDMS has supported the purchasing cooperation in a sustainable, transparent and equal manner while promoting projects that provide health-related knowledge, access to health services and following-up of environmental quality for the community and society.

### 3.3 Sustainability Management in Environmental Dimension

#### 3.3.1 Environmental Policy and Practices<sup>3</sup>

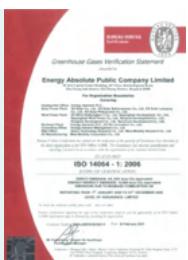
BDMS has set forth BDMS Earth Healthcare Policy which has been under the responsibility of the Environment of Care Committee (ECC) appointed to determine environmental operation guidelines as specified, including goals relating to sustainable development and the development of quality of life of the community at large. In addition, BDMS has emphasized on instilling awareness of environmental responsibility, coupled with the specification of the environment and administrative system according to the specification and international standards to move forward the Company to environmental-friendly business while minimizing impact throughout the value chain as well as creating mutual value between the environment and good quality of life of the community. Such policy will respond to some challenges regarding environmental issues, encompass waste and hazardous waste management, minimize the emission of carbon dioxide with the aim of low carbon society, water and energy management, renewal, creation and continuation to maintain the ecological system of the community, promotion of production and sustainable consumption throughout the value chain, promotion of innovation and environmental-friendly products as well as fostering community involvement and exchange of knowledge that ultimately lead to behavioral changes that are environmental-friendly.

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<sup>3</sup> See more details on BDMS Earth Healthcare at: <https://investor.bangkokhospital.com/storage/downloads/corporate-governance/20200103-bdms-earth-healthcare-policy-th.pdf>

### 3.3.2 Operating Results on the Environment<sup>4</sup>

BDMS has determined the management, project and following-up of operating results on the environment that are in line with BDMS Earth Healthcare Policy and key environmental aspects; for example, handling of climate change, waste and hazardous waste management, energy management and water and wastewater management which can be seen from detailed examples of BDMS operations in 2021; for example, adjust the ratio of LED consumption and use of solar cell to enhance the efficiency of energy consumption, use of wastewater from the cooling tower or RO system to lessen the use of outsourced water or campaign and promotion of waste separation for further use or return to trade partner. All of these managements will encourage positive impact on greenhouse gas emission of the organization. For BDMS operating results in 2021, the Company had not received any complaints or had not been officially sued by any regulatory agencies or other relevant stakeholders. Details of the environmental statistics<sup>5</sup> are disclosed in the Company's 2021 Sustainability Report.



In 2021, BDMS piloted the project to inspect and assess greenhouse gas emission from every activity of Bangkok Hospital, Head Office<sup>6</sup> in accordance with ISO 14064-1 in which the project was conducted by Bureau Veritas, Thailand. The result indicated the indirect source of major greenhouse gas emission (Criteria 2-Electricity consumption from outsource) at 20,513.7 tons of carbon dioxide or equivalent to 93.4 percent of total greenhouse gas emission at 21,962 tons of carbon dioxide. BDMS has specified the operation plan to expand the criteria of data collection and inspection of greenhouse gas emission to encompass every

hospital in the future. Besides, the Company has determined the policy and plan to minimize greenhouse gas emission; for example, specify that the information disclosure regarding greenhouse gas emission should be a part of the selection and evaluation criteria for trade partner, adjust guidelines on the purchase of goods and electrical appliances as well as organize training and communicate guidelines on data collection to personnel of the organization etc.

## 3.4 Sustainability Management in Social Dimension

### 3.4.1 Social Policy and Practices<sup>7</sup>

BDMS has determined its social policy and practices on the specification and key aspects regarding social dimension that involve both internal and external stakeholders of the organization; for example, specification of practices on personnel employment and termination of employment, non-discrimination employment policy, human rights policy and practices<sup>8</sup>. In addition, the Company has appointed the Welfare Committee to respond to matters on labor and human rights. The Education and Training Committee was also established in cooperation with the Human Resources Department to proceed according to training policy while developing clinical and non-clinical personnel to handle personnel development matters. Besides, the administrative system of operating results and project to foster personnel attachment have been put in place in accordance with the survey results to answer the matters regarding incentives and personnel retention. The environmental, occupational health and safety policy has been set forth by appointing the Safety, Occupational Health and Working Environment Committee as well as specified occupational health, safety and well-being project in response with personnel safety and well-being

<sup>4</sup> See more details on the management, project and environmental operating results of BDMS in the 2021 Sustainability Report

<sup>5</sup> Criteria of report of environmental information in 2021 encompass 20 hospitals or equivalent to 77.81% of total hospital operating cost

<sup>6</sup> Calculated from the database of Bangkok Hospital, Head Office in 2020

<sup>7</sup> See more details on social policy and practices in the 2021 Sustainability Report

<sup>8</sup> See more details on policy at: <http://investor.bangkokhospital.com/storage/downloads/corporate-governance/20160216-bdms-hr-th.pdf>



As for policy and practices for the external stakeholders, BDMS has determined guidelines on community involvement to explore health-related issues, support of the quality of life and environment, including the specification of guidelines on social activities that emphasize on rendering health services to the underprivileged in the community and society, providing knowledge of preventive health while simultaneously supporting the infrastructure concerning community health and cooperation with the customers to promote the community and social health via the use of the Company's products and services. Furthermore, BDMS has put in place the marketing strategy in terms of sales and drug labeling to be in line with the notification of the Department of Health Service Support, the notification of the Central Committee on Prices of Goods and Services, the Ministry of Commerce, including the Drugs Act etc.

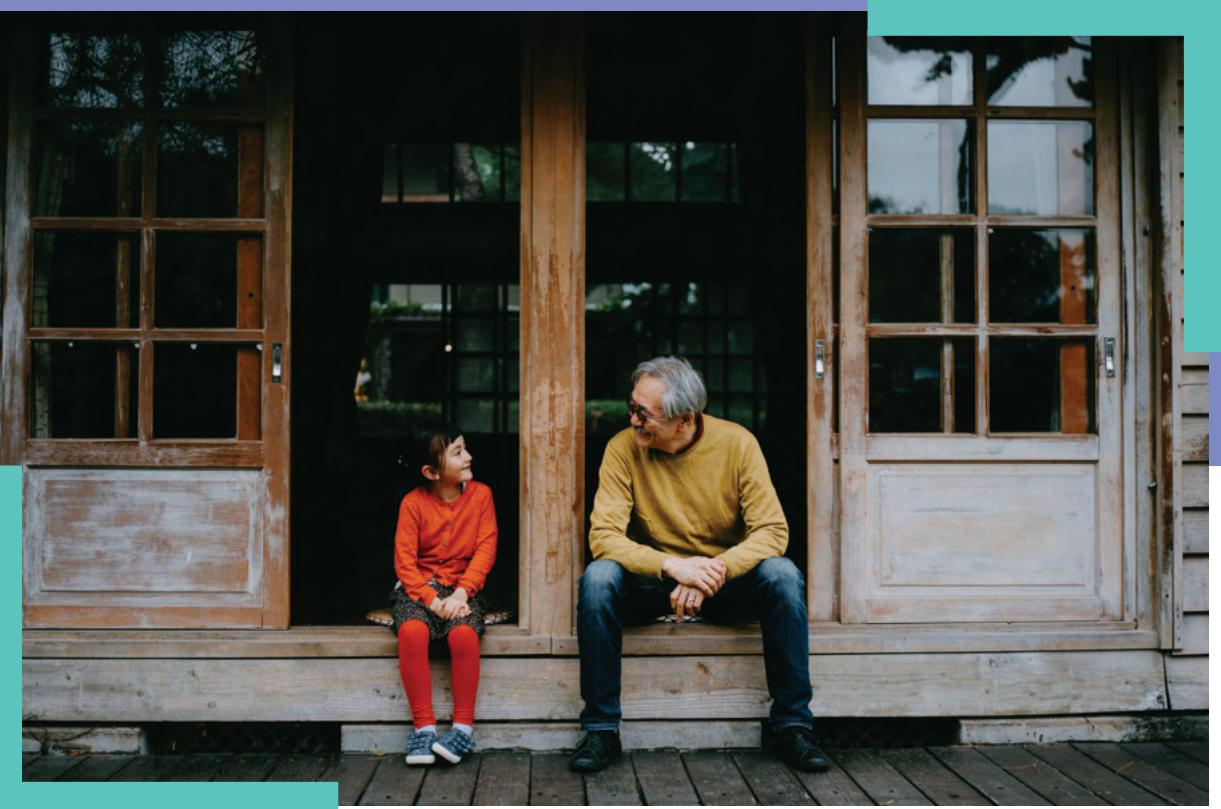
#### 3.4.2 Social Operating Results<sup>9</sup>

BDMS has determined project and follow-up social operating results according to the specification and key matters; for example, practices concerning labor and human rights, incentives and personnel retention, personnel development, health and personnel safety, community involvement and access to medical services as well as practices regarding sales and labeling. Details of social operating results in 2021 are summarized and disclosed in the 2021 Sustainability Report.

<sup>9</sup> See more details on social project and operating results in the 2021 Sustainability Report



Bangkok Dusit Medical Services



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# 4 Management Discussion and ANALYSIS

## 4.1 Operation and Financial Analysis

### Executive Summary

2021	THB mm	% Chg (oy)
Operating Income	75,714	10%
Core Profit	7,936	31%
Net Profit	7,936	10%

Bangkok Dusit Medical Services Public Company Limited (“Company”) reported consolidated operating income for the year ended 31 December 2021 (“2021”) of Baht 75,714 million, increased by 10% yoy mainly from growth of revenue from Thai patients as a result of higher COVID-19 patient volume since 2Q21. However, revenue from international patients decreased due to global travel restrictions even though there was a positive trend of fly-in patients during 4Q21.

The Company and its subsidiaries had core profit of Baht 7,936 million, increased by 31% yoy, due to higher operating income and continued cost saving program and lower finance costs.

In 2020, the Company and its subsidiaries had gain on divestment of all investment in Bumrungrad Hospital Public Co., Ltd. (“BH”) of Baht 1,169 million. Therefore, net profit in 2021 increased by 10% yoy.



### Major Development in 2021

During 2021, Thailand was hit by new wave of COVID-19 pandemic resulting in a sharp rise in daily COVID-19 cases. BDMS, as a leading private hospital group in Thailand, has continued to fully cooperate and support the government measures in order to prevent, control and treat COVID-19 patients. We would like to update on our increasing effort in providing COVID-19 related services as follow:-

- 1) COVID-19 vaccination: BDMS, in collaboration with several parties, has dedicated clinical staffs and resources to help roll out COVID-19 vaccination for the public of more than 4 million doses at our network hospitals and alternative venues such as shopping mall and office buildings.

- 2) **COVID-19 testing:** BDMS offers COVID-19 testing from our certified laboratories which we increased capacity to more than 10,000 RT-PCR tests per day.
- 3) **Hospitel:** BDMS cooperated with hotels to set up Hospitels by transforming hotel rooms to be quarantine facilities for COVID-19 patients with mild symptoms. Our maximum Hospitel capacity had reached around 6,000 beds.
- 4) **Field hospital:** BDMS teamed up with the Royal Thai Air Force to set up 100-bed field hospital for COVID-19 patients with moderate symptoms at Thupatemi Stadium in July 2021. However, due to decreasing new cases of COVID-19, BDMS handed over this field hospital including medical system and equipment to Royal Thai Air Force for future uses.
- 5) **Cohort wards:** BDMS set up cohort wards for COVID-19 patients at our network hospitals with maximum capacity of more than 3,000 beds.

## 2021 Consolidated Financial Summary

(Unit : Baht mm)

Operating Income	2021	2020	%Chg
Revenues from hospital operations	71,541	65,166	10%
Revenue from sales of goods	2,910	2,908	0%
Other income	1,263	983	28%
<b>Total Operating Income</b>	<b>75,714</b>	<b>69,057</b>	<b>10%</b>

In 2021, total operating income were Baht 75,714 million, increase of Baht 6,657 million or 10% yoy, primarily due to

- Revenues from hospital operations were Baht 71,541 million, increase of Baht 6,375 million or 10% yoy. This was mainly from COVID-19 related revenue (accounted for 14% of total revenue from hospital operations in 2021). If excluding this item, revenue from non COVID-19 would decrease 6% yoy due to lower fly-in patients.

In 2021, Thai patient revenues increased 14% yoy as a result of higher COVID-19 patient volume since 2Q21. However, international patient revenues declined 6% yoy due to lower fly-in patients mainly from Middle East of 30% yoy. Meanwhile, expatriate patients from Japan and USA grew by 7% and 4% yoy respectively resulting in the revenue proportion between Thai and international patients to change from 79% : 21% in 2020 to 82% : 18% in 2021.

Inpatients grew significantly at 17% yoy resulting in an increase in occupancy rate from 52% in 2020 to 60% in 2021 (excluding hospital and field hospital). Occupancy rate of cohort wards was 86% and occupancy rate of non COVID-19 wards was 49%.

Revenues from hospital operations in 2021	Chg. (yoY)	% to revenues
Revenues growth from hospital operations	10%	
<b>Breakdown by nationality</b>		
Thai	14%	82%
International	(6)%	18%
<b>Breakdown by location</b>		
Bangkok & Vicinity	10%	57%
Outside Bangkok	9%	43%
<b>Breakdown by type of patients</b>		
Outpatients	4%	45%
Inpatients	17%	55%

- Revenues from sales of goods were Baht 2,910 million similar to 2020.
- Other income were Baht 1,263 million, increased by 28% yoy mainly from one-time compensation that our network hospital received for damages incurred at the amount of Baht 200 million.

Operating Expenses	2021	2020	%Chg
Cost of hospital operations and others	49,462	46,371	7%
Administrative expenses	15,029	14,161	6%
<b>Total Operating Expenses (Including depreciation)</b>	<b>64,491</b>	<b>60,532</b>	<b>7%</b>

In 2021, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 64,491 million, increase of Baht 3,959 million or 7% yoy which increased at the slower pace than total operating income due to continued cost containment program.

### Other Major Items

- **Share of profit from investments in associates** were Baht 21 million in 2021, decreased by 92% yoy due mainly to no share of profit from divestment of all investment in BH during 4Q20.
- **Finance expenses** decreased to Baht 728 million or decreased by 16% yoy due to decrease of long-term loans from financial institutions.
- **Corporate income tax** in 2021 were Baht 2,103 million, decreased by 24% from 2020, as the Company recorded corporate income tax from non-recurring item in 2020 totaling of Baht 1,260 million.

### Non-recurring items

In 2020, the Company and its subsidiaries recorded gain on divestment of all investment in BH of Baht 1,169 million (net of income tax).

Profitability Analysis	2021	2020	%Chg
EBITDA	17,545	14,938	17%
EBITDA margin	23.2%	21.6%	
Share of profit from associates	21	273	(92)%
EBIT	11,322	8,843	28%
EBIT margin	15.0%	12.8%	
Core profit	7,936	6,045	31%
Core profit margin	10.5%	8.8%	
Non-recurring items	-	1,169	n.a.
Net profit	7,936	7,214	10%
Net profit margin	10.5%	10.4%	
EPS (Baht)	0.50	0.45	10%
<i>Weighted average number of ordinary shares (mm shares)</i>	<i>15,892</i>	<i>15,892</i>	

#### Remarks

EBITDA = Total operating income - Total operating expenses (Excluding depreciation and amortization)

Profitability margin calculated based on operating income

The Company and its subsidiaries recorded EBITDA was Baht 17,545 million in 2021 or increased by 17% yoy resulting in an increase in EBITDA margin from 21.6% in 2020 to 23.2% in 2021.

Core profit was Baht 7,936 million in 2021, increased by 31% yoy due to higher operating income and continued cost saving program and lower finance costs.

In 2020, the Company and its subsidiaries had gain on divestment of all investment in BH of Baht 1,169 million (net of income tax). Therefore, net profit increased by 10% yoy in 2021. Net profit margin was 10.5% and EPS was Baht 0.50 per share in 2021

(Unit : Baht mm)

Assets	Dec 21	Dec 20	%Chg
Cash & cash equivalents	10,934	19,666	(44)%
Trade & other receivables	9,131	7,192	27%
Inventories	2,005	1,855	8%
Property, premises & equipment	79,689	81,313	(2)%
Goodwill	17,539	17,539	0%
Right-of-use asset	2,862	3,315	(14)%
Other assets	6,294	5,170	21%
<b>Total assets</b>	<b>128,454</b>	<b>136,050</b>	<b>(6)%</b>

As of 31 December 2021, the Company and its subsidiaries reported total assets of Baht 128,454 million, decreased by 6% from 31 December 2020, due mainly to a decrease in cash & cash equivalents of Baht 8,733 million from dividend payment and repayment of long-term loans from financial institutions.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2020. Goodwill were mainly from acquisitions of (1) Phyathai and Paolo Hospital Group of Baht 9,310 million (2) Bangkok Sanamchan Hospital, Thephakorn Hospital, Bangkok Muangraj Hospital and Bangkok Phetchaburi Hospital of Baht 3,285 million and (3) Bangkok Siriroj of Baht 2,702 million. Such goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. However, the Company has considered that this goodwill is not impaired.

Other assets of Baht 6,294 million mainly consisted of other current financial assets which are investment in mutual funds, fixed deposit and treasury bill of Baht 1,708 million together with intangible assets which are computer software of Baht 1,289 million.

(Unit : Baht mm)

Liabilities and Equity	Dec 21	Dec 20	%Chg
Trade & Other payables	5,035	4,450	13%
Accrued expenses	4,627	3,710	25%
Debentures *	14,596	14,594	0%
Long-term loans *	1,000	6,107	(84)%
Liabilities under lease agreements *	3,157	3,462	(9)%
Other liabilities	12,274	12,265	0%
<b>Total liabilities</b>	<b>40,689</b>	<b>44,588</b>	<b>(9)%</b>
Equity attributable to equity holder of the Company	83,845	87,910	(5)%
Non-controlling interests	3,920	3,553	10%
<b>Total equity</b>	<b>87,765</b>	<b>91,463</b>	<b>(4)%</b>

\* Including current portion

Total consolidated liabilities as of 31 December 2021 were Baht 40,689 million, decreased by 9% from 31 December 2020 due mainly decrease long-term loans from financial institutions.

Total consolidated shareholders' equity as of 31 December 2021 was Baht 87,765 million, decreased by 4% from 31 December 2020.

## Liquidity and Capital Management

(Unit : Baht mm)

Cash Flow	2021
Net cash from operating activities	14,561
Net cash used in investing activities	(4,763)
Net cash used in financing activities	(18,531)
Net decrease in cash and cash equivalents	(8,733)
Beginning cash and cash equivalents	19,666
Ending cash and cash equivalents	10,934

For the year ended 31 December 2021, the Company and its subsidiaries had net decrease in cash and cash equivalent of Baht 8,733 million from the beginning balance of Baht 19,666 million. As a result, cash and cash equivalents at the end of period was Baht 10,934 million. Details of cash flow by activities during the year are as follows:-

Net cash flows from operating activities were Baht 14,561 million, resulting mainly from profit in 2021.

Net cash used in investing activities were Baht 4,763 million comprising mainly from purchase of premises and equipment of Baht 3,975 million from hospital network renovation and expansion.

Net cash used in financing activities were Baht 18,531 million comprising mainly from dividend payment of Baht 12,738 million and repayment of long-term loans from financial institutions of Baht 5,107 million.

Ratios Analysis	2021	2020
<b>Returns (%)</b>		
Return on Asset	6.0	5.3
Return on Equity	9.2	8.4
<b>Liquidity (x)</b>		
Current ratio	1.5	2.7
Quick ratio	1.3	2.4
<b>Assets &amp; Liabilities Management (Days)</b>		
Average Collection Period	40.7	43.8
Average Inventory Period	14.0	14.4
Average Payable Period	34.5	40.5
<b>Leverage Ratios (x)</b>		
Interest coverage	24.1	17.2
Debt service coverage ratio	5.1	29.3
Current portion of IBD to IBD (%)	18.3	2.1
Loan from financial institutions to IBD (%)	5.3	25.2
Total IBD to EBITDA	1.1	1.6
Net IBD to EBITDA	0.5	0.3
<b>Debt to Equity Ratio (x)</b>		
Total liabilities to equity	0.5	0.5
Total IBD to equity	0.2	0.3
Net IBD to equity	0.1	0.1

#### Remarks

- Assets & Liabilities Management based on 360 days
- IBD means interest bearing debt

ROA and ROE increased from 2020 as a result of an increase in profit from operations in 2021.

Current ratio and quick ratio decreased from 2020 due to a decrease in cash & cash equivalents from dividend payment and repayment of long-term loans from financial institutions during 2021.

Average collection period decreased from 43.8 days in 2020 to 40.7 days in 2021. The Company and subsidiaries have credit policies and assess credit limit base on customer creditworthiness. Average credit term for domestic payers are approximately 30-60 days while international payers are approximately 30-90 days. The credit terms are reviewed annually to monitor and control credit risk.

Average inventory period slightly decreased from 14.4 days in 2020 to 14.0 days in 2021. The inventories were mostly medicines and medical supplies. The Company and its subsidiaries have appropriate inventory management plan with internal control. The Company and its subsidiaries perform physical inventory count at least once a year and record allowance for the expired, slow-moving and deteriorated inventories to reduce its cost to net realizable value.

Average payable period also decreased from 40.5 days in 2020 to 34.5 days in 2021 as a result of debt management.

**For leverage ratios analysis,** interest coverage ratio increased from 17.2x in 2020 to 24.1x in 2021 mainly from good performance in 2021. However, debt service coverage ratio (DSCR) significantly decreased from 29.3x in 2020 to 5.1x in 2021 due to higher current portion of interest bearing debt.

Net interest bearing debt to EBITDA slightly increased from 0.3x in 2020 to 0.5x in 2021 due to increase in net interest bearing debt.

**For debt to equity ratio analysis,** total interest bearing debt to equity slightly decreased from 0.3x as of 31 December 2020 to 0.2x as of 31 December 2021 while net interest bearing debt to equity remained unchanged at 0.1x as of 31 December 2020 and as of 31 December 2021.

The Company and its subsidiaries strongly believes that it has sufficient liquidity to repay its debt within the covenants and will continue to be able to successfully adapt as the situation evolves.

## 4.2 Factors that may affect financial position or operations in the future

### Management's Outlook

Looking ahead into 2022, the Company expect healthcare business to be an uptrend given returning of non COVID-19 and fly-in patients. Given higher portion of people vaccinated in Thailand and around the world, we hope that this would lead to more travelling activities nearly back to normal level.

We are confident that the long-term prospect of healthcare sector is still intact from the aging population, rising income per capita, especially those in the rural area, rising health and wellness trend where people pay more attention to their health wishing to live longer with a better quality of life together with growth of digital health and private health insurance in Thailand.

#### **Key strategic priorities**

The Company's diverse portfolio of network hospitals with diversified market segments, capable physicians and nurses and strong franchise of our hospital brands together with customer service experience enhancement through innovation would play a crucial role in continuous growth in healthcare business serving rising healthcare demand in the future. The company would focus on the following strategic priorities:

- **Expansion of patient base through value-based pricing**

For revenue enhancement and sustainable growth going forward, the Company would focus on a value-based pricing approach to healthcare to deliver the most effective, efficient and sustainable outcomes to our patients and enhance our patient's referral.

- **Leading into Smart healthcare**

With the advancement of technology and innovation, the Company has been adopting the concept of smart healthcare to provide a valuable service to achieve better patient care, experience and operational efficiency. The Company started using Artificial Intelligent (AI) assisted diagnosis to help revolutionize healthcare by providing more precise diagnoses. In addition, we are developing Thailand's first digitally enabled health ecosystem with patient at the center offering not only the tele-consultations but also tele-pharmacy, health mall, health content, patient's health records and health-related products. This digitally health ecosystem would help expand new patient base from mid-high end market to mass market; from big cities to small cities; from traditional patients to digital generation.

- **Strengthening relationship with third party payors to increase assets utilization**

The Company would continue to strengthen our relationship with third party payors including private health insurance, Social Security Office, Universal Coverage for Emergency Patients (UCEP) and corporate partners. With rising healthcare inflations and health insurance awareness, we expect higher penetration for private health insurance in Thailand. We are working closely insurance companies to develop exclusive

insurance policies and also e-claims and e-billing system that will be more convenient for both insurance companies and patients. In addition, we plan to apply more of our network hospitals to service the Social Security's patients. These initiatives would help diversify our payor base by growing third parties payors and increase our bed utilization unlocking the true potential of our hospital network growth prospects.

- [Other strategic healthcare services and products](#)

**Center of Excellence (CoE):** With the determination for continuous development of CoE to be in accordance with the Joint Commission International (JCI), we would continue to collaborate with world leading institutions to uplift our Thai standard of care effectively to be equivalent to the international standard.

**Health and Wellness:** The Company would focus on preventive healthcare services helping to prevent or detect disease beforehand. Services also include comprehensive checkup with personalized program.

**Genomics Center:** The Company, through our subsidiary, had invested into genomics center business. We believe that the genomic information would help advanced personalized medicine capability and elevate people's quality of life.

**Procurement transformation:** In order to increase operational efficiency and returns, the company plans to improve the procurement of medicine, medical supply, medical equipment as well as other non-clinical procurement. We would find alternative suppliers and improve usage of generic drugs while consolidating specification for medical supply, medical equipment and other indirect spending across the network. Consequently, we aim to build a sustainable procurement to support sustainable growth in healthcare.

### 4.3 Important financial information

#### Comparative Statements of financial position for the last 3 years

Assets	2019		2020		2021	
	Baht mm	%	Baht mm	%	Baht mm	%
<b>Current assets</b>						
Cash and cash equivalents	4,696.2	3.5	19,666.4	14.5	10,933.7	8.5
Short-term investments	899.8	0.7	-	-	-	-
Trade and other receivables	8,850.0	6.6	7,191.8	5.3	9,130.8	7.1
Inventories	1,843.4	1.4	1,855.2	1.4	2,004.9	1.6
Current portion of other non-current financial assets	-	-	-	-	19.0	0.0
Other current financial assets	-	-	1,272.9	0.9	1,707.6	1.3
Other current assets	35.7	0.0	26.6	0.0	605.4	0.5
<b>Total current assets</b>	<b>16,325.1</b>	<b>12.2</b>	<b>30,012.9</b>	<b>22.1</b>	<b>24,401.4</b>	<b>19.0</b>
<b>Non-current assets</b>						
Restricted financial institution deposits	11.3	0.0	5.3	0.0	4.6	0.0
Other non-current financial assets	-	-	603.5	0.4	668.8	0.5
Investments in associates	17,538.3	13.1	938.5	0.7	931.0	0.7
Other long-term investments	465.8	0.3	-	-	-	-
Investment properties	353.7	0.3	363.2	0.3	353.7	0.3
Property, premises and equipment	78,439.8	58.7	81,313.3	59.8	79,689.1	62.0
Right-of-use assets	-	-	3,314.8	2.4	2,862.0	2.2
Goodwill	17,538.9	13.1	17,538.9	12.9	17,538.9	13.7
Intangible assets	1,344.6	1.0	1,355.6	1.0	1,289.0	1.0
Deferred tax assets	125.2	0.1	92.9	0.1	80.9	0.1
Other non-current assets						
Leasehold rights	1,021.8	0.8	-	-	-	-
Others	497.2	0.4	511.4	0.3	634.2	0.5
<b>Total non-current assets</b>	<b>117,336.6</b>	<b>87.8</b>	<b>106,037.4</b>	<b>77.9</b>	<b>104,052.2</b>	<b>81.0</b>
<b>Total assets</b>	<b>133,661.7</b>	<b>100.0</b>	<b>136,050.3</b>	<b>100.0</b>	<b>128,453.6</b>	<b>100.0</b>

**Comparative Statements of financial position for the last 3 years (continued)**

<b>Liabilities and shareholders' equity</b>	<b>2019</b>		<b>2020</b>		<b>2021</b>	
	<b>Baht mm</b>	<b>%</b>	<b>Baht mm</b>	<b>%</b>	<b>Baht mm</b>	<b>%</b>
<b>Current liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	23.8	0.0	-	-	-	-
Trade and other payables	5,990.2	4.5	4,450.0	3.3	5,034.6	3.9
Accrued expenses	6,178.4	4.6	3,709.8	2.7	4,627.2	3.6
Current portion of long-term liabilities						
- Long-term loans from financial institutions	193.4	0.1	107.5	0.1	-	-
- Liabilities under lease agreements	-	-	319.8	0.2	268.9	0.2
- Liabilities under finance lease agreements	16.9	0.0	-	-	-	-
- Debentures	4,999.8	3.7	-	-	3,099.9	2.4
Short-term loans from non-related parties	66.0	-	82.6	0.1	76.4	0.1
Income tax payable	1,013.8	0.8	1,705.1	1.3	1,005.8	0.8
Deferred income - membership due within one year	206.7	0.2	185.5	0.1	169.5	0.1
Other current financial liabilities	-	-	7.2	0.0	-	-
Other current liabilities	574.1	0.5	652.8	0.4	1,579.6	1.1
<b>Total current liabilities</b>	<b>19,263.1</b>	<b>14.4</b>	<b>11,220.3</b>	<b>8.2</b>	<b>15,861.9</b>	<b>12.2</b>
<b>Non-current liabilities</b>						
Long-term loans from financial institutions	4,507.5	3.4	6,000.0	4.4	1,000.0	0.8
Liabilities under lease agreements	-	-	3,141.9	2.3	2,888.2	2.2
Liabilities under finance lease agreements	30.5	0.0	-	-	-	-
Debentures	14,591.7	10.9	14,593.9	10.7	11,496.1	8.9
Provision for life long medical care programs	724.0	0.5	1,287.3	0.9	1,487.0	1.2
Provision for employee benefits	4,130.7	3.1	4,394.9	3.2	4,023.8	3.1
Deferred income - membership	612.0	0.5	561.5	0.5	484.9	0.5
Deferred tax liabilities	2,550.3	1.9	3,324.4	2.4	3,370.7	2.6
Other non-current liabilities	70.3	0.1	63.3	0.1	76.0	0.2
<b>Total non-current liabilities</b>	<b>27,217.0</b>	<b>20.4</b>	<b>33,367.2</b>	<b>24.5</b>	<b>24,826.7</b>	<b>19.5</b>
<b>Total liabilities</b>	<b>46,480.1</b>	<b>34.8</b>	<b>44,587.5</b>	<b>32.7</b>	<b>40,688.6</b>	<b>31.7</b>

**Comparative Statements of financial position for the last 3 years (continued)**

<b>Liabilities and shareholders' equity</b>	<b>2019</b>		<b>2020</b>		<b>2021</b>	
	<b>Baht mm</b>	<b>%</b>	<b>Baht mm</b>	<b>%</b>	<b>Baht mm</b>	<b>%</b>
<b>Shareholders' equity</b>						
Share capital						
Registered						
17,582,235,672 ordinary shares of Baht 0.1 each	1,758.2	1.3	1,758.2	1.3	1,758.2	1.4
Issued and fully paid-up						
15,892,001,895 ordinary shares of Baht 0.1 each	1,589.2	1.2	1,589.2	1.2	1,589.2	1.2
Premium on ordinary shares	30,166.1	22.6	30,166.1	22.2	30,166.1	23.5
Difference from shareholding restructure	305.0	0.2	305.0	0.2	305.0	0.2
Surplus investment over book value of subsidiaries	(2,693.6)	(2.0)	(2,699.6)	(2.0)	(2,698.4)	(2.1)
Retained earnings						
Appropriated-statutory reserve	175.8	0.1	175.8	0.1	175.8	0.1
Unappropriated	45,708.0	34.2	47,099.5	34.6	42,772.9	33.3
Other components of shareholders' equity	8,562.9	6.4	11,274.2	8.4	11,534.7	9.1
Equity attributable to owners of the Company	83,813.4	62.7	87,910.2	64.7	83,845.3	65.3
Non-controlling interests of the subsidiaries	3,368.2	2.5	3,552.6	2.6	3,919.7	3.1
<b>Total shareholders' equity</b>	<b>87,181.6</b>	<b>65.2</b>	<b>91,462.8</b>	<b>67.3</b>	<b>87,765.0</b>	<b>68.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>133,661.7</b>	<b>100.0</b>	<b>136,050.3</b>	<b>100.0</b>	<b>128,453.6</b>	<b>100.0</b>

### Comparative Income statements for the last 3 years

	2019		2020		2021	
	Baht mm	%	Baht mm	%	Baht mm	%
<b>Revenues</b>						
Revenues from hospital operations	79,630.3	87.1	65,166.5	91.2	71,541.3	94.5
Revenue from sales of goods	3,092.4	3.4	2,907.6	4.1	2,910.0	3.8
<b>Other income</b>						
Dividend income	9.3	0.0	5.4	0.0	4.6	0.0
Gain on disposal of investments in associates	7,619.0	8.3	2,429.0	3.4	-	-
Others	1,051.2	1.2	983.1	1.4	1,262.6	1.7
Total other income	8,679.5	9.5	3,417.5	4.8	1,267.2	1.7
<b>Total revenues</b>	<b>91,402.2</b>	<b>100.0</b>	<b>71,491.6</b>	<b>100.0</b>	<b>75,718.5</b>	<b>100.0</b>
<b>Expenses</b>						
Cost of hospital operations and goods sold	54,276.7	59.4	46,371.2	64.9	49,462.0	65.3
Administrative expenses	17,446.6	19.1	14,160.9	19.8	15,028.6	19.8
<b>Total expenses</b>	<b>71,723.3</b>	<b>78.5</b>	<b>60,532.1</b>	<b>84.7</b>	<b>64,490.6</b>	<b>85.2</b>
<b>Profit from operating activities</b>	<b>19,678.9</b>	<b>21.5</b>	<b>10,959.5</b>	<b>15.3</b>	<b>11,227.9</b>	<b>14.8</b>
Share of income from investments in associates	1,022.4	1.1	272.9	0.4	21.1	0.0
Finance income	110.1	0.1	39.1	0.1	73.1	0.1
Finance costs	(928.8)	(1.0)	(870.9)	(1.2)	(728.5)	(1.0)
<b>Profit before income tax expense</b>	<b>19,882.6</b>	<b>21.8</b>	<b>10,400.6</b>	<b>14.5</b>	<b>10,593.6</b>	<b>14.0</b>
Income tax expense	(3,873.4)	(4.2)	(2,751.3)	(3.8)	(2,103.4)	(2.8)
<b>Profit for the years</b>	<b>16,009.2</b>	<b>17.5</b>	<b>7,649.3</b>	<b>10.7</b>	<b>8,490.2</b>	<b>11.2</b>
<b>Profit attributable to:</b>						
Owners of the Company	15,517.2	17.0	7,214.2	10.1	7,936.1	10.5
Non-controlling interests of the subsidiaries	492.0	0.5	435.0	0.6	554.3	0.7
	16,009.2	17.5	7,649.2	10.7	8,490.4	11.2
<b>Basic earnings per share</b>						
Profit attributable to owners of the Company	0.99		0.45		0.50	
Weighted average number of ordinary shares (million shares)	15,742.8		15,892.0		15,892.0	

### Comparative Statements of comprehensive income for the last 3 years

	2019		2020		2021	
	Baht mm	%	Baht mm	%	Baht mm	%
Profit for the years	16,009.2	17.5	7,649.2	10.7	8,490.4	11.2
<b>Other comprehensive income:</b>						
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>						
Loss on change in value of available for sale investments-net of income tax	(61.9)	(0.1)	-	-	-	-
Exchange differences on translation of financial statements in foreign currencies	(108.9)	(0.1)	(4.5)	(0.0)	174.5	0.2
Share of other comprehensive income from associates	(500.0)	(0.5)	171.6	0.2	-	-
Reversal of share of other comprehensive income from associate recognizing in R/E	-	-	(111.7)	(0.2)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods-net of income tax	(670.8)	(0.7)	55.4	0.1	174.5	0.2
<b>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</b>						
Gain (loss) on fair value adjustments of investments -net of income tax	-	-	3.1	0.0	72.3	0.1
Reversal from disposal of investment	-	-	(8.8)	(0.0)	-	-
Gain on revaluation of land-net of income tax	1,048.8	1.1	2,619.1	3.7	20.8	0.0
Actuarial gain-net of income tax	(582.2)	(0.6)	-	-	474.9	0.6
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods -net of income tax	466.6	0.5	2,613.4	3.7	568.0	0.8
<b>Other comprehensive income (loss) for the years</b>	<b>(204.2)</b>	<b>(0.2)</b>	<b>2,668.8</b>	<b>3.7</b>	<b>742.5</b>	<b>1.0</b>
<b>Total comprehensive income for the years</b>	<b>15,805.0</b>	<b>17.3</b>	<b>10,318.0</b>	<b>14.4</b>	<b>9,232.8</b>	<b>12.2</b>
<b>Total comprehensive income attributable to</b>						
Equity holders of the Company	15,289.0	16.7	9,807.2	13.7	8,655.0	11.4
Non-controlling interests of the subsidiaries	516.0	0.6	510.8	0.7	577.8	0.8
	15,805.0	17.3	10,318.0	14.4	9,232.8	12.2

### Comparative Statements of cash flows for the last 3 years

	2019 Baht mm	2020 Baht mm	2021 Baht mm
<b>Cash flows from operating activities</b>			
Profit before income tax expense	19,882.6	10,400.6	10,593.7
Adjustments to reconcile profit before income tax expense to net cash provided by (paid from) operating activities:			
Depreciation and amortization	5,752.1	6,412.7	6,321.3
Write-off of assets	9.6	23.6	24.8
(Gain) loss from lease agreement amendment	-	-	16.8
Loss on withholding tax diminution and written-off	9.2	4.9	10.2
Bad debt and expected credit losses	188.8	99.4	174.6
Loss on impairment of assets	68.1	9.5	230.6
Allowance to reduce cost to net realisable value-inventory	37.6	9.6	18.8
Amortization of deferred income-membership	(292.5)	(277.1)	(260.2)
Gain on disposal of other current financial assets	-	(3.3)	-
(Gain) loss on fair value measurement of other financial assets	-	(30.2)	37.5
Share of income from investments in associates	(1,022.4)	(272.9)	(21.1)
Amortization of expense for debentures	13.5	2.4	2.2
Gain on disposal of investment in an associate	(7,619.0)	(2,429.0)	-
(Gain) loss on disposal of property, premises and equipment	0.4	9.1	5.8
(Gain) loss on fair value adjustment of investment properties	(34.8)	(0.4)	9.6
Gain on foreign exchange	15.4	(2.4)	(14.8)
Provision for life long medical care programs	100.1	268.3	250.8
Provision for employee benefit expenses	956.1	443.6	413.2
Annual leave expense	10.0	(118.4)	0.6
Finance income	(110.2)	(39.1)	(73.1)
Dividend income	(9.3)	(5.4)	(4.6)
Finance costs	928.8	870.9	728.5
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>18,884.1</b>	<b>15,376.4</b>	<b>18,465.2</b>

**Comparative Statements of cash flows for the last 3 years (continued)**

	2019	2020	2021
	Baht mm	Baht mm	Baht mm
Decrease (increase) in operating assets			
Trade and other receivables	(1,493.0)	1,453.1	(2,110.9)
Inventories	(95.1)	(21.4)	(168.6)
Other current assets	(18.8)	10.2	(578.9)
Other non-current assets	(48.7)	41.8	45.7
Increase (decrease) in operating liabilities			
Trade and other payables	77.1	(592.1)	687.5
Accrued expenses	211.6	(2,246.7)	918.3
Deferred income-membership	253.0	205.3	167.6
Other current liabilities	113.5	42.3	919.3
Provision for life long medical care programs	-	295.0	(51.1)
Provision for employee benefits	(135.3)	(179.3)	(190.6)
Other non-current liabilities	(1.2)	(7.0)	12.6
Cash flow provided by operating activities	17,747.2	14,377.6	18,116.1
Cash received from finance income	99.2	38.0	70.4
Cash paid for finance cost	(837.3)	(765.7)	(586.0)
Cash received from tax refund	35.3	74.9	41.3
Cash paid for income tax expense	(2,498.3)	(2,043.5)	(3,080.9)
<b>Net cash flow provided by operating activities</b>	<b>14,546.1</b>	<b>11,681.3</b>	<b>14,560.9</b>

**Comparative Statements of cash flows for the last 3 years (continued)**

	2019	2020	2021
	Baht mm	Baht mm	Baht mm
<b>Cash flows from investing activities</b>			
Increase in short-term investments	(73.1)	-	-
Decrease (increase) in other current financial assets	-	(369.7)	(433.3)
Decrease in restricted financial institution deposits	(1.7)	6.0	0.7
Cash received from dividend income	550.7	597.9	21.6
Net cash received (paid) for purchase of investments in subsidiaries and an associate	(169.9)	(26.7)	21.4
Cash received from disposal of investment in an associate and other long-term investment	12,731.8	18,773.7	-
Income tax paid for gain on disposal of an associate	(2,250.2)	-	-
Cash paid for purchase of other non-current financial assets	-	-	(60.0)
Cash received from disposal of other non-current financial assets	-	-	20.0
Cash received from refunding capital of investment at fair value through other comprehensive income	-	24.3	-
Cash paid for purchase of investment properties	(2.1)	(5.4)	-
Cash received from disposal of property, premises and equipment	25.3	33.8	37.4
Cash paid for purchase of property, premises and equipment	(7,437.0)	(6,335.2)	(3,975.4)
Cash paid for leasehold rights	(167.9)	-	-
Cash paid for purchase of intangible assets	(387.9)	(313.4)	(395.5)
<b>Net cash flow provided by (used in) investing activities</b>	<b>2,818.0</b>	<b>12,385.3</b>	<b>(4,763.1)</b>
<b>Cash flows from financing activities</b>			
Increase (decrease) in short-term loans from non-related parties	(1.0)	16.6	(6.2)
Decrease in bank overdraft and short-term loans from financial institutions	(5,853.4)	(23.8)	-
Cash received from long-term loans from financial institutions	-	5,000.0	-
Repayment of long-term loans from financial institutions	(4,625.9)	(3,593.4)	(5,107.5)
Repayments of liabilities under lease agreements	-	(509.0)	(492.3)
Repayments of liabilities under finance lease agreements	(17.0)	-	-
Cash paid for debentures redemption	-	(5,000.0)	-
Cash paid for purchase of investments in subsidiaries from non-controlling interests	(18.6)	(20.5)	(8.8)
Cash received from additional paid-up share capital from non-controlling interests of a subsidiary	-	-	20.0
Dividend paid	(6,940.9)	(4,741.0)	(12,737.7)
Dividend paid by subsidiaries to non-controlling interests	(244.6)	(225.3)	(198.0)
<b>Net cash flow used in financing activities</b>	<b>(17,701.4)</b>	<b>(9,096.4)</b>	<b>(18,530.5)</b>
Net increase (decrease) in cash and cash equivalents	(337.3)	14,970.2	(8,732.7)
Cash and cash equivalents at beginning of years	5,033.5	4,696.2	19,666.4
<b>Cash and cash equivalents at end of years</b>	<b>4,696.2</b>	<b>19,666.4</b>	<b>10,933.7</b>

# 5. General Information and Reference Information

## 5.1 General Information

### Type of Business

Healthcare Business

### Location

2 Soi Soonvijai 7, New Petchaburi Road, Bangkapi, Huay Kwang, Bangkok 10310  
Telephone 1719, (662) 310-3000  
Fax (662) 310-3032, (662) 310-3327

### Company Registration Number

BorMorJor. 0107537000025

### Website

[www.bangkokhospital.com](http://www.bangkokhospital.com)

### Registered Capital

Baht 1,758.22 million  
with Baht 1,589.20 million in paid-up capital,  
divided into 15,892 million common shares  
with par value of Baht 0.10 each

## Reference Information

### Securities Registrar

Thailand Securities Depository Co., Ltd.  
The Stock Exchange of Thailand Building  
93Ratchadaphisek Road, Dindaeng,  
Bangkok 10400, Thailand  
Tel: (662) 009-9000, (662) 009-9999  
Fax: (662) 009-9991

### Bond Registrar and Paying Agent

TMB Bank Public Company Limited  
3000 Phahonyothin Road, Chom Phon,  
Chatuchak District, Bangkok Province 10900  
Telephone (662) 299-1002  
Fax (662) 299-1278

### Auditor

EY Office Limited.  
33rd Floor, Lake Rajada Building,  
193/136-137 Ratchadaphisek Road,  
Klongtoey, Bangkok 10110  
Telephone (662) 661-9190, (662) 264-0777  
Fax (662) 661-9192, (662) 264-0789-90

## 5.2 Other Important Information

- The Company has limited the Company's shares held by foreign investor not exceeding 25 percent of it's total issued shares.

## 5.3 Legal Dispute

- The Company and subsidiaries have no legal disputes or have not been involved in any lawsuits or any other legal proceedings with potential negative impact on the securities of the Company or subsidiaries at the value exceeding 5 percent of the shareholders' equity according to the Company's consolidated financial statements as of 31 December 2021.

## 5.4 Secondary Stock Exchange

- The Company does not have any securities listed on a stock exchange of other countries.



# BDMS SIMULATION CENTER



achieved full accreditation in the Core and the Teaching/Education standards by SSH

**BDMS TRAINING CENTER FOR CLINICAL SKILLS (BDMS SIMULATION CENTER)** is the first healthcare simulation center in Thailand to achieve full accreditation in the Core and the Teaching/Education standards by the Society for Simulation in Healthcare (SSH) – the leading healthcare simulation accreditation body in the world. This accreditation of clinical skills training with internationally recognized medical simulation techniques is the same standard as leading international medical schools such as Harvard University, Johns Hopkins University, Yale University and Duke University.



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02

CORPORATE  
GOVERNANCE

# 6 Corporate GOVERNANCE

## 6.1 Overview of Corporate Governance Policy and Guidelines

The Company recognizes its role, duty and responsibility in practicing good corporate governance and believes that corporate governance shall determine the structure and relationship among shareholders, the Board of Directors, the management and every stakeholder group with the aim to increase the competitiveness and business value for the shareholders in the long run as well as to consider the benefits of other stakeholders which in turn will ensure the Company's continuous and sustainable growth.

The Board of Directors has determined good corporate governance policy as guidelines for all directors, executives and employees of the Company Group. Therefore, the Board of Directors appointed the Corporate Governance Committee to supervise and filter matters relating to corporate governance, including monitoring, review and revision of the existing corporate governance policy to ensure that it is up-to-date and consistent with current situation. The Committee shall also ensure that the policy is in line with good corporate governance as determined by the regulatory body as well as international standards. Besides, the Committee shall propose such policy to the Board for review and approval at least once a year. The Board of Directors has constantly emphasized good corporate governance through integration of policies and business directions as well as sufficient internal control and auditing. In addition, the Board assigned the Audit Committee the task of drafting the internal audit plan to ensure that the organization has complied with all policies. Moreover, the Board of Directors has supervised the management to act efficiently under the established policies to ascertain that the Company's operations are transparent, ethical and abide by governing laws and regulations.

### 6.1.1 Policies and Guidelines of the Board of Directors

The Company has specified the policies and guidelines of the Board of Directors in which they must strictly adhere to in order to ensure efficient business operations of the organization while emphasizing on excellent management and good corporate governance. In addition, the Company can achieve its key objectives and goals as established under relevant laws, regulations and business ethics which in turn shall promote the organization's competitiveness and good operating results by taking into consideration long-term impact, benefits for the society, responsibility toward the shareholders and stakeholders while being able to adapt under constant changes.

### **Roles and Duties of the Board of Directors**

The Board of Directors shall assume its duties within the context of its duties and responsibilities as specified in the Board of Directors' charter as well as perform other important roles and duties in various areas as stipulated in the Company's Corporate Governance Policy which are as follows:

#### Roles and Responsibilities of the Board of Directors as Leader of the Organization

The Board shall adhere to and realize its roles and responsibilities in overseeing the organization and strengthen good governance which also encompasses a determination of clear objectives, goals, strategies and operation policies, including evaluation and supervision of report of operating results. The Board shall supervise all directors and executives to perform their respective duties with responsibility, caution and honesty toward the organization while ensuring that every director and executive devote adequate time and also act in compliance with applicable laws, regulations and the resolution of the shareholders' meeting within the scope of business ethics and good corporate governance. The Company has set a policy that directors and the Sub-Committee members shall attend meetings in each group not less than 75 percent and the minimum quorum of the Board of Directors shall not be less than two-thirds of the total number of the Company's directors. In addition, in a case where the President or the Chief Executive Officer (depending on the name of the position determined in the future) holds a directorship position in another company outside the group or other than those assigned by the Company, he/she shall report the details thereof to the Board for acknowledgement.

#### Promote Sustainable Value Creation

To promote sustainable value for the business, the Board shall ensure that the Company has clearly defined its objectives that support the Company's business model and communicate such objectives to all personnel in the organization to move them forward in the same direction which ultimately leads to the establishment of organizational culture. In addition, the Board shall also ensure that the Company's strategies and annual plans correlate and align with the Company's goals and objectives while considering the business environment, opportunities, conditions and risks which may pose a direct impact on related stakeholders.

#### Strengthen Board Efficiency and Effectiveness

- Criteria, qualification and structure of the Board as well as a proportion of independent directors are appropriately defined in the Board of Director's Charter to be adhered to as guidance and as a method of check and balance of corporate performance.
- The Board assigns the sub-committee to assist in considering and scrutinizing other related matters and directly report to the Board. Besides, the Board should closely supervises all directors and sub-committee to perform their responsibilities with fiduciary duties and in conformity with

the charters of the Board of Directors and sub-committees each of which shall be revised as deemed appropriate to be up-to-date and suitable for current situation to strengthen the efficiency of the Board and the sub-committee while simultaneously in compliance with the obligations of regulatory bodies, applicable laws and regulations.

- The Board should ensure that the policy and procedures for the selection and nomination of directors and sub-committee as well as the remuneration policy are clear and transparent, resulting in the desired composition of the Board. The remuneration of the Board should be defined as appropriate and in conformity with their duties and responsibilities, and must be proposed at the shareholders' meeting for prior approval. Candidates who shall be nominated as a director must possess appropriate qualifications; namely, integrity, accountability, adequate knowledge and expertise needed for the Board matrix, maturity, leadership skills, dedication, vision and courage to express differing views independently, transparent and acceptable work background, and any other qualifications as specified by the Board's Charter, regulatory bodies and applicable laws.

- The Board should promote and encourage every director and the sub-committee member to have adequate training and knowledge development in consistent with their roles, duties, business operation of the Company and its subsidiaries as well as relevant laws and regulations necessary for effective operation. The Board should also appoint skillful and knowledgeable company secretary with necessary qualifications, knowledge, skills and experiences to support the Board and sub-committee in performing their duties.

- The annual assessment of the performance of the Board and sub-committees as a whole and on an individual director level should be conducted.

- Non-executive directors should have a meeting without the management at least once a year to summarize opinions, from an independent perspective of directors who are not involved in management, that are beneficial to the Company's business operations.

#### Nominate and Develop Senior Executives and Personnel Management

The Board of Directors shall ensure that the Company has set up an effective policy and guidelines in nominating and developing the senior executives of the organization and the management of every level so that the management of various levels will possess knowledge and capability which will ultimately lead the organization toward its established goals and that they are able to perform duties in replacement of others. Moreover, the Board shall supervise the specification of suitable remuneration structure and performance evaluation by delegating to the Nomination and Remuneration Committee (in the case of the Chief Executive Officer of the organization) or communicating the remuneration policy through the management (in the case of senior executives).

Personnel are deemed important assets as a human capital which is the most crucial factor driving the organization to fulfill its established goals. Consequently, the Board of Directors shall establish different levels of personnel

development plans while ensuring its appropriateness and adequacy. Also, operational plans and budget allocation shall be put in place while annual performance criteria must be clearly stated.

#### Nurture Innovation and Responsibility for Business Operations

The Board shall prioritize and promote innovation that creates value for the Company, support the inclusion of innovation to stimulate business opportunities and performances as well as encourage management to ensure that the Company's operations reflect the Company-wide implementation of high ethical, environmental and social standards by allocating and managing resources efficiently and effectively while taking into account any negative impacts that may incur.

#### Supervise the Risk Management System and Internal Control

One of the Board's key roles and duties is to ensure an appropriate internal control system and internal audit, the duties of which the Board should appoint an independent internal auditor to perform. In order for an effective establishment of risk management and internal control systems that conform to relevant laws and standards, the Board should initiate risk management policy to control any potential risks that may affect an entire organization, the operational results of which shall be reported to the Board scrutinized by the assigned sub-committee as well as the assessment of the adequacy of the internal control system and risk management which should also be scrutinized by relevant sub-committee prior to proposing the Board of approval.

In addition, the Board should realize the importance of monitoring mechanism that may incur conflicts of interest or any related transactions. A decision on such transactions must be in accordance with applicable laws and regulations of related regulatory agencies and such transactions must be considered as equivalent to those performed with an arm's length basis. Any related persons in each transaction must not be a part in an approval procedure. The Board should also set up clear guidelines and policy for any party who has a vested interest in a particular transaction or may be in conflict with any executives or staffs to ensure the fairness and transparency of such transaction. The Board should ensure that information disclosure be fully conducted in compliance with good corporate governance.

Besides, in considering any meeting agenda in which any directors may have a vested interest, the Board should ensure that such director with a conflict of interest in relation to an agenda item abstain from being present for discussion of or voting on that agenda item.

#### Ensure Disclosure and Financial Integrity

Apart from being accountable for monitoring the sufficiency of the Company's financial liquidity and solvency as well as its financial status, the Board should supervise the preparation of the Company's financial reports and accounting audit which are consistent with applicable standards. The Board should ensure that the disclosure of any information will be performed accurately, sufficiently and on time while carefully considering

any requirements and guidelines of related regulatory agencies. Furthermore, the use of information technology in information disclosure process should be promoted to enable shareholders, investors and general public to be well informed of recent and up-to-date news and information in an appropriate, equal, and timely manner.

#### Ensure Engagement and Communication with Shareholders

The Board shall treat each shareholder fairly and equally as an owner of the business while protecting the right of shareholders and take every precaution to ensure a fair and equitable treatment. The shareholders are provided to participate and exercise their rights in important decision making as specified in applicable laws and good corporate governance. The Board should also provide a channel of communication with the shareholders in a regular interval or as deemed appropriate.

(Please see <https://investor.bangkokhospital.com/storage/downloads/corporate-governance/20210107-bdms-cg2020-en.pdf> for a full version of the Corporate Governance Policy)

#### Orientation of New Directors

The Company recognizes the importance of new directors in performing their respective duties; therefore, the Company has provided overall operational guidelines of the Company, the structure of subsidiaries, affiliates and other business-related companies to foster work procedures and the shareholding structure within the Group. In addition, the directors must be informed of significant and necessary information in performing their duties such as the Charter of the Board of Directors and the Sub-Committees, overall business operation of the Company, internal organization chart, the Articles of Association, the Company's objectives, the Company's business ethics as well as corporate governance policies that govern and practiced within the Group.

#### Term of Directorship

In principle, the directors should not serve for a long and continued period of time; however, there is a shortage of experienced personnel with knowledge and understanding of healthcare as well as the limitations in finding suitable personnel for replacement. In addition, the Company must take into consideration the management of risks that may arise due to lack of knowledge and understanding of healthcare business which is deemed an important factor in selecting directors with specialized expertise and can truly understand the nature of the Company's business. Thus, the Company has not officially determined the time limit concerning the term of directors.

#### Determining the Number of Companies which will be held the Director of Listed Companies on the Stock Exchange of Thailand

The Company has set the policy that each director can hold no more than 5 directorships of the companies listed on the Stock Exchange of Thailand (including directorship of the Company) as it may result in a lack of complete performance in one of those companies.

### **Meeting of the Board of Directors and the Sub-Committees**

The Committee has specified the dates for the meetings of the Board of Directors and the Executive Committee in advance throughout the year and may set additional meetings as deemed necessary. The regular Board meetings shall be held on the last Wednesday of each month and the Executive Committee meetings shall be held on the Tuesdays prior to the Board meetings to enable the directors and every member of the Executive Committee to acknowledge the meeting dates in advance. The agenda of each meeting will also be set beforehand as well as continuing agendas to follow-up the tasks already assigned. The Company Secretary shall send the meeting invitations and the agenda at least 7 days prior to the meeting so that the directors shall have adequate time to review the information before attending the meeting.

For the meetings of the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Corporate Governance Committee, the Company has not specified meeting schedule in advance. However, the meetings of these four Sub-Committees are held as deemed appropriate and when there are matters that need to be considered. The performance of each Sub-Committee shall be reported at the Board's meeting on an annual basis.

### **Specification of the Minimum Quorum and Meeting Attendance of the Director**

The Company has set a policy that the minimum quorum of the Board of Directors should not be less than two-thirds of the total number of the Company's directors and these directors and Sub-Committee members shall attend meetings of each group not less than 75 percent of all meetings throughout the year.

### **Meeting of Non-executive Directors without Presence of the Management**

To comply with the Company's corporate governance policy which has determined that non-executive directors should have a meeting without the management's presence at least once a year to summarize opinions, from an independent perspective of the directors who are not involved in the management and that are deemed beneficial to the Company's business operations. In December 2021, non-executive directors organized one meeting among themselves and without the presence of the management in order to discuss as well as to summarize opinions and suggestions relating to the business operation of the past year. In addition, the meeting results were reported to the Board of Directors for acknowledgement at the next Board meeting.

### **Performance Assessment of the Board of Directors and Sub-Committees**

The Board of Directors and the Sub-Committees have performed self-assessment, both as a whole and as an individual on an annual basis and at least once a year to improve the utmost efficiency and effectiveness of the operation. The assessment form encompasses the following topics:

1. Assessment of the structure's efficiency and qualifications of the Board and the Sub-Committees
2. Adequacy and appropriateness of meeting agendas and the number of meetings
3. Efficiency and operational performance of the Board and the Sub-Committees

The procedures for performance assessment shall be as indicated below:

1. The Company Secretary shall propose the performance assessment form of the Board of Directors and the Sub-Committees to the Corporate Governance Committee for consideration and review.
2. The Company Secretary shall submit the assessment form which has already been considered according to clause 1 to every director and members of the Sub-Committee to perform the annual assessment.
3. The Company Secretary shall gather all assessment forms from the directors to summarize the assessment results and then propose to the Board of Directors' meeting for acknowledgement.

#### **Policy on Director's Remuneration**

At present, the Company assigns the Nomination and Remuneration Committee to determine the remuneration of directors fairly and appropriately with the duties and responsibilities of directors by comparing with the remuneration of other leading companies listed on the Stock Exchange of Thailand as well as those companies of a similar size within the same industry. Besides, the remuneration must be in line with the Company's operational result and must be approved at the shareholders' meeting. The structure of the remuneration for the Board of Directors and the Sub-Committees comprises of:

1. Director's allowance which shall be allocated according to business performance of each year which shall be approved by the shareholders' meeting and;
2. Meeting allowance in which the directors and the Sub-Committee will be paid at the rate approved by the shareholders' meeting and based on their actual meeting attendance.

#### **6.1.2 Policies and Treatment of Shareholders and Stakeholders**

##### **Policies and Treatment of Shareholders**

The Company strives to operate its business for the utmost benefits to every shareholder in the long run by ensuring sustainable business growth and profits under good corporate governance and social responsibility while stressing on its competitiveness by taking into careful consideration both current and future business risks. In addition, the Company has operated its business to consistently attain profits through continued business development in the long run, efficient internal control, audit system and robust risk management as an expression of gratitude and responsibility for every shareholder.

### 1. General Rights and Equality

The Company is responsible for the shareholders in information disclosure, preparation of financial statements, use of inside information and resolution on conflicts of interest. The management must be ethical and any decisions must be made with honesty and fairness to both major and minor shareholders for the utmost benefits of all related parties.

The Company is well aware of its significant responsibility in assigning rights without prejudice and equal treatment to every shareholder. It is the Company's duty to protect the interests and rights of the shareholders, including the rights to receive dividends and adequate information relating to the Company on a regular basis. Besides, the Company has the duty to disseminate information transparently and shows its responsibility as the management by organizing the shareholders' meetings.

The Company has the policy to support disclosure of information and business transactions to ensure that the shareholders shall have a clear understanding of the Company's business operations. The Company is determined to create equality among every group of shareholders, whether they may be major shareholders, minor shareholders, institutional investors or foreign shareholders. Each group of shareholders shall equally have the information pertaining to business operations, management policies and report of financial statements as well as the rights to be treated fairly.

At each shareholders' meeting, the Company has distributed the meeting invitation including details of each meeting agenda, supporting reasons, the Board's opinions as well as other documents for consideration on each agenda item so that the shareholders shall be well informed and to facilitate each shareholder to receive clear and adequate information as well as have sufficient time to study the information prior to the shareholders' meeting. The Company has published the meeting invitation and supporting documents of each agenda item, including other relevant documents such as an identification document needed to present before attending the meeting, proxy procedures, registration, proxy form, map of meeting venue, both in Thai and English, which shall be published via SETLINK on the SET portal and on the Company's website 30 days prior to the meeting. Such documents must be sent at least 10 days in advance for general agenda items, which is more than the number of days required by law and at least 14 days in advance in a case where an approval of connected transactions or special resolutions are required.

To provide convenience to the shareholders who are unable to attend the meeting, such shareholders may appoint proxy to attend the meeting and vote on their behalf. The Company has prepared the proxy form (proxy form B) which will be sent together with the meeting invitation, including a list of identification documents and evidences required to attend the meeting, proxy procedures and registration form or the shareholders can download the proxy form from the Company's website. Moreover, to provide another channel in maintaining the rights of shareholders, the Company suggests another option that the shareholders can appoint an independent

director of the Company as proxy to attend the meeting and vote on their behalf. To achieve this end, the Company has provided information on the independent director whom the Company proposes as a proxy to attend the meeting and vote on their behalf in a case where they are unable to attend the meeting in person.

The Company also sets the policy to provide an opportunity to the shareholders to propose important agenda items for the Annual General Meeting of the Shareholders as well as to nominate qualified and competent persons as directors prior to the AGM. Therefore, the Company has given an opportunity for the shareholders to propose the agenda items and nominate directors 45 days in advance. Besides, the shareholders can access information on guidelines and conditions in proposing the agenda items and nominees on the Company's website. In a case where the Board of Directors has considered that the proposed agenda is appropriate, constructive and beneficial to the organization, the Board will include such agenda items in the meeting to propose to the shareholders' meeting for further approval. However, if the Board deems that such agenda item is inappropriate, the Board will prepare a summary report of such agenda item for the shareholders' meeting for consideration. For the 2021 Annual General Meeting, the Company provided the opportunity for the shareholders to propose agenda items in advance as well as to nominate qualified and competent persons as directors to the Board prior to the meeting which was held from 1 December 2021 to 14 January 2022.

During the shareholders' meeting, each shareholder has an equal right to express his/her opinion independently and to ask questions within an appropriate time frame. The voting and vote counting process will be carried out openly and in a timely manner. Each share equals one voting right and no shareholder has any privileged rights above any other shareholders and one share equals one vote whereby the majority vote will decide the resolution (for general agenda items which the law does not specify otherwise).

As for details of vote counting results in each agenda item, the Company shall gather voting results and inform such results to the meeting after the voting of each agenda item. In a case where some agenda items require more time in counting the votes, the Chairman of the meeting may request to consider other agenda items while the votes are being counted to facilitate the continuity of the meeting. To record the meeting resolution, the Company will record the voting by separating the number of votes into "Agree", "Disagree" and "Abstain" for such agenda item. After that, voting results will be recorded in a written form in the meeting report. Besides, questions, explanations and opinions of the meeting are also recorded for verification. In a case where any shareholders have a specific stake in a particular agenda item, such shareholder will be prohibited from voting on that agenda.

## 2. Shareholders' Meetings

The Company's policy is to convene the shareholders' meetings as stipulated by law and provide the shareholders with the opportunity to be fully informed before exercising their rights. To achieve this end, the Company

has organized the Annual General Meeting of the Shareholders within 4 months from the end of the accounting year. The meeting shall be held in compliance with the laws and regulations of the Stock Exchange of Thailand, starting from the meeting announcement, meeting arrangement and process after the meeting.

One or more shareholders with combined shares of no less than one tenth of total outstanding shares may petition the Board of Directors to arrange an extraordinary general meeting at any time as stated in the Company's regulations but must clearly state the agenda item and the reason for convening such meeting in the petition. The Board of Directors must convene the extraordinary general meeting within 45 days after receiving the petition. Details for procedures of such shareholders' meeting shall be as follows:

- **Prior to the Meeting**

The Company has sent letters of notification to every shareholder by registered mail no less than 10 days in advance for general matters which is higher than the law specified and at least 14 days in advance in a case where an approval on connected transactions or special matters is required. The meeting notification shall be published at least in one daily Thai newspaper and one daily English newspaper for 3 consecutive days prior to the shareholders' meeting.

The Company has announced the shareholders' meeting and accompanying documents, both in Thai and English on the Company's website: [www.bangkokhospital.com](http://www.bangkokhospital.com) under the menu item "Investor Relations" as an additional mode of distributing information to ensure the equality of every shareholder and in support of the shareholders' rights to receive information. Moreover, the Company has posted the meeting invitation in both Thai and English on the Company's website 30 days prior to the meeting date.

In the meeting invitation, the shareholders will acknowledge details of the meeting such as time, meeting venue, agenda items as well as objectives, reasons and opinions of the Board on such agenda item and accompanying document (if any) so that the shareholders shall have adequate information for decision making, the Company's annual report, proxy form and list of documents needed to attend the meeting. Besides, the Company has sent details on meeting procedures and appointment of proxy as well as recommended the shareholders to appoint an independent director to act as proxy, facilitate the shareholders' acknowledgement and consideration before the meeting. This shall assist the shareholders to exercise their rights and to cast their vote more prudently.

For the convenience of the shareholders, the Company has provided the registration at the shareholders' meeting by using barcode system and also prepared separate ballot for each agenda item to ensure speed and verification, especially for the appointment of directors whereby the Company has prepared ballots for the voting of individual directors. Moreover, the shareholders or proxies shall receive the ballots at the registration stage.

- **During the Meeting**

The Company has assigned the Chairman of the meeting the duty of notifying and explaining the voting procedures of various agenda items before the meeting starts. The President is responsible for answering questions of the shareholders and after each agenda, the voting results will be announced and duly recorded.

To facilitate the shareholders and to ensure clarity, the Company has used different multimedia facilities to present information and voting results of each agenda item during the meeting. The Company has established the policy to hold the meeting according to an order of the agenda items clearly specified while giving the shareholders an equal opportunity to cast their votes.

To honor the rights of all shareholders, the Company has put in place a policy that requires every director, including the Sub-Committees, the auditor and other relevant executives such as the Chief Financial Officer, the Assistant Chief Accounting and Financial Officer and the executive responsible for investor relations to attend every shareholder's meeting. If any directors or executives cannot attend such meeting, he/she must submit a written explanation of such absence to the Chairman of the Board (in the case of directors) or the President (in the case of executives) for their acknowledgement.

The Chairman of the meeting has provided sufficient time for the shareholders to raise questions and give recommendations on the Company's operations and annual financial report without infringing the shareholders' rights. The Chairman of the Board and the President will clarify every information during the meeting and give all directors an opportunity to unofficially meet with the shareholders after each meeting.

- **After the Meeting**

The Company has prepared minutes of the meeting as well as recorded in writing the meeting resolution for voting in which the votes can be divided into "Agree", "Disagree" and "Abstain", including any questions, explanations and opinions of the meeting. Such meeting report must then be submitted to the Stock Exchange of Thailand within 14 days after the meeting has ended. Besides, the Company has published the minutes of the shareholders' meetings on the Company's website: [www.bangkokhospital.com](http://www.bangkokhospital.com) under the menu item "Investor Relations" so that the shareholders and general investors will be informed of the minutes of the meeting in a timely and verifiable manner.

#### **Policy and Treatment of Stakeholders**

The Company recognizes the significance of every stakeholder group, whether they are internal personnel or external stakeholders such as shareholders, customers, creditors, business partners, communities, government agencies and other related organizations. The Company also realizes that the support of each stakeholder group will ensure long-term sustainability

and existence of the organization. Consequently, the Company has set its policy to protect the rights of these stakeholders through a strict compliance with relevant laws and regulations as well as taking into consideration the interest of all related parties as follows:

#### **Information Disclosure and Transparency**

The Board of Directors has announced the Corporate Governance Policy to be employed as guidelines on the treatment of every stakeholder in various aspects. The Company has the policy to disclose its financial information and general news to the shareholders, investors, securities analysts, including general public in an accurate, complete, fair, equal, transparent and timely manner and as prescribed by relevant laws and regulations. However, the Company has constantly monitored the announcement of new regulations and then adjusted its guidelines to be in accordance with such regulations. Furthermore, the Company has disclosed such policies to personnel within the organization and disseminated all of them on its website as follows:

1. Corporate Governance Policy
2. Code of Conduct and Whistleblower Policy
3. Corporate Information Disclosure Policy
4. Supervision of Using Inside Information Policy
5. Securities Trading Policy
6. Fraud Prevention and Anti-corruption Policy
7. Policy and Guidelines on Human Rights
8. Policy on Non-infringement of Intellectual Property Rights and Copyrights
9. Risk Management Policy
10. Information Security Management Policy
11. Tax Policy
12. BDMS Earth Healthcare Policy
13. Sustainability Development Policy
14. Connected Transaction Policy

#### **Policy on Transactions which may cause Conflicts of Interest and Transactions between Companies**

The Board of Directors realizes that transactions that may lead to conflicts of interest and/or transactions with related parties must be thoroughly contemplated to ensure compliance with relevant laws and regulations of the Securities and Exchange Commission, the Capital Market Committee, policies and internal guidelines of the Company. In addition, such transaction must be strictly carried out in the same manner with other transactions with external parties without any relationships with the Company. Furthermore, such transactions must fully provide benefits to the Company and every shareholder. The terms and conditions of such transaction must comply with the terms and conditions according to generally acceptable business standards.

The Company has put in place the policy to prevent any directors, executives and staffs from exploiting their status for their personal gain. The directors, executives and staffs must refrain from engaging in any transactions relating to conflicts of interest. Besides, these directors, executives and staffs with potential stakes in any transactions are not allowed to participate in the decision-making process. Specifically, the directors shall be prohibited to consider or vote on any matters in which they have an interest, including transactions between companies and those between subsidiaries and stakeholders in a careful manner and without prejudice.

The Company has the policy to disclose financial statement, important information and other relevant information with potential impact on the interests of the shareholders or investment decision which in turn may affect the price of the Company's shares or securities. The information shall be disclosed sufficiently, completely, transparently through fair and appropriate channels. The main purpose is to ensure that the decision to invest in securities of the Company is made fairly and with equal information in accordance with the Corporate Information Disclosure Policy, the Supervision of Using Inside Information Policy and the Securities Trading Policy. Besides, all of these policies must be disseminated to the directors, the management and employees for acknowledgement and further action.

In addition, the Board of Directors has prepared the report on responsibility for the financial statement along with the report from the auditors and also included these reports in the Company's annual report and annual information disclosure form so that the management may recognize the commitment and responsibility for information and financial report which must be accurate before being made available to the investors.

#### **Policy on Employees**

Employees are deemed valuable assets of the Company. The Company thus has taken good care of competent and experienced personnel consistently according to the Company's strategic and operational plans. The Company also ensures an equal employment opportunity and suitable compensation. Besides, the Company has arranged for necessary training programs provided by internal and external persons to constantly enhance skills and capability of personnel while simultaneously promoting organizational culture and good environment as well as treat every employee equally and justly. Employees are encouraged to express their opinions and make suggestions directly to the management via the Company's internal website.

In addition, the Company has provided employees with welfare and safety, including various benefits such as medical welfare and provident funds. Furthermore, the Company has reviewed employees' compensation and welfare to ensure that they are competitive with other organizations within the same industry. Besides, academic scholarships are also provided to medical doctors, nurses and staffs so that they will enhance their knowledge that in turn will assist in the development of the organization. The Company aims to make the organization a place of learning for personnel as well as to motivate knowledgeable and capable personnel to remain with the

organization in the long run. Therefore, the Company has specified the following guidelines in human resources management, starting from recruitment, training, development and maintenance of qualified personnel.

#### Recruitment and Career Advancement

In term of personnel management, the Company has realized the importance of human resources development, starting from the recruitment process by considering the recruitment of personnel who possess capability, experience, education and other qualifications pertinent to each position. In recruiting for a particular position, the Company shall give priority to internal staffs in order to provide an opportunity for career advancement. In a case where there are not appropriate internal candidates, the Company shall consider recruiting external candidates. Moreover, every new employee will be trained and will attend the orientation while being informed of operational procedures and steps of every department in the organization so that employees can plan and act according to their objective. Besides, the Company has realized the importance of giving employees the opportunity to grow according to their career path in order to retain capable and ethical personnel with the organization.

#### Performance Evaluation of Employees

The Company has evaluated employees' operational capability and skills by clearly and fairly determining the evaluation criteria for employees of every level. The evaluation will be based upon the employees' competency, potential and capability in 4 aspects; namely, skill, knowledge, attributes and performance. In addition, the Company has thoroughly communicated the evaluation criteria to employees in advance. In determining the remuneration for employees, apart from taking into consideration the Company's overall performance and annual economic condition, the evaluation results are deemed an important factor in specifying employees' remuneration. This performance evaluation of employees and the determination of remuneration according to such evaluation results shall encourage these employees to work and develop their skills and competency more efficiently and effectively.

Corporate KPI shall be established by using Balanced Scorecard (BSC) in which the consideration shall cover each dimension such as finance, customer, internal operation procedures, risk management and human resources management etc. and then taken into consideration together with Core Competency and BDMS Core Values of the organization. Various factors mentioned earlier can be adjusted for appropriateness with the strategies of each time period. Performance evaluation shall be conducted by every sector of the organization and then summarized by the management. Afterwards, corporate KPI shall be transferred from the Chairman and/or President to the management, division manager and every personnel respectively. Each employee shall have his/her own KPI which is in compliance with KPI of the department, division and organization. The evaluation results shall be used for consideration based on Forced Ranking principle as specified by the Company. Moreover, the supervisor or the chief shall provide advice and

recommendation to their subordinates for performance improvement as well as foster and encourage them to dedicate themselves which in turn shall be linked to the consideration for employees' remunerations and rewards from their performance.

Performance evaluation system is a continued process in measuring and assessing personnel's knowledge and capability as well as evaluating the effectiveness of the operation according to the established goals which are relevant to those of the agency and the organization (Corporate and Functional KPI). Performance evaluation system is also considered a tool to measure the personnel's current performance and to assess their readiness in terms of knowledge and skill whether they are ready for career promotion. The system also helps identify the level of knowledge, capability and skills required for a higher position in the future. The evaluation results will be employed for appropriate short-term and long-term career development plans whereas the performance review will be conducted at the end of each year.

The supervisor shall review the performance results, determine an individual career plan and individual development plan on an annual basis. The supervisor shall take into consideration future career path of the personnel as well as identify the development approaches in various forms such as training, programs, on-the-job trainings and job assignments etc.

#### Equal Treatment to Employees

The Company recognizes the significance of fair and equal treatment of every employee within the organization, starting from recruitment process to career promotion based on capability without prejudice or nepotism. Besides, the Company has encouraged employees to express their opinions while providing them with operational guidelines.

#### Employee Satisfaction Survey

To enable the Company to be well aware of each employee's satisfaction and happiness in workplace, the Company thus has conducted surveys for employees at all levels to gather their opinions and suggestions. The information gathered can be used to correct and improve any shortcomings in the management of the organization and resources both in the short-term and long-term. In addition, the Company has specified the regulations on filing complaints to be used by the employees and to become the guidelines on resolving their grievances in a fair and equitable manner.

#### Good Quality of Life for Employees

The Company has consistently realized the importance of good quality of life of all employees that in turn will encourage them to work more dedicatedly and efficiently. Therefore, the Company has organized a project to survey the development of the employees' quality of life and better health condition by providing them with annual health check-up and vaccination as deemed appropriate. Moreover, the Company has emphasized on safety and hygiene in workplace environment to ensure good well-being and health

of every employee. The Company has stipulated and announced the policy on the environment, occupational health and safety while ensuring strict compliance throughout the organization. Also, the Company has constantly promoted trainings and provided knowledge on other related matters via different media within the organization; for example,

- Fire drill and fire evacuation
- Training program for newly recruited employees, training on the use of appliances, equipment and operational procedures for knowledge enhancement and to prevent any operational mistakes
- Analysis of any accidents or illnesses taken place in the workplace
- First aid and rescue procedures training
- Fitness room and exercising programs to promote good health for employees
- Mental health promotion programs for employees and their families

In addition, during the Covid-19 pandemic, the Company has provided every front-line personnel and supporting personnel with the Covid-19 vaccines, including their family and close persons as well as staffs of contractual companies, stores' employees and surrounding community. Moreover, the Company has provided medical care and treatment, arranged quarantine venues in a case where its employees or their family member report a positive test result. Also, the Company has given the employees the opportunity to adjust their own working plan so that they are able to choose and specify their own working hours during severe Covid-19 outbreak. Instead of working from home, the Company's personnel have chosen to work at the office as a volunteer, together with medical doctors and nurses in the Covid-19 vaccination project offered to general public whereby the Company has constantly supported and cooperated with the government agencies.

#### Build Solid Management and Co-working System

The Company recognizes the importance of continuous work process from beginning to end to ensure qualified and standardized outputs while eliminating and minimizing potential conflicts. To achieve this end, every department must collaborate in preparing the Operational Manual to be used as guidelines in communicating and coordinating among various departments within the organization. This Operational Manual can be accessible by all employees via intranet and shall be reviewed and revised as the Company deems appropriate. In a case where the number of staffs in any departments are not sufficient for increased workload, then the Company shall hire additional staffs with suitable qualifications which correlate with a specific position to ensure that the workload of such department is in line with the number of staffs.

#### Build Good Relationship between the Management and Employees

The Company realizes the importance of good working relationship between the management and employees which directly affects their mutual operational efficiency. Consequently, the Company has organized various

activities between the management and employees which help improve their relationship and promote contentment in the workplace. Such activities include New Year's party, merit making and sports events etc. Besides, the management meets regularly with employees in order to exchange opinions which will ultimately lead the entire organization towards the same direction in an efficient and effective manner.

#### Build Good and Ethical Employees for the Organization and the Society

For employees to conform to collective disciplines and for the benefits of all concerned parties, when any employees evade or violate work regulations, such employee shall be considered to be at fault and such misconduct must be deliberated and rectified according to the regulations by considering good corporate governance principle as defined and stipulated by the Company for the management and every employee. The Company strongly believes that the development of personnel to become good and ethical person will ensure the organization's stable and sustainable growth.

#### Human Resources Development Policy

The Company has consistently realized the importance of skills development for leaders and employees of the organization by stressing on "Upskill" and "Reskill" so that they can adapt themselves to constant changes in a timely manner. For this year, the Company still continues to organize trainings and develop these training programs in a form of "Virtual class" by employing technology to support learning process via online system and e-learning which facilitate the employees to attend these trainings and learn via electronic appliances and mobile phones. However, the Company is in the process of bringing this system into the Human Capital Management (HCM Cloud) which in turn will enable the Company to establish its learning and data center with an integrated system and the employees of the Company and its affiliates can easily access and learn more conveniently via their own communication device anywhere and anytime.

##### *1. Development of leader within the Company*

The management and leaders of any business organizations with various fields of knowledge and experiences are deemed valuable assets that can relay knowledge and experiences to others. Thus, the Company has organized the Executive Sharing Talk project via live streaming system by emphasizing on learning from case studies and exchanges of experiences among senior executives from both public and private sectors; for example, how to handle social media crisis, how to launch digital platform with agile power of innovation and sustainability and how to benefit from the business and financial sector under various topics pertaining to Thailand's future.

##### *2. Development of new skills*

Social distancing is considered an important and necessary factor in this era. Technology has a significant role in any operations; therefore, the skills development for employees shall stress on knowledge relating to technology, including other required knowledge to enable these

employees to perform their respective duty according to the code of conduct for employees; for example, online and interactive media design, data analytics, critical and innovative thinking, effective work through innovation and legal knowledge pertaining to their operation etc.

### *3. Development of medical skills of personnel*

The Company has established the BDMS Simulation Center which is the training center for clinical skills through the simulation of virtual medical situation and the creation of learning innovation via BDMS Tele-Simulation Network System.

### Training Programs for Employees

The Company has set its policy to promote training and personnel development to develop the working skills of every employee in a regular, accumulative and consistent manner by organizing trainings, both internally and externally. For internal trainings, apart from organizing trainings regarding working skills in various areas, the Company has also encouraged exchange of knowledge and experience between employees of different departments, whether in a form of co-meeting or knowledge exchange via intranet. For external trainings, the Company has provided the employees with the questionnaire to fill out their requirement on training and allow the employees to attend such training as deemed appropriate. Besides, the Company has followed up and assessed learning outcome of each training program to ensure mutual benefits for both Company and employees.

For the past year, the Company organized training programs and activities to equip the employees with knowledge in various topics as indicated below:

#### *1. Deep Empathy and Emphatic Communication Program*

The Company has organized this program consecutively throughout the year; for example, mutual understanding and co-working in an efficient manner, expression of sympathy, active listening and communication, creation of energy and contentment in the workplace, including creation of a perfect balance. This in turn will enable the employees to know themselves better, minimize stress, understand others and can work well with others in an efficient manner.

#### *2. Awareness on Environment and Sustainability*

Apart from publicizing the environmental policy or “BDMS Earth Healthcare” in a form of infographic motion VDO to enable the employees to learn via concise and understandable media, the Company has realized the importance of minimizing the greenhouse gas. To achieve this end, the Company has provided knowledge for employees to help minimize the greenhouse gas which in turn will lessen global warming effect from both household and organizational sectors, including energy saving in many ways such as BDMS Earth Healthcare Carbon Footprint, BDMS Earth Healthcare SROI, BDMS Earth Healthcare Innovative CSR, BDMS EHC Booth Camp etc. Every hospital in the network and affiliates have participated in Care the Bear Project held by the Stock Exchange of Thailand of which its aim is to minimize the volume of carbon footprint, reduce the consumption of plastic, paper and raw materials

that are unnecessary for the activities of every hospital and affiliates. In addition, the Company has organized online training for employees in Care the Bear Project concerning global warming as well as suggest the project's online membership application of the Stock Exchange of Thailand.

### *3. Contest of Environmental and Sustainability Project*

The Company has organized the “BDMS Award: Innovation for Sustainability Healthcare” contest for 6 consecutive years. For this year, “BDMS Earth Healthcare” has been incorporated as one part of the project and the subsidiaries have participated by submitting over 30 projects in this contest. To judge the submitted projects, the experts shall consider worthy projects which emphasize on research, environmental-friendliness and most significantly, such projects must foster sustainable attachment with the community. There were 3 winning projects as follows:

- 1<sup>st</sup> place:

Wastewater Treatment for Safety Project, submitted by Bangkok Phuket Hospital

- Second runner-up:

New Medical Records System by Minimizing the Use of Paper Project, submitted by BNH Hospital

- Third runner-up:

Hot Air Sterilization Oven for Medical Kits to Prevent Covid-19 Project, submitted by Paolo Rangsit Hospital

The Company has brought these 3 winning projects, including other projects in the aforementioned contest for further development to finally become the concrete project and activity for the community. The Company has emphasized on the benefits for the community and nearby area of the hospital and affiliates to enable the operation format perfectly and sustainably combined with the community according to “BDMS Earth Healthcare” Policy of the Company.

### *4. Awareness Concerning the Personal Data Protection Act*

The Company prepared the public relations media in the form of Infographic Motion VDO for the total of 4 episodes to foster knowledge and understanding of the employees while simultaneously organizing the test to assess the employees' awareness on such matter. The result shall be considered as the indicator of the Company's management.

### *5. Knowledge Enhancement in Investment and Savings Discipline of Employees*

The Company has organized training programs for employees in the project concerning debt and illegal loan by inviting experts from the Fiscal Policy Office, Ministry of Commerce to provide insight, project to provide knowledge and inquire about debt and asset management, project to enhance knowledge in terms of Thai monetary system as well as project to provide knowledge and understanding for employees to be cautious of new investment forms in this era; for example, investment on digital assets, Bitcoin and Crypto Currency etc.

## Details of Employees' Training of the Company and Subsidiaries between 2019-2021

Details	2021	2020	2019
Number of training hours for nurses	338,658 hours in total or 37 hours/person	365,343 hours in total or 43 hours/person	629,133 hours in total or 61 hours/person
Number of training hours for medical personnel	98,551 hours in total or 33 hours/person	111,473 hours in total or 41 hours/person	155,492 hours in total or 49 hours/person

Remark: In 2020, due to the outbreak of COVID-19, the Company has adjusted some training programs to online training in which took less time than classroom training. In 2021, all training programs were conducted online.

### Policy on the Management

The Company has realized that the management is an important factor of its success in business operation. Thus, the Company has set up an appropriate compensation structure which is comparable to the management at the same level of healthcare business. In addition, the management has the opportunity to carry out their respective duties and responsibilities independently without any interventions and with the objective of mutual interest of the organization and all relevant parties.

### Policy on Business Partners

The Company operates its business with partners, creditors, business partners and other parties according to trade terms and conditions or contractual agreements which are fair and ethical by taking into consideration the suitability of price, quality and services provided. Clear guidelines are provided on procurements, employments and other procedures. No benefits can be requested from the business partners. In addition, the procurement of products and services from business partners who infringe on human rights or intellectual property rights or any procurements derived from any illegal acts must be avoided. The Company also has the policy to avoid any acts which are dishonest or infringe on the rights according to the law or as mutually agreed upon the business partner as well as to ensure that business transactions are in accordance with ethical behavior or business code of conduct.

### Policy on Competitors

The Company operates its business by adhering to the policy that acts honestly towards other business operators in the same industry under legal framework and business regulations, including other relevant specifications. The Company must not seek any information through dishonest or inappropriate means. Furthermore, the infringement of intellectual property rights and false accusations that aim to discredit the competitors without fact to support such claim are also prohibited. The Company; however, supports and promotes a fair competition for the highest benefits of all customers.

### Policy on Customers

The Company recognizes that the customers are important factors leading to business success. The Company strives for customer satisfaction by providing high-quality service with the determination to continuously improve the quality of medical care services in order to meet the requirements and expectations of the customers. The organization shall maintain the privacy of every customer and will not disclose their information unless otherwise required by law or when the customer has given prior consent and approval.

Moreover, the Company delegates every hospital in the network to conduct patient satisfaction survey on a monthly basis by using the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) developed by the Centers for Medicare & Medicaid Services (CMS), coupled with the Agency for Healthcare Research and Quality (AHRQ) which has been officially certified by the National Quality Forum, U.S.A. The main objective is to assess the patients' perspectives on major medical care procedures of the hospital to be employed in service quality improvement. In the U.S., the results of the survey are disclosed to the public to enhance social responsibility and provide an opportunity for hospitals to compare the results of patients' perspectives for further service improvement. The scores are calculated using the percentage of patients who provide the "Top Box" scores in each scale which focus on the consistency of service in each area in order to promote the organizational culture in providing patients with the most satisfied experience in every service.

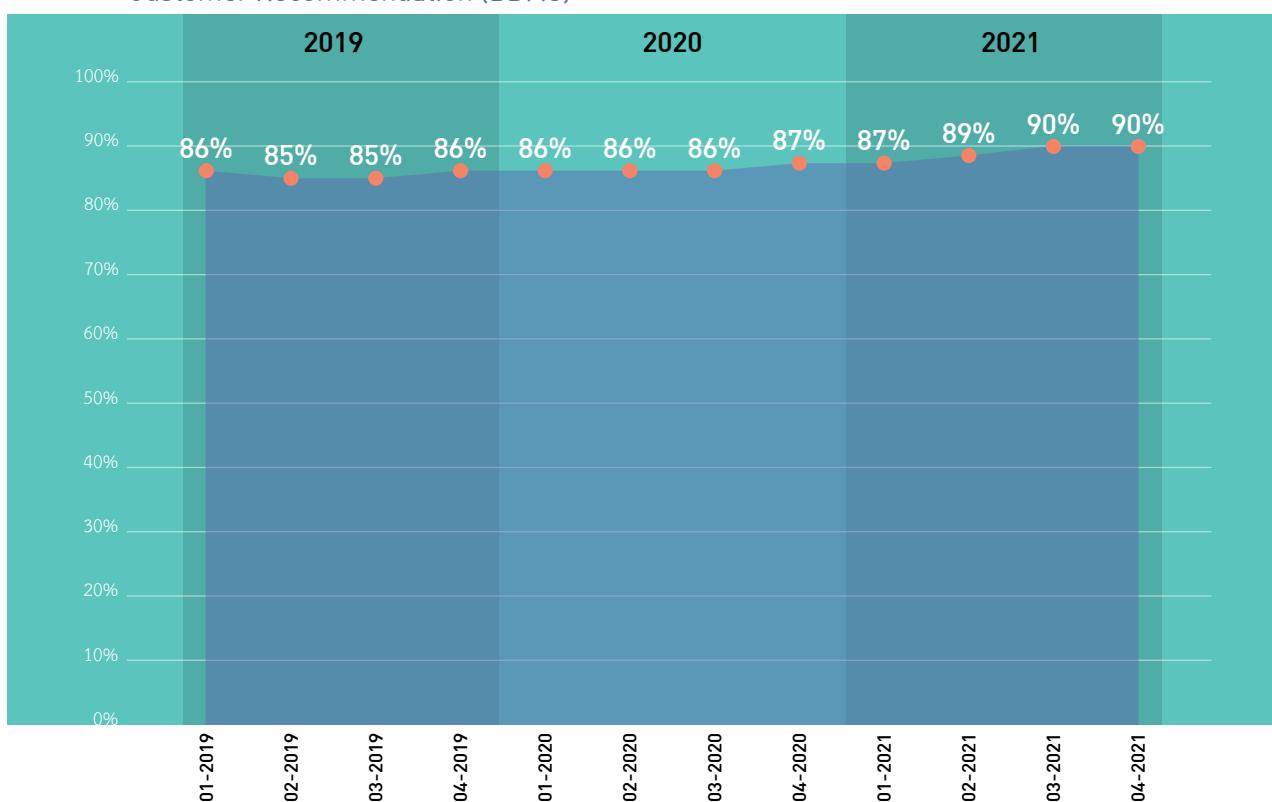
**Overall Hospital Rating on Services Provided by BDMS Hospitals**



According to the Covid-19 situation during the past 2 years, the Company has adjusted and adapted its operations in response with “New Normal” principle. The hospital has modified its service formats while developing medical services to patients in various aspects. Also, the hospital has maintained service standards and quality, resulting in higher scores of an overall satisfaction in 2021. The BDMS network reported the score at 90 percent and was ranked at the percentile of 95 percent when compared to 4,427 hospitals in the U.S. which reported HCAHPS score.

Apart from the overall satisfaction survey, the Company has established a survey on products and services loyalty to find out whether the customers have a positive attitude toward the Company’s products and services no matter such attitude is derived from consumers’ confidence, awareness or satisfaction which will result in repeated purchase or use of services, including recommendation of products and services to other customers.

**Customer Recommendation (BDMS)**



According to service adjustment to respond to the requirements and expectations of the customers during the Covid-19 pandemic, including medical services provided to patients via Telecare system, health-related services at home, delivery of medicines and medical supplies for patients and maintenance of service standards, all of which help promote the customers’ confidence and recommendations to others. The evaluation results have indicated that the scores relating to recommendations to other customers have increased from 86 percent to 90 percent, and been ranked in the percentile of 95 when compared to 4,427 hospitals in the U.S. which reported their HCHPS score.

### Policy on Creditors

The Company has the policy to abide by contracts and commitments with the creditors of all types, whether in terms of compliance with the contract, objectives of spending money and payment, maintenance of the equality of collateral (if any), payment period as well as other conditions or matters agreed with the creditors. Consequently, the Company has determined various policies to be employed as operational guidelines within the organization. These policies are indicated below:

- Changes in policies/information/management structure of the Company: The Company has the policy that the unit directly relating to the creditor must prepare letter or record to notify the creditor in case of any changes in policy, information or management structure of the Company which are related to its creditors and to enable these creditors to completely acknowledge the Company's information and news.
- Compliance with the agreements and conditions of the contracts: The Company has the policy which enforces the contractual parties to be responsible for the management according to the conditions stated in the contract. In a case where any matters may incur risk to the creditors and may affect the Company's overall image, the Company's legal department or consultant shall supervise such matters. In a case where any matters are not in conformity to the agreement made between the Company and its creditors, a meeting will be held in which the creditors will be invited to express their opinions as well as to find the solution to solve such matters. This can be done by adhering to reasonability principle to preserve sustainable relationship and mutual reliability between related parties.
- Payment policy: The Company has the policy that the Accounting/Finance Department must make payment according to the credit terms and conditions stated in the contract and by adhering to righteousness and transparency principle as well as in a timely manner. If there are any violations of such stated conditions, a notification must be made to the original affiliates so that they can communicate directly with the creditors and to enable the original affiliate which is a contractual party with such creditor to collaboratively solve the problem regarding the delay of payment.
- Report of the Company's financial status: The Company, as a listed company in the Stock Exchange of Thailand, has disclosed its business performance of each quarter and year to the public, investors and shareholders through information disclosure system of SET. Moreover, the Company has disclosed its annual business performance as well as report of the investor relations on the Company's website and has stipulated that the creditors are entitled to access information on the Company's financial conditions that have already disclosed to the public, investors and shareholders. The Company's creditors are entitled to access the information via different electronic media or can send a direct request to the Company's unit which is a contractual party to

ensure that the Company's financial condition is sufficiently stable to make an actual amount of payment as well as comply with the conditions set forth in the contract.

#### **Policy and Guidelines on Human Rights**

The Company recognizes the importance of human rights and thus has set forth the policy accordingly. Each employee has the rights, freedom and equality as well as the opportunity for career advancement in accordance with his/her individual skills and potential. Such rights, freedom and equality must be within the rights and freedom of the citizen as stipulated in the constitution of the Kingdom of Thailand, regardless of that person's birth origin, ethnicity, language, religion, age, gender, socio-economic status or political view.

Thus, in order for the directors, the management and employees to respect the human rights and rights within the workplace, the Company has imposed the "Policy and Guidelines on Human Rights" so that everyone shall acknowledge and act accordingly. This policy has also been published on the Company's website.

#### **Policy on Non-infringement of Intellectual Property Rights and Copyrights**

The Company envisions itself and its subsidiaries to be an efficient organization with good corporate governance. Therefore, the Company has set forth the policy to act in accordance with laws in intellectual property rights and copyrights by ensuring that there will be no infringements upon intellectual property rights or any actions or benefits derived from the work with copyright, unless otherwise being granted permission from the owner of such copyright and complied with relevant laws. Thus, the Company established the "Policy on Non-infringement of Intellectual Property Rights and Copyrights" so that the directors, the management and every employee shall acknowledge and act accordingly. The policy has also been published on the Company's website.

#### **Information Security Management Policy**

The Company has stipulated the information security management policy as a guideline and standard practice in using information technology and computer networks appropriately and with the utmost efficiency. Such policy also prevents any potential problems owing to the misuse which in turn may result in damages. The Company has declared the policy to its employees and those of the subsidiaries as well as other individuals who may be involved with the Company for their acknowledgement and practice and such policy has been made available on the Company's website.

#### **Whistleblower Policy**

The Company has the policy to mitigate any damages to the persons reporting the misconduct, assisting in the report of or cooperation with the investigation of facts. Such persons shall receive protection and fairness

under the whistleblower policy as stated in the Company's Codes of Conduct. The policy has also been published on the Company's website and can be summarized as follows:

- The complainant may choose to issue the complaint anonymously if he/she considers that the identity disclosure may be unsafe. However, if the complainant decides to disclose his/her identity, he/she shall receive a progress report and an explanation of facts or mitigate damage in a more speedy and convenient manner.
- The person assigned to take complaints must keep all relevant information confidential and disclose such information only when deemed necessary by taking into consideration the safety of the complainant and potential damage to such complainant or persons cooperating in the investigation. The Company shall ensure that there will be no grounds for termination of employment, punishment or any other actions that may pose adverse impacts on the employee.
- Any persons who are adversely affected shall receive mitigation of damages through suitable and fair process.

#### **Communication Channels for Stakeholders**

The Company has provided an opportunity for employees and stakeholders of every sector, both internal and external, to contact, suggest opinions, file complaints and report any misconducts through channels announced in the "Company's Codes of Conduct" and published on the Company's website. Persons assigned to take complaints from the stakeholders shall proceed as indicated below:

- Gather facts on the violation, negligence or non-compliance behavior. Persons in charge of related information must disclose all information available to the person assigned to gather facts and investigate such complaint.
- Assess and analyze the information to find the actual cause of such violation, negligence or non-compliance and then report the assessment results and information analysis to the authorized person for further action.
- In the event that the misconduct has been found out, action shall be taken in accordance with the guidelines or regulations governing such matter.

#### **6.2 Business Ethics**

The Board of Directors determined and declared various issues of business ethics policies such as the Company's Codes of Conduct, Fraud Prevention and Anti-corruption Policy, Whistleblower Policy and Policy on Non-infringement of Intellectual Property Rights and Copyrights etc. to achieve the Company's established mission: "We are committed to being the leader in providing internationally acceptable, efficient and ethical high-quality care through a dedicated healthcare team, effective leadership, up-to-date technology, adherence to standards and professional ethics while being committed to

consistently develop quality of service for the highest interest and utmost satisfaction of every customer as well as sustainable growth of the organization”.

The Company has consistently supported and supervised every executive and staff to adhere to these established policies and practice them throughout the organization. Besides, the Board shall follow up the compliance and evaluate results regularly in which the Company has specified every executive and staff to complete the test at least once a year to ascertain whether they understand various polices of the Company. The average scores from the evaluation of awareness of ethics and corporate governance policies of the Company’s personnel and those of its subsidiaries during 2019-2021 are as follows:

	2021	2020	2019
The number of personnel attending the evaluation (personnel)	28,185	29,409	29,471
Average score	78%	78%	75%

(Details of the Company’s business ethics can be found on the Company’s website  
<http://investor.bangkokhospital.com/storage/downloads/corporate-governance/20140617-bgh-code-of-conduct2014-th.pdf>)

### 6.3 Significant Changes and Developments of the Company’s Policies, Guidelines and Corporate Governance System of the Past Year

The Board of Directors has consistently reviewed the Company’s Corporate Governance Policy once a year. The current version of such policy in which the Board has reviewed and approved at the meeting no. 12/2021 on 15 December 2021 has the content encompassing and in line with good corporate governance principle for listed companies stipulated by the Securities and Exchange Commission of Thailand under the following topics:

1. Sustainable value creation
2. Roles and responsibilities of the Board of Directors
3. Rights and equal treatment of shareholders
4. Policies and treatments of stakeholders
5. Information disclosure and transparency

#### Applying the Corporate Governance Code for Listed Companies in 2017 (CG Code)

The Board of Directors has acknowledged and complied with the CG Code for listed companies of the Securities and Exchange Commission and the Stock Exchange of Thailand while realizing its roles and duties as a governing body in creating sustainable business value. Moreover, the Board has considered and reviewed the compliance of such code for practice as deemed appropriate in governing the organization to achieve its good operating results in the long run as well as to ensure the credibility of the

shareholders and general public and to benefit the Company's sustainable growth. However, there have been some practices whereby the Board of Directors considers inappropriate for the Company's contexts; thus, such practices have not been applied and the reasons for not doing so have been duly recorded as part of the Board's resolution. Nonetheless, the Board of Directors has considered the replacement measures which are deemed suitable practices of corporate governance for such matters.

#### **Compliance with the CG Code to Support Various Evaluations**

The Company has reviewed and improved good corporate governance policies and guidelines on an annual basis to ensure that the Company's policies are in line with the CG Code of listed companies. In 2021, the Company's projects relating to corporate governance were evaluated as indicated below:

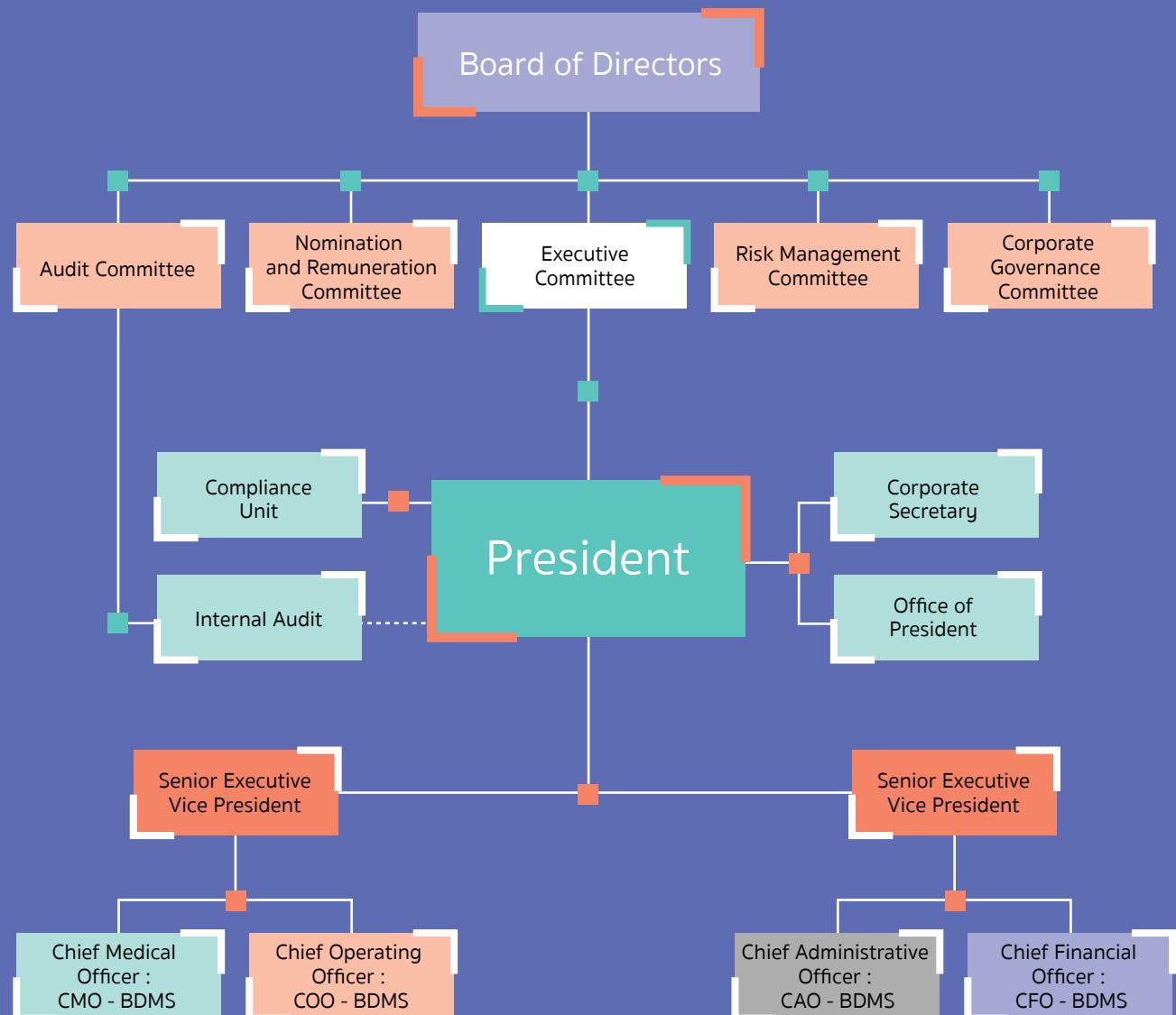
1. The Company's corporate governance has been evaluated at the "Excellent" level for the Corporate Governance Report of Thai Listed Companies 2021 (CGR 2021) held by the Thai Institute of Directors (IOD) in cooperation with the Stock Exchange of Thailand.
2. The Company has been selected into a list of Thailand Sustainability Investment (THSI) 2021 in the service sector, held by the Stock Exchange of Thailand for 2 consecutive years. This illustrates that the Company has operated its business in a sustainable manner by taking into consideration the environment, social responsibility and management according to the Environment, Social and Governance (ESG) principle.
3. The Company has been selected to become a member of the Dow Jones Sustainability Indices (DJSI)-Emerging Market 2021 which indicates the Company's operational efficiency that is comparable to many leading global organizations with the aim to generate good and sustainable compensations under the ESG criteria which strongly emphasize on the conservation of the environment, society and governance.

# CORPORATE GOVERNANCE STRUCTURE

**7** and Important Information of the Board of Directors, Sub-Committees, Executives, Employees and Others

## 7.1 Corporate Governance Structure

Management Structure as of 31 December 2021



List of executives holding the management position according to the above management structure can be seen in Clause 7.4 “Information of Executives”.

## 7.2 Information of the Board of Directors

### 7.2.1 Board Structure

As of 31 December 2021, there were 18 directors in total, consisting of 8 executive directors (equivalent to 44.44 percent of all directors), 2 non-executive directors (equivalent to 11.11 percent of all directors) and 8 independent directors (equivalent to 44.44 percent of all directors).

#### *Definition*

##### Executive Director

Executive directors are directors who are involved full-time with the management and receive monthly compensation from the Company in a form of salary or other compensations as identified in the Company's regulations or benefit plan.

##### Non-executive Director

Non-executive director are directors who are not involved with full-time management of the Company nor they receive compensation in a form of salary. However, these non-executive directors may be appointed or act as a representative of major shareholder.

##### Independent Director

Independent directors are directors who are not involved in the management of the Company, its subsidiaries, affiliates or other related companies. They are also independent of the management, major shareholders or any persons with an authority to take over the business. These independent directors must not possess any businesses or have any relations in terms of business interest with the Company, its subsidiaries, affiliates or other relevant companies which may affect the interest of the Company and/or the shareholders.

### 7.2.2 Information of the Board of Directors and Authorized Directors

List of the Board of Directors and the directorship in the Sub-Committees as of 31 December 2021

List of Directors	Title
1. Professor Emeritus Santasiri Sornmani, M.D.	Independent director/Chairman of the Board
2. Mr. Chuladej Yossundharakul, M.D.	Authorized director/Vice Chairman/member of the Executive Committee/member of the Nomination and Remuneration Committee
3. Mr. Prasert Prasarttong-Osoth, M.D.	Director
4. Miss Poramaporn Prasarttong-Osoth, M.D.	Authorized director/Chairperson of the Executive Committee/President
5. Mrs. Narumol Noi-am	Authorized director/ member of the Executive Committee/ member of the Risk Management Committee/ Senior Executive Vice President and Chief Financial Officer

List of Directors	Title
6. Mr. Pradit Theekakul	Authorized director/Chairman of the Risk Management Committee/member of the Corporate Governance Committee
7. Mr. Sripop Sarasas	Authorized director/member of the Corporate Governance Committee/member of the Risk Management Committee/Chief Administration Officer
8. Mr. Chavalit Sethameteekul	Independent director/ Chairman of the Audit Committee/member of the Nomination and Remuneration Committee
9. Mr. Thongchai Jira-alongkorn	Director/member of the Executive Committee
10. Mr. Weerawong Chittmittrapap	Independent director/member of the Audit Committee/Chairman of the Corporate Governance Committee
11. Mr. Att Thongtang	Director
12. Mr. Kan Trakulhoon	Independent director
13. Mr. Arsa Sarasin	Independent director
14. Mr. Puttipong Prasarttong-Osoth	Director
15. Mr. Chairat Panthuraamphorn, M.D.	Director/member of the Executive Committee/Chief Operating Officer
16. Dr. Subhak Siwaraksa	Independent director/member of the Risk Management Committee
17. Mr. Veerathai Santiprabhob, Ph.D.	Independent director/member of the Audit Committee
18. Mr. Predee Daochai	Independent director/Chairman of the Nomination and Remuneration Committee

#### Authorized Directors and Conditions

1. Miss Poramaporn Prasarttong-Osoth, M.D. 2. Mr. Chuladej Yossundharakul, M.D. 3. Mr. Pradit Theekakul 4. Mrs. Narumol Noi-am and 5. Mr. Sripop Sarasas. Two out of five directors sign jointly and affix the Company's seal.

#### Name of Independent Directors of the Company who are Independent Directors of the Subsidiaries

1. Professor Emeritus Santasiri Sornmani, M.D., the independent director of the Company who also holds a position of the independent director of 5 subsidiaries as follows: The Medic Pharma Co., Ltd., Paolo Medic Co., Ltd., Paolo Samutprakarn Co., Ltd., Siam Medical Co., Ltd., and Paolo Hospital Phrapadaeng Co., Ltd.

2. Dr. Subhak Siwaraksa holds a position of the independent director of 1 subsidiary which is Samitivej PCL.

#### **7.2.3 Duties and Responsibilities of the Board of Directors**

##### Scope of Duties and Responsibilities of the Board of Directors

Every director has the duties and responsibilities in determining and following up the Company's operation plans. Scope of duties and responsibilities of the Board of Directors can be summarized as follows:

1. The Board of Directors must perform their duties by using knowledge and expertise for the benefit of the Company's operations and in accordance with the regulations of the Company and the resolution of the shareholders' meeting. The Board of Directors is authorized to perform actions as indicated in the Articles of Association, the Public Limited Company Act or other relevant rules.
2. Comply with the provisions and good practices of the directors of listed company in accordance with the Stock Exchange of Thailand.
3. Set up the policies and ensure that the management acts in accordance with such policies as well as approve business plans, annual budget, investment and make any financial decisions.
4. Supervise the operations of the management, follow up the operations of the Company and its subsidiaries to ensure that they are in line with established goals and operation plans.
5. Establish an efficient internal control system and audit system for the purpose of auditing, supervise the operation and coordinate with the Audit Committee.
6. Be responsible to the shareholders, protect the interests of the shareholders, provide suitable and regular communications with the shareholders as well as practice standardized and transparent information disclosure.
7. Manage the conflicts of interest
  - 7.1 Report the conflicts of interest of oneself, spouse and other related persons as prescribed in the Securities and Exchange Act as well as report the securities held of oneself, spouse and children (not yet of a legal age) to the Company Secretary to report such changes at the Board meeting for acknowledgement.
  - 7.2 Ensure compliance with laws and regulations of the Stock Exchange of Thailand on the procedures and complete disclosure of transactions with potential conflicts of interest.
  - 7.3 Report to the Company on any conflicts of interest which pertain to the management of the Company or its subsidiaries. However, to illustrate transparency, such transaction must be reported to the Board of Directors whenever there are any changes.

#### **Roles and Duties of Directors**

Apart from the duties and responsibilities of the Board as stated in the Board's Charter, other respective duties are as follows:

1. Directors shall have sufficient access to financial information and other business-related information to ensure their efficient operation.
2. Directors shall attend every Board meeting as well as Sub-Committee meeting and raise important questions to protect and maintain the rights and interests of the shareholders and stakeholders and also to ensure the Company's compliance with good practice.

3. Directors shall attend each shareholders' meeting, especially directors appointed as a member of the Audit Committee, to help answer any questions and explain matters raised by the shareholders as well as acknowledge issues and suggestions from these shareholders.

4. Directors shall possess the ability and have an intention to learn about the Company's business as well as express their opinions independently by devoting adequate time and interest to each significant matter.

5. Independent directors shall submit a confirmation letter to ensure their independence according to the Company's definition on the day that such independent director has been appointed and every year following that appointment.

6. Assess the performance of the Board of Directors and the Sub-Committees whereby the assessment shall be conducted as a whole and as an individual basis.

7. Any other duties of the directors as stipulated in the notification, specification, regulation, act or other laws governing the Company.

#### *Approval Authority of the Board of Directors*

The Board of Directors has an approval authority on various matters of the Company according to the scope of authority as stipulated by law and the Company's regulations, the charter of the Board of Directors and the resolution of the shareholders' meeting. This also encompasses the specification and review of visions, missions, strategies and operation plans, budget plan and

investment plan, policies of the organization as well as follow-up and evaluate operation results to be in line with the established plan. The scope of authority of the Board of Directors on various matters as mentioned earlier shall conform to the specifications of the regulatory body and relevant laws.

#### *Scope of Duties and Responsibilities of the Chairman of the Board of Directors*

1. Act as Chairman of the Board of Directors' meetings and the shareholders' meetings.

2. Conduct the Board meetings and ensure that the meetings conform to the Articles of Association as well as provide an opportunity and encourage the directors to express their opinions liberally.

3. Encourage and promote the directors to perform their duties to the best of their ability within the scope of defined duties and responsibilities in accordance with good corporate governance principle.

4. Supervise and follow-up the performance of the Board of Directors in order to attain the specified objectives.

5. In acting as Chairman of the Board meeting, in the case where there is a draw vote, the Chairman shall cast an additional vote as the deciding vote.

#### *Separation of Positions*

1. At present, the Chairman of the Board of Directors is an independent director. The Company has stipulated that the Chairman and the President must not be the same person so that the Chairman can perform his duties independently from the management and can make any decisions liberally,

including the responsibility in monitoring the directors to carry out their respective duties transparently and without bias. Besides, the Chairman shall act fairly in supervising policies and strategic guidelines as established to ensure that the Board meetings are held and all directors shall participate and raise questions independently from the management at each meeting.

2. The Company has determined that the Chairman of the Board must not be a member of the Nomination and Remuneration Committee so that the Committee shall make any decisions and act independently from the Board of Directors.

#### ***Separation of Duties between Directors and the Management***

The Company has clearly separated the responsibility of the Board of Directors from that of the management whereby the Board of Directors shall determine the policy and supervise the management's operations at the policy level. The Board of Directors shall meet on a monthly basis to follow-up and support strategic policies of the Company. At the same time, the Board of Directors shall not interfere with day-to-day operations or business activities under the responsibility of the Executive Committee and the President while the management under the supervision of the President shall perform their respective duties in compliance with established policies and objectives since only the President can be assigned such tasks by the Board of Directors and the Executive Committee. Therefore, the authority and responsibility of the President shall be efficiently responded by the management. Besides, the Company has clearly specified the responsibility and authority of the Board of Directors, the Sub-Committees and every level of the management.

### **7.3 Sub-Committees**

The Board of Directors resolved to appoint five Sub-Committees; namely, the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, the Risk Management Committee and the Corporate Governance Committee to assist in internal control management, risk management, corporate governance as well as to screen issues. The Board has clearly separated the duties of each committee by prescribing the responsibilities in the respective committee's charter. Each Sub-Committee shall carry out the self-assessment on an annual basis and at least once a year in order to achieve the utmost efficiency and effectiveness.

#### **Audit Committee**

As of 31 December 2021, the Audit Committee comprised 3 independent directors and each member shall serve for a 3-year term. The members of the Audit Committee are as follows:

- |                                      |          |
|--------------------------------------|----------|
| 1. Mr. Chavalit Sethameteekul        | Chairman |
| 2. Mr. Weerawong Chittmittrapap      | Member   |
| 3. Mr. Veerathai Santiprabhob, Ph.D. | Member   |

The Audit Committee has been granted full authority by the Board of Directors to carry out its duties which include systematic monitoring of business practices, ensuring efficient and strict compliance with internal control measures and legal compliance regarding information disclosure and determining risk management relating to the Company's business and finance. At present, two of the Audit Committee members are knowledgeable and possess direct experiences in reviewing the reliability of the Company's financial statements; namely, Mr. Chavalit Sethameteekul and Mr. Veerathai Santiprabhob, Ph.D.

In planning the internal audit, the Audit Committee shall assign the internal auditor to plan the audit of the Company for the entire year. The Company has engaged an external company which is licensed and suitably qualified to carry out the internal audit. The Company believes that internal audit performed by external auditors will result in a fair and efficient reporting of facts as they perform their respective duties equitably and efficiently. The Audit Committee will report the activities of the internal auditors at the Board of Directors' meeting immediately after each meeting.

At the Audit Committee meetings that deal with the financial statements and disclosure of financial reports of the Company, the Chief Financial Officer and the Assistant Chief Financial Officer shall attend. Prior to meetings on the financial statements with the management, the Audit Committee shall meet with the accounting auditors separately and without the presence of the management, to inquire about important risks that may arise from the financial statements or financial status or any limitations that have been found in the auditing process of the financial statements of the Company and its subsidiaries. The Audit Committee also conducts an annual meeting with the auditors without the presence of the management. This is to ensure that the auditors shall act independently without any restrictions in the auditing process.

#### **Qualifications of the Audit Committee**

The Audit Committee must be comprised of independent directors appointed by the shareholders' meeting or the Board of Directors' meeting. The independent director must have the following qualifications as prescribed by the Securities and Exchange Commission:

1. Shall not hold shares exceeding 1.0% of the total number of voting shares of the Company, its parent company, subsidiary, associate or juristic person that may have conflict of interest, including shares held by related persons of such independent director (related persons mean persons according to Clause 258 of the Securities and Exchange Act).
2. Shall neither be nor have ever been a director with management authority, employee, staff member, salaried advisor or is a controlling person of the Company, its subsidiaries, associates, same-tier subsidiaries, major shareholders or persons with a controlling power unless the foregoing status has ended not less than two years prior to the date of becoming a director. Such prohibitions shall not; however, include cases where the independent

director previously served as a government officer or an advisor to a government agency which is a major shareholder or a controlling person of the Company (same-tier subsidiary company means subsidiaries with the same parent company).

3. Shall not be a person related by blood or legal registration as father, mother, spouse, sibling or child, including spouse of child of other directors, of an executive, major shareholder, a controlling person or person to be nominated as director, executive or a controlling person of the Company or its subsidiary.
4. Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary associate, major shareholder or controlling person in a manner that may interfere with his/her independent judgment and neither is nor has ever been a significant shareholder or controlling person of any persons having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.
5. Shall not be nor have ever been an auditor of the Company, its parent company, subsidiary, associate, major shareholder or controlling person and not be a significant shareholder, controlling person or partner of an audit company which employs auditors of the Company, its parent company, subsidiary, associate, major share-



holder or controlling person, unless the foregoing relationship has ended not less than two years to the date of becoming an independent director.

6. Shall not be nor have ever been a provider of any professions or services, including legal advisor or financial advisor who receives service fees exceeding Baht 2 million per year from the Company, its parent company, subsidiary, associate, major shareholder or controlling person and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.
7. Shall not be a director appointed as representative of a director, major shareholder or shareholder who is related to a major shareholder of the Company.
8. Apart from not undertaking any businesses with the similar nature and in competition with the business of the Company or its subsidiary, the independent director

must also not be an employee, staff member or salaried advisor or holds shares exceeding 1.0% of the total number of shares with voting rights of another company which undertakes business with similar nature and in competition with the business of the Company or its subsidiary.

9. Shall not have any other characteristics that limit his/her ability to express opinions independently regarding the Company's operations.

The independent director may be assigned by the Board of Directors to make decisions relating to business operations of the Company, its parent company, subsidiary, associate, same-tier subsidiary or any juristic persons with conflicts of interest on the basis of Collective Decision.

Apart from the qualifications of the independent director mentioned above, the Audit Committee member shall possess additional qualifications as indicated below:

- 1) Shall not be a director who has been assigned by the Board of Directors to make decisions regarding the operations of the Company, parent company, sub-

sidiary, associate, same-tier subsidiary or juristic person with conflicts of interest.

- 2) Shall possess knowledge and experiences as well as be able to dedicate sufficient time to carry out the duties as assigned.
- 3) Shall not be an Audit Committee member at any other companies listed on the Stock Exchange of Thailand, which is in the same business or industry nor be a member of the Audit Committee of more than five other companies listed on the Stock Exchange of Thailand as it may affect the director's ability to fully carry out his/her duty.

The following transactions shall not be deemed an impact on performing duties and providing independent opinions of the Audit Committee member.

1. Transactions between the Audit Committee member or other related persons with the Audit Committee member made with the Company, affiliate, associate or major shareholder of the Company relating to the acquisition or the selling of products or services according to the following conditions:

- 1) The acquisition or selling of such products or services are based primarily on normal business operation and are considered general trade terms specified by clear criteria and have been disclosed to the public.
- 2) The price of such products or services are comparable to the price of products or services provided to other customers.
2. Connected transactions which have been conducted in accordance with

relevant specifications of the Stock Exchange of Thailand.

3. Any other transactions which have been conducted according to the rules, regulations, specifications or notifications set forth by the Stock Exchange of Thailand based on the duties of the Audit Committee to facilitate the Committee responsible for monitoring the accuracy of financial report, the efficiency of internal control system and the compliance with relevant laws, regulations and codes of conduct to promote good corporate governance principle.

#### [Scope of Duties and Responsibilities of the Audit Committee](#)

To enable the Audit Committee to perform their respective duties as assigned by the Board of Directors, the Company has defined the duties and responsibilities of the Audit Committee as follows:

1. Ensure that the Company abides by the laws governing the securities and regulations of the Stock Exchange of Thailand and any other laws relating to the Company's business.
2. Ensure that the Company reports and discloses information in the financial statements accurately, completely and reliably by co-ordinating with the external auditor and the management in charge of preparing the financial statements at the period specified by the Stock Exchange of Thailand, applicable laws and government agencies.
3. Select and nominate the auditor and the auditor's annual remuneration to the Board of Directors for further approval by the share-

holders' meeting as well as propose the removal of the auditor in a case where such auditor is considered as incompetent to perform his/her respective duties or neglects his/her duties or perform his/her duties wrongfully.

4. Establish a process for employees to notify any inappropriate items in the financial statements, including other matters as well as provide the whistleblower with the confidence that there shall be an independent investigation and suitable monitoring procedures.
5. Ensure that the Company has established suitable and efficient internal control and internal audit systems by collaboratively reviewing such systems with both internal and external auditors. The Audit Committee shall consider the independence of the Internal Audit Department.
6. Review evidence of the internal investigation when there is any suspicions or assumptions that there has been fraud or irregularity or significant defect in the internal control system and report such finding to the Board of Directors for further consideration.
7. Delegate and review the evidence whether there is a suspicion that any laws or regulations of the Stock Exchange of Thailand has been violated which incurs or may pose significant impact on the Company's financial status or performance.
8. Employ or engage a specialist to support auditing and investigation by following the Company's guidelines on employment and engagement in the case that the Audit Committee finds or suspects that there is a transaction or action that may significantly impact the Company's financial status or performance. Such employment or engagement shall be paid by the Company.
9. In a case where the Company has its own Internal Audit Department, the Audit Committee has the authority to approve the appointment, transfer or termination as well as the authority to evaluate the performance of the Head of the Internal Audit Department. However, if the Company engages an external auditor to conduct the internal audit, the Audit Committee has the authority to approve the appointment and remuneration of such engagement.
10. Ensure that the Company has determined suitable risk management and control systems which encompass the entire organization as well as suggest appropriate and efficient management of risks associated with the Company's business operation.
11. Review risk management report and monitor important risk factors as well as propose the report on the adequacy of risk control system to the Board of Directors for approval.
12. Ensure that there shall be no conflicts of interest in which the review of connected transactions between the Company or its subsidiaries and any connected persons shall be in accordance with laws and regulations of the Stock Exchange of Thailand.
13. Prepare the report of the Audit Committee and disclose in the Company's annual report. Such report must include details as announced by the Stock Exchange of Thailand and other relevant regulations.

14. Review the charter of the Audit Committee on an annual basis to ensure that such charter shall contain details concerning the scopes of duties of the Audit Committee stipulated in the Stock Exchange of Thailand regarding the qualifications and scopes of duties and responsibilities of the Audit Committee. Besides, the charter must include sufficient guidelines to support the duties of the Audit Committee such as the employment of an expert to provide an opinion that requires expertise in which the Company shall be responsible for expenditures. In a case where the Audit Committee deems necessary to amend the charter to suit the guidelines, regulations or circumstances that have changed, the Audit Committee shall propose such changes to the Board of Directors for further approval.
15. Perform other duties as assigned by the Board of Directors.

#### **Nomination and Remuneration Committee**

In order to comply with good corporate governance of listed companies, the Board of Directors passed a resolution to appoint the Nomination and Remuneration Committee. The Committee shall serve for a 3-year term and the Chairman of the Committee shall be an independent director. The Committee has the duty to find qualified candidates for nomination as directors of the Company for both replacements of directors who have retired as well as new director position and the President. Furthermore, the Committee shall determine the guidelines on appropriate remuneration for the Board of Directors, Sub-Committee members and the President.

#### **List of the Nomination and Remuneration Committee Members as of 31 December 2021**

- |                                     |          |
|-------------------------------------|----------|
| 1. Mr. Predee Daochai               | Chairman |
| 2. Mr. Chuladej Yossundhrakul, M.D. | Member   |
| 3. Mr. Chavalit Sethameteekul       | Member   |

#### **Scope of Duties and Responsibilities of the Nomination and Remuneration Committee**

1. Specify appropriate qualifications of the Board of Directors, the method and criteria in selecting candidates as well as identify qualified candidates for directorship and propose such candidates to the Board of Directors for consideration and further proposal at the shareholders' meeting for resolution.
2. Consider the format, guidelines and rate of remuneration of the Board of Directors and the Sub-Committees for consideration by the Board of Directors before presenting to the shareholders' meeting for consideration. Such format, guidelines and rate of remuneration shall be clear, transparent, fair and consistent with the responsibility and performance which will motivate and retain qualified and capable directors.
3. Specify the qualifications, the method and procedures in selecting candidates for the position of the President as well as identify a qualified candidate and propose the appointment of such candidate for the Board of Directors' approval.

4. Consider the format, guidelines and rate of remuneration of the President and propose to the Board of Directors for approval. Such format, guidelines and rate of remuneration shall be clear, transparent, fair and consistent with their respective duty, responsibility and performance.
5. Establish guidelines and method in assessing the performance of the President.
6. Assess the performance of the President as well as consider the annual remuneration from the assessment results.
7. Prepare the succession plan for the position of the President and propose to the Board of Directors for approval.
8. Review the charter of the Nomination and Remuneration Committee annually and in the case where the Committee deems necessary to amend the charter to suit the guidelines, regulations or circumstances that may have changed, the Nomination and Remuneration Committee shall propose such changes to the Board of Directors for further approval.
9. Perform other duties as assigned by the Board of Directors.

#### **Executive Committee**

To ensure that the Company has strictly adhered to the strategies, goals and plans set forth for the year, the Board of Directors made the decision to appoint the Executive Committee. The Executive Committee is comprised of 5 members in total. The Committee has the responsibility to supervise and ensure that the Company and its subsidiaries act in accordance with the established plan. In addition, the Executive Committee shall screen matters from the management before proposing to the Board of Directors as well as have the authority to approve normal business transactions or transactions that support normal business activities of the Company within a given monetary limit. The approval authority of the Executive Committee cannot be used with persons that may have conflicts of interest, stakes or any other forms of conflict with the Company or its subsidiaries. Such authority does not include connected transactions and purchase or sale of important assets of the listed companies in accordance with the rules and regulations of the Stock Exchange of Thailand or other related notifications. The Company must act in accordance with the rules and regulations of the Stock Exchange of Thailand or other related notifications on such specific matter. Moreover, the approval authority of the Executive Committee does not include matters which require approval from the shareholders' meeting as stated in the Articles of the Company.

#### **List of the Executive Committee Members as of 31 December 2021**

- |  |             |
|--|-------------|
| 1. Miss Poramaporn Prasarttong-Osoth, M.D. | Chairperson |
| 2. Mr. Chuladej Yossundharakul, M.D.       | Member      |
| 3. Mrs. Narumol Noi-am                     | Member      |
| 4. Mr. Thongchai Jira-alongkorn            | Member      |
| 5. Mr. Chairat Panthuraamphorn, M.D.       | Member      |

#### **Scope of Duties and Responsibilities of the Executive Committee**

1. Determine the vision, business direction, policies and strategies of the Company for further approval by the Board of Directors.

2. Review the business plan, budget plan, annual expenditures, investment plans and Corporate Social Responsibility (CSR) plan of the Company in accordance with the established policies and strategies and propose to the Board of directors for approval.
3. Supervise the Company's operations to ensure their compliance with the established plan, including compliance with related laws, regulations and guidelines of various agencies as well as the Articles of the Company.
4. Consider the report of the Company's operations and propose to the Board of Directors for acknowledgement in each quarter.
5. Approve investment and operation expenditures under the authority assigned by the Board of Directors.
6. Approve or review the credit line to subsidiaries under the authority assigned by the Board of Directors.
7. Ensure that the Company has suitable and concise internal audit system as well as risk management system and control system which are in accordance with the suggestions and comments of the Audit Committee.
8. Screen and review the organizational structure and scope of duties and responsibilities of high-level personnel for the Board of Directors' approval.
9. Approve the succession planning of the Hospital Director or equivalent up to the position of the Senior Executive Vice President or equivalent.
10. Approve the appointment, transfer or termination of the management for the level up to the Senior Executive Vice President or equivalent. In the case for the position of Senior Executive Vice President and the Chief Officer, the Executive Committee shall report to the Board of Directors at the next meeting. The Executive Committee shall also approve the candidates for nomination as representatives of the Company to the Board of Directors of subsidiaries or a managing director so that the subsidiaries may nominate those candidates through the approval process as stipulated by the laws or regulations and the Articles governing each company.
11. Screen and review the pay scale structure and principle of the Company's and subsidiaries' annual salary adjustment for further approval (this does not include the positions of the Chief Executive Officer and the President) of the Board of Directors.
12. Appoint working teams to improve and solve various problems in accordance with the Company's policies.
13. Review the Executive Committee's charter annually and in a case where the Committee deems necessary to amend the charter to suit the guidelines, regulations or circumstances that have changed, the Executive Committee shall propose such changes to the Board of Directors for further approval.
14. Perform other duties as assigned by the Board of Directors.

The above authority, duties and responsibilities may not be used with persons who may have a conflict, a stake or any other conflicts of interest

with the Company or subsidiaries. Nor do they include connected transactions or purchase and sale of important assets of the listed company in accordance with the regulations of the Stock Exchange of Thailand or other related notifications. In this regard, the Company shall act in accordance with the rules and regulations of the Stock Exchange of Thailand or other notifications relating to that particular matter. Furthermore, the above authority, duties and responsibilities do not include other matters in which the Articles of the Company stipulate that a resolution of the shareholders' meeting is required.

#### **Risk Management Committee**

To ensure that the Company has strictly conformed to the established goals and objectives, the Board of Directors has appointed the Risk Management Committee which is comprised of the directors and senior executives of the Company, with at least 3 members being the Company's director and each director shall be in the position for a 3-year term. Besides, the Committee has the duty to screen overall risk management policy and guidelines of the Company for proposal to the Board of Directors as well as adherence to the policy approved by the Board. In addition, the Committee shall review the adequacy of risk management policy and system, including the efficacy of the system and the compliance with the specified policy.

#### **List of the Risk Management Committee Members as of 31 December 2021**

- |                                |          |
|--------------------------------|----------|
| 1. Mr. Pradit Theekakul        | Chairman |
| 2. Mrs. Narumol Noi-am         | Member   |
| 3. Mr. Sripop Sarasas          | Member   |
| 4. Mr. Subhak Siwaraksa, Ph.D. | Member   |

#### **Scope of Duties and Responsibilities of the Risk Management Committee**

1. Review the risk management policy and guidelines of the Company which encompasses important risks such as financial risk, investment risk and risk that may affect the Company's reputation to propose the risk management policy and framework to the Board of Directors for approval.
2. Determine the strategies and guidelines on risk management of the Company that comply with the risk management policy which can be assessed, monitored and supervised to ensure that such risk is at a suitable level.
3. Supervise and monitor compliance with the risk management policy under the guidelines and policy approved by the Board of Directors.
4. Determine the measurement of risk and acceptable risk ceiling.
5. Determine measures in managing risk to suit the situation.
6. Review the sufficiency of risk management policy and system, including the efficacy of the system and compliance with the established policy.
7. Report to the Board of Directors on a regular basis regarding the management, process and risk status as well as any changes and improvements required to comply with the determined policy and strategy.
8. Perform other duties as assigned by the Board of Directors.

### **Corporate Governance Committee**

To support the Board of Directors in determining the criteria and guidelines on good practices in various businesses of the organization in accordance with good corporate governance which will lead to sustainable success of the Company, the Board of Directors has appointed the Corporate Governance Committee. The Committee comprises 3 directors with an independent director as the Chairman and each director shall serve for a 3-year term. The Corporate Governance Committee is responsible for determining guidelines and suggestions on good corporate governance policy to the Board of Directors for implementation. The Company also reviews the policy and assesses the organization's operations annually according to good corporate governance.

#### **List of the Corporate Governance Committee Members as of**

**31 December 2021**

1. Mr. Weerawong Chittmittrapap	Chairman
2. Mr. Pradit Theekakul	Member
3. Mr. Sripop Sarasas	Member

#### **Scope and Duties and Responsibilities of the Corporate Governance Committee**

1. Determine guidelines, suggestions on policy and practices on ethic and business morale in accordance with good corporate governance system for the Board of Directors and the management to set CG Code for the organization so that the organization's practices meet the standards of good corporate governance of listed companies.
2. Supervise and provide advice on practicing good corporate governance principle and business ethics in order to develop and elevate the Company's corporate governance to create sustainable value.
3. Review the Corporate Governance Committee's charter annually and in the case that the Committee deems it necessary to amend the content of such charter to suit the guidelines, regulations or circumstances that have changed, the Corporate Governance Committee shall propose such changes to the Board of Director for further approval.
4. Review the policy and assess the CG Code annually. In a case where the Company has not put any parts of the guidelines of the CG Code into practice at the level appropriate for its business, the Committee shall report to the Board of Directors for acknowledgement.
5. Perform other duties as assigned by the Board of Directors.

## 7.4 Executives

### 7.4.1 List of the First Four Executives as of 31 December 2021

Name of executive	Title
1. Miss Poramaporn Prasarttong-Osoth, M.D.	President
2. Mrs. Narumol Noi-am	Senior Executive Vice President and Chief Financial Officer
3. Mr. Trin Charumilind, M.D.	Chief Medical Officer
4. Mr. Chairat Panthuraamphorn, M.D.	Chief Operating Officer
5. Mr. Sripop Sarasas	Chief Administrative Officer

#### Duties and Responsibilities of the Executive Management

1. Operate and/or manage the Company in accordance with the policies, operation plans, goals, guidelines, provisions and good corporate governance principles as stipulated by the Company as well as strictly abide by relevant laws and regulations.
2. Manage the Company in accordance with the resolution of the shareholders' meetings, the Board of Directors' meetings and/or the Sub-Committees' meetings (as the case may be) within the approved duties, responsibilities and authorization. The executive management shall carry out their duties with integrity and care for the best interest of the organization and shareholders while taking into consideration fairness to every stakeholder
3. Report the results and progress of the Company regularly at the meeting of the Board of Directors to ensure practical results and to ensure that the Company's operations are in line with specified goals and operation plans.
4. Report to the Board of Directors and/or the Sub-Committees (as the case may be) immediately should there be a situation or suspicion of a situation where there may be a violation of laws or regulations or any wrongdoings which may significantly impact the Company's reputation and financial status.
5. Report any significant faults or errors as well as a course of remedy to the Board of Directors or the Sub-Committees (as the case may be) for their consideration in a timely manner. Report updates on significant adjustment to such fault or error to the relevant committee.
6. Report conflicts of interest of oneself, spouse and related persons as stipulated in the Securities and Exchange Act as well as report the securities holdings of oneself, spouse and children (not yet of a legal age) to the Company Secretary for further reporting of any changes at the Board of Directors' meetings.
7. Consider and screen matters for consideration of the Executive Committee and/or the Board of Directors (as the case may be) as well as consider solutions to the problems that the Company faces.
8. Perform other duties as assigned for a specific period by the Board of Directors and/or the Executive Committee (as the case may be).

The authority and duties mentioned above shall not be exercised with any persons with potential conflicts, stakes or conflicts of interest in any forms with the Company or its subsidiaries. In addition, it does not include connected transactions and acquisitions, sales of important assets of the listed company in accordance with the regulations of the Stock Exchange of Thailand or other relevant notifications on such related matter.

#### **Directorship in Other Companies of the President**

In a case where the President holds a directorship in other companies outside the Company Group or in the companies not assigned by the Company, the Company has determined the policy that the President shall report the Board of Directors for their acknowledgement.

#### **Performance Assessment of the President**

The Board of Directors assigns the Nomination and Remuneration Committee to assess the performance of the President by considering various criteria such as leadership qualifications, establishing strategies, business performance of the Company, in compliance with the policies as stipulated by the Board of Directors, coupled with an overall economic and social condition. The Nomination and Remuneration Committee will employ the information to consider the remunerations for the President in which current and past information in terms of various factors shall be taken into consideration as indicated below:

1. Operating results by considering the income growth and profits, compared to expected financial goals and established strategies.

2. Compare business performance with other companies in the same industry of both domestic and foreign markets.
3. Capability in business development and improvement of operational efficiency of the Company Group.

#### **7.4.2 Policy on Executives and Employees Remuneration**

The Company has established the policy on the determination of remuneration for its personnel in the same level of other companies within the same industry in a fair manner. The Board of Directors has realized the importance of fair employment by considering the capability and operational efficiency of personnel in a different position as well as the principle of equality and fairness, appropriate qualifications and obligations with the Company. To promote the personnel's career advancement and sustainable growth with the Company; therefore, the Company has specified the remuneration policy in accordance with the organizational performance and connected various operations of employees as follows:

1. Short-term remuneration: The Company has determined remuneration payment which is appropriately comparable to general payment rate of other organizations within the same business so as to maintain and promote the competitiveness in human resources for the organization. Besides, the Company has specified bonus payment from the business performance of each year by connecting with the performance of the employees to encourage them to perform their respective duties as stipulated in the organization's annual goals and objectives.

2. Long-term remuneration: The Company has determined remuneration payment to maintain and encourage the employees to perform their respective duties that in turn, shall enable the organization to achieve its established goals in the long run such as guidelines on annual increase of wages, medical welfare and provident funds which fluctuate depending on job duration etc. In addition, the Company has adhered to the remuneration principles as follows:

- The Company has determined the remuneration which is comparable to the standard payment rate of other organizations within the same



industry to maintain and promote the competitiveness in human resources for the organization.

- The Company has connected Corporate Performance with Individual Performance under transparent criteria in determining appropriate remuneration according to the performance.
- The Company has specified the framework in planning and control of remuneration payment to the organization's annual budget plan and such remuneration payment can be determined from its ability to pay, both short-term and long-term. Moreover, the Company shall possess the flexibility in improving the budget during the year to be in line with the organization's performance in a timely manner.

#### 7.4.3 Remuneration of Directors and Executives

##### Monetary Remuneration

In 2021, there were 8 directors who received remuneration from the Company and its subsidiaries, including directors receiving remuneration as the executives of the subsidiaries for the total of Baht 129.15 million. Such remunerations are in the form of salary, bonus and meeting allowance.

##### Other Remunerations

The Company has paid the provident funds for its executives for the total of Baht 2.35 million whereby the rate of such provident funds shall be in accordance with the Company's regulations and similar to the provident funds provided to the employees. Besides, the executives have been provided with other forms of remuneration such as car, mobile phone and have been given medical welfare according to the Company's established regulations and similar to that given to the Company's employees.

### 7.5 Personnel

##### Number of Personnel

As of 30 November 2021, the Company and subsidiaries had a total of 30,805 full-time employees and 3,009 full-time physicians, 5,539 part-time employees and 9,476 consulting physicians. Details are as follows:

(Unit: person)

Type	Full-time employee/ full-time physician	Part-time employee/ consulting physician
Nurses	8,389	1,777
General employees	22,416	3,762
<b>Total employees</b>	<b>30,805</b>	<b>5,539</b>
Physicians	3,009	9,476

Note: Full-time physicians refer to doctors who work for the Company more than 40 hours or more per week but they are not considered employees of the Company.

### Total Compensation of Employees

In 2021, the Company and its subsidiaries paid the employees compensation which comprises of salaries, overtime, social security, provident funds, medical fees and other welfares totaling Baht 18,173 million, among which Baht 3,083 million was allocated to the Company's expenditures and Baht 15,093 million to those of its subsidiaries.

## 7.6 Other Important Information

### 7.6.1 Information of the Company Secretary, Internal Auditor and Person Directly Assigned to Supervise Accounting Work

#### Company Secretary

To comply with the Securities and Exchange Act, the Board of Directors appointed Miss Kessara Wongsekate, Vice President, as the Company Secretary to perform duties in accordance with relevant laws. The duties and responsibilities of the Company Secretary are listed below:

1. Perform duties in line with the Securities and Exchange Act, the notifications of the Capital Market Supervisory Exchange Act as well as ensure the disclosure and reporting of information under responsibility to the regulatory body in accordance with the laws and regulations on the disclosure of the Company's information.

2. Coordinate and monitor to ensure that the Company, Board of Directors and other relevant parties act in accordance with the resolutions of the Board of Directors' and the shareholders' meetings as well as good corporate governance principle.

3. Encourage the directors and executives to gain knowledge and attend

training programs as required for the operations of the directors and Sub-Committee members

4. Provide necessary information to enable existing directors and newly appointed directors to carry out their duties.

5. Provide advice on regulations and guidelines for the directors and Sub-Committees' acknowledgement.

6. Arrange for performance evaluation of the Board of Directors and the Sub-Committees.

7. Maintain important documents of the Company such as directors' register, meeting invitations and minutes of the Board of Directors' meetings, shareholders' meetings, annual report and reports on conflicts of interest of the directors and the management.

8. Perform other duties as assigned.

Further details of the Company Secretary can be seen in Attachment 1.

#### Head of the Internal Audit

The Company, upon the approval of the Audit Committee, has appointed Ms. Daranee Bunchongsilp, the Director of the Internal Audit Department, to act as the Head of the Internal Audit. The Audit Committee have considered the qualifications of the Director of the Internal Audit Department and agreed that she possesses knowledge, capability and experience suitable for performing such duties since she has broad experiences in the area of monitoring and internal audit while being able to perform her respective duties according to the assessment of adequacy of internal control system set forth by the Securities and Exchange Commission. Details of the Head of the Internal Audit can be seen in the Attachment 3.

**Person assigned to the direct responsibility of supervising accounting preparation**

The person the direct responsibility of supervising accounting preparation of the Company is Mrs. Wannapa Pavavech, Assistant Chief Financial Officer, who has held the position since 1 April 2008. Further details can be seen in the Details of the Executives' Background in Attachment 1.

**7.6.2 Head of the Investor Relations**

The Company assigned Miss Ajaya Intaraprasong, Assistant Vice President, to hold the position of Head of the Investor Relations as well as to coordinate and present the Company's information to the investors, analysts and shareholders, to be responsible for organizing meetings with the investors and announce the Company's performance results. Besides, the Company has disclosed its information, performance results, financial statements and information the Company has informed the Stock Exchange of Thailand via the SET website at: www.set.or.th and the Company's website at: www.bangkokhospital.com. In a case that the investors and any related persons have any inquiries and need additional information, please contact the Investor Relations Unit at Tel: 0-2755-1793, Fax: 0-2755-1959, E-mail: investor@bangkokhospital.com or via the website at: www.bangkokhospital.com

**7.6.3 Auditor's Remuneration**

EY Office Company Limited has been the auditor of the Company and its subsidiaries (except two subsidiaries in the Republic of the Union of Myanmar). In a case where any auditors of EY Office have performed his/her respective duties for the total of 5 years, EY Office shall replace such auditor with a new auditor.

In 2021, the Company and its subsidiaries had compensated the auditor which can be divided into:

**1. Auditing Fees**

- The Company and its subsidiaries have paid the auditing fees to EY Office Company Limited with the following details:

(Unit: Baht)

	Review of 3 quarterly financial statements	Annual auditing fees	Total
Bangkok Dusit Medical Services Public Company Limited	1,047,000.00	1,403,000.00	2,450,000.00
Subsidiaries (62 companies)	7,985,220.00	19,806,399.00	27,791,619.00
<b>Total auditing fees</b>	<b>9,032,220.00</b>	<b>21,209,399.00</b>	<b>30,241,619.00</b>

- The two subsidiaries in the Republic of the Union of Myanmar; namely, N Health Myanmar Co., Ltd. And Samitivej International Co., Ltd. Paid an auditing fees to Win Tin & Associates which operates in Myanmar, at the amount of Baht 280,060 (or equivalent).

**2. Other Service Fees**

In 2021, EY Office Company Limited also provided other services such as consultant and training services regarding the accounting standards at the amount of Baht 425,000.

# 8 Report on the Significant Performance of CORPORATE GOVERNANCE

## 8.1 Summary of Performance of Duties of the Board for the Past Year

### 8.1.1 Nomination, Development and Performance Evaluation of the Board of Directors

To appoint the directors, the Nomination and Remuneration Committee which consists of 2 independent directors from the total of 3 members of the Committee shall be responsible for appointing the director to replace the existing director who resigns by rotation or proposing the candidate for appointment. The Committee shall take into consideration the structure, size and component of the Board by selecting the candidate who possesses qualifications according to the criteria set forth by the Nomination and Remuneration Committee and then propose such

candidate's name to the Board of Directors for approval in a case of an appointment of a new director to replace the existing directorship position which is vacant before the end of term. The resolution in appointing the director to replace the existing directorship position which is vacant must receive no less than 3 out of 4 votes of the remaining directors. In a case of the appointment of a new director, the Nomination and Remuneration Committee shall propose the name of the candidate to the Board of Directors to consider proposing such candidate at the shareholders' meeting for further approval.

#### (1) Nomination of Independent Directors

Since the component of the Board of Directors must consist of independent directors no less than one-third of the entire Board members; therefore, the procedures in nominating the Company's independent directors shall employ the same method as the procedures in nominating the directors. However, the Company has determined additional qualifications for the individual who shall hold the position of the independent director in that such individual must have the qualifications according to the qualifications of the Company's independent directors which are in line with the specifications stipulated by the Office of the Securities and Exchange Commission.



### *Qualifications of Independent Directors*

The independent directors must possess qualifications as set forth by the regulations of the SEC which shall be as follows:

1. Hold less than 1.0 percent of the voting share of the Company, the parent company, the subsidiaries, affiliates or any legal entities with potential conflict of interest. This also includes shares held by related persons of such independent directors (related persons mean persons as defined in Section 258 of the Securities and Exchange Act).
2. Is not/has not been an executive director, employee, staff, salaried consultant or controlling person of the Company, its subsidiaries, affiliates, same-tier subsidiaries, major shareholders or controlling person, unless such status has ended no less than 2 years prior to the appointment. This restriction shall not apply to an independent director who used to be a civil servant or a consultant of the government authority that is a major shareholder or controlling person of the Company (Same-tier subsidiaries mean subsidiaries with the same parent company).
3. Is not a blood relative or has a legally registered relationship as father, mother, spouse, sibling and child as well as spouse of a child, the management, major shareholder, controlling person or person to be proposed as the management or controlling person of the Company or its subsidiaries.
4. Does not have/has not had any business relations with the Company, the parent company, subsidiaries, affiliates, major shareholders or controlling person in a manner that may hinder one's independent judgment. In addition, the individual must not be or has never been a substantial shareholder or controlling person or any entities with business relation with the Company, the parent company, subsidiaries, affiliates or controlling person of the Company unless such status has ended no less than 2 years prior to the appointment.
5. Is not/has not been an auditor of the Company, the parent company, subsidiaries, affiliates, major shareholders or controlling person of the Company and is not a substantial shareholder, controlling person or partner of the Audit team which employs the auditor of the Company, the parent company, subsidiaries, affiliates, major shareholders or controlling person unless such status has ended no less than 2 years prior to the appointment.
6. Is not/has not been any professional service providers which include legal consultant or financial advisor who receives service fees exceeding Baht 2 million per year from the Company, the parent company, subsidiaries, affiliates, major shareholders or controlling person of the Company and is not a substantial shareholder, controlling person or partner of the professional advisor unless such status has ended no less than 2 years prior to the appointment.
7. Is not a director who has been appointed as a representative of the Company's directors, major shareholders or any shareholders relating to a major shareholder.
8. Apart from the directors' qualifications concerning business operation of the similar nature with that of the Company and its subsidiaries, the independent directors must not be an employee, staff, salaried advisor or holds more than 1.0 percent of the total shares with voting right of other companies

whose business is of the same nature and deemed as a significant competition with that of the Company or its subsidiaries.

9. Does not possess any other characteristics which may render such person incapable of expressing his/her opinions independently with regard to the Company's business operations.

Independent directors may be assigned by the Board of Directors to make decisions regarding the operations of the Company, its subsidiaries, affiliates, sametier subsidiaries or any legal entities with potential conflicts of interest through a collective decision.

## **(2) Nomination of Directors and Senior Executives**

### ***Nomination of Directors***

#### **Guidelines and Methods in Selecting Candidates for Nomination as Directors**

The Nomination and Remuneration Committee has determined procedures in screening candidates for nomination as directors by considering the following criteria:

#### **Knowledge, Experience and Diversity as Director**

1. Knowledgeable and capable individuals with a clean work history as well as being an expert in the areas required for the Board Matrix so that the Board of Directors can establish appropriate strategies and policies.
2. Possess experiences in being a director or an executive of a large and successful organization.
3. Diversified in terms of education, profession, age and gender.

#### **Personal Traits**

1. Possess integrity and accountability.
2. Able to make decisions professionally and reasonably with the information provided.
3. Possess maturity, leadership skills, vision and courage to express different opinions independently.
4. Able to dedicate a sufficient and appropriate amount of his/her time as a director of the Company.
5. Possess qualifications as stated in the Board of Directors' charter, related laws, rules and regulations of the governing agencies.

In nominating the directors to replace those who have retired by rotation or for new directorship positions, such candidates must be approved by the shareholders' meeting according to the guidelines and methods as follows:

1. Any one shareholder has the number of votes equal to the number of shares owned.
2. Each shareholder shall use all his/her rights to vote as stated in Clause 1 to elect one or more individuals as a director, in the case of the election of more than one director, the votes cannot be split to any one person.
3. The candidates shall be ranked in descending order from the highest number of votes received to the lowest and shall be appointed as directors in that order until all of the director positions are filled. If the votes cast for the candidates in descending order are tied which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall cast the deciding vote.

Furthermore, the appointment and removal of a director shall be as stated in the Company's articles as follows:

- 1) The Board of Directors shall be comprised of at least 5 directors and no less than one half shall have a residence in Thailand.
  - 2) Directors shall be an individual with the following qualifications:
    - Be of a legal age
    - Has not been filed for bankruptcy, is not incompetent or near incompetent
    - Has never been imprisoned or received sentence of imprisonment for wrongful acquisition of assets
    - Has never been fired or terminated from civil services or government agency for malfeasance
  - 3) At each Annual General Meeting, at least one-third (1/3) of the directors shall resign by rotation. If the number of directors cannot be divided by three, then the closest number to one-third (1/3) of the directors shall resign. Directors who have resigned by rotation may be re-elected as a director.
  - 4) Apart from resignation by rotation, director may be removed in the following events:
    - Death
    - Voluntary resignation
    - Unqualified or be legally ineligible
    - Shareholders' meeting passes a resolution for the removal of a director with no less than three quarters of the number of shares attending the meeting with the right to vote and with the total number of shares of no less than half of the total number of shares held by the shareholders
- attending the meeting with the right to vote
- Court ordered resignation
- 5) Any directors who wish to resign may submit a letter of resignation to the Company and such resignation will be effective from the day the Company receives such letter.
  - 6) If a director position should become vacant due to the reasons other than the resignation by rotation, the Board of Directors shall select a qualified individual who is not legally ineligible to the position at the subsequent meeting of the Board of Directors, unless the term of the vacant director position is less than two months. In this case, the director who fills the vacant position shall serve only until the end of the remaining term. The Board of Directors' vote for the appointment of the director to fill the vacant position shall be no less than three quarters of the remaining directors.
  - 7) In the case where there is a large number of vacant director positions and the required quorum cannot be met, the remaining directors shall act on behalf of the Board of Directors only in organizing a shareholders' meeting to elect individuals to fill all of the vacant director positions. Such meeting shall be held within one month from the date that the number of vacant director positions exceeds is less than the required quorum. Those individuals filling such vacant positions shall serve only the remaining term of the director who previously held the position.

Furthermore, in the previous nominations of directors at the 2021 shareholders' meetings, the Company gave minor shareholders the opportunity to nominate qualified persons to the Board of Directors prior to the meetings so that the Company may consider nominating those persons at the shareholders' meeting. However, none of the shareholders had nominated persons for consideration by the shareholders' meeting. In addition, the Company had determined the method in voting whereby the shareholders shall vote for directors individually in accordance with good corporate governance principle.

#### *Knowledge Enhancement of Directors*

The Company realizes its roles, duties and responsibilities; therefore, the Company has emphasized on knowledge enhancement of the directors and the management to ensure that they possess knowledge, capability, skill and potential. To achieve this end, the Company has consistently organized seminars and trainings beneficial to their operation, both inside and outside the Company. The programs will promote the directors' understanding of efficient corporate governance while enabling them to use such knowledge for continuous good corporate governance policy. All 18 members of the Board of Directors and the Company Secretary attended and already passed the director certification program and/or director accreditation program while encouraging the directors to attend trainings on regulations, policies or specifications of the Stock Exchange of Thailand and SEC as well as other important programs organized by Thai Institute of Directors (IOD) that will be beneficial to their operation. These programs are as follows:

- Advanced Audit Committee Program (AACP)
- Finance Statements for Directors Program (FSD)
- Roles of Compensation Committee Program (RCC)
- Role of the Nomination and Governance Committee (RNGC)
- Anti-Corruption the Practical Guide (ACPG)
- Ethical Leadership Program (ELP)

In 2021, the Company's directors attended the seminar and training are as follows:

Directors	Seminar / Training / Activity
Mr. Veerathai Santiprabhob, Ph.D.	Advanced Audit Committee Program (AACP), class of 41/2021, held by the Thai Institute of Directors (IOD)
Mr. Sripop Sarasas	Ethical Leadership (ELP), class of 23/2021, held by the Thai Institute of Directors (IOD)
Mr. Kan Trakulhoon	Ethical Leadership (ELP), class of 24/2021, held by the Thai Institute of Directors (IOD)
Mrs. Narumol Noi-am	Ethical Leadership (ELP), class of 24/2021, held by the Thai Institute of Directors (IOD)

#### *Nomination of Executives*

The process of nominating the executive management begins from the selection of good and capable individuals with an attitude appropriate for the organization. The Company has focused on new generation individuals with full potential, knowledge and competence to develop and prepare for the opportunity

to grow as well as possess the potential to grow up to the top-level management through an evaluation by Human Resources Department. In order to develop the individual's skills and knowledge of all aspects within the organization, the individual shall be assigned important tasks and rotated among different departments to prepare him/her to fill any important positions that may become vacant.

In the case of the top executive position of the organization (the President), the Board of Directors has assigned the Nomination and Remuneration Committee to determine the guidelines and qualifications of suitable candidates and then present to the Board of Directors for appointment of the position. Apart from the qualifications in terms of knowledge and capabilities whereby the Nomination and Remuneration Committee may consider the executive management within the organization or may bring in an external consultant to

select qualified candidates, the President shall also be a member of the Board of Directors. Therefore, the candidate whom the Nomination and Remuneration Committee believe to be well qualified and appropriate for the position of the President must possess suitable qualifications and shall be appointed as a director on the Board by the shareholders' meeting before assuming the position of the President.

For the succession plan of top executive management, the Board of Directors assigns the Nomination and Remuneration Committee to determine the procedures and guidelines in selecting a successor as well as the suitable qualifications.

#### **8.1.2 Meeting Attendance and Remuneration of Each Director**

*[Meeting Attendance of Directors at the Board Meeting and Shareholders' Meeting in 2021](#)*

<b>Director's name</b>	<b>Title</b>	<b>Number of Meeting Attendances</b>	
		<b>Board of Directors</b>	<b>Annual General Meeting</b>
1 Professor Emeritus Santasiri Sornmani, M.D.	Chairman of the Board/ independent director	12/12	1/1
2 Mr. Chuladej Yossundharakul, M.D.	Authorized director/Vice Chairman/ member of the Executive Committee/ member of the Nomination and Remuneration Committee	12/12	1/1
3 Mr. Prasert Prasarttong-Osoth, M.D.	Director	9/9	
4 Miss Poramaporn Prasarttong-Osoth, M.D.	Authorized director/President/ Chairperson of the Executive Committee	12/12	1/1
5 Mrs. Narumol Noi-am	Authorized director/Senior Vice President/ member of the Executive Committee/ member of the Risk Management Committee/Chief Financial Officer	12/12	1/1

Director's name	Title	Number of Meeting Attendances	
		Board of Directors	Annual General Meeting
6 Mr. Pradit Theekakul	Authorized director/Chairman of the Risk Management Committee/member of the Corporate Governance Committee	12/12	1/1
7 Mr. Sripop Sarasas	Authorized director/member of the Corporate Governance Committee/member of the Risk Management Committee/Chief Administrative Officer	12/12	1/1
8 Mr. Chavalit Sethameteekul	Independent director/Chairman of the Audit Committee/member of the Nomination and Remuneration Committee	12/12	1/1
9 Mr. Thongchai Jira-alongkorn	Director/member of the Executive Committee	12/12	1/1
10 Mr. Weerawong Chittmittrapap	Independent director/member of the Audit Committee/Chairman of the Corporate Governance Committee	12/12	0/1
11 Mr. Att Thongtang	Director	12/12	1/1
12 Mr. Kan Trakulhoon	Independent director	12/12	1/1
13 Mr. Arsa Sarasin	Independent director	11/12	1/1
14 Mr. Puttipong Prasarttong-Osoth	Director	11/12	1/1
15 Mr. Chairat Panthuraamphorn, M.D.	Director/member of the Executive Committee/Chief Operating Officer	12/12	1/1
16 Mr. Subhak Siwaraksa, Ph.D.	Independent director/member of the Risk Management Committee	12/12	1/1
17 Mr. Veerathai Santiprabhob, Ph.D.	Independent director/member of the Audit Committee	9/9	
18 Mr. Predee Daochai	Independent director/Chairman of the Nomination and Remuneration Committee	9/9	

**Note:**

- Mr. Prasert Prasarttong-Osoth, M.D., Mr. Veerathai Santiprabhob, Ph.D. and Mr. Predee Daochai were appointed as director and independent directors as resolved by the 2021 Annual General Meeting of Shareholders on 9 April 2021 and have attended the Board meetings since the meeting no. 4/2021 on 28 April 2021 onwards.
- Mr. Weerawong Chittmittrapap did not attend the 2021 shareholders' meeting since he was during his quarantine owing to his meeting attendance at one company situated in the risk area of Covid-19.
- Mr. Puttipong Prasarttong-Osoth took a sick leave; therefore, he did not attend 1 Board meeting.
- Mr. Arsa Sarasin had to perform other duties; therefore, he did not attend 1 Board meeting.

**Remuneration of Directors****1. Monetary Remuneration (for the year ending 31 December 2021)**

Remuneration of the Board of Directors: The directors had received remuneration as the director and the Sub-Committee member of the Company and its subsidiaries in a form of annual allowance and meeting allowance (paid on the basis of the number of meetings attended) for the total of Baht 86.09 million which can be illustrated below:

(Unit: Baht)

## Remuneration for directors who retired from rotation and resigned during the year

(Unit: Baht)

No.	Director who retired from rotation	Annual Remuneration	Meeting allowance	Total
1	Professor Emeritus Arun Pausawasdi, M.D.	4,545,500	-	4,545,500

## Remuneration of the Company's Independent Directors Received from Subsidiaries

(Unit: Baht)

No.	Independent director who holds a position in the subsidiary	Annual Remuneration	Meeting allowance	Total
1	Professor Emeritus Santasiri Sornmani, M.D. (5 subsidiaries)	868,881	93,000	961,881
2	Mr. Subhak Siwaraksa, Ph.D. (1 subsidiary)	1,647,059	270,000	1,917,059
<b>Total</b>		<b>2,515,940</b>	<b>363,000</b>	<b>2,878,940</b>

### 2. Other Remunerations

#### Medical Treatment Expenditures of External Directors

External directors who are not considered the Company's employee/executive under contractual employment shall receive the financial amounts of Baht 3 million/person/year for their medical treatment expenditures which can be employed only at Bangkok Hospital and other network hospitals as resolved by the 2021 Annual General Meeting of Shareholders. Such financial amounts shall be counted, starting from the date of the 2021 Annual General Meeting to the next meeting.

As of 9 April 2021 (the 2021 Annual General Meeting of Shareholders), there were 10 external directors who are not the Company's employee/executive under contractual employment attending the meeting; namely, Professor Emeritus Santasiri Sornmani, M.D., Mr. Chavalit Sethameteekul, Mr. Weerawong Chitt mittrapap, Mr. Kan Trakulhoon, Mr. Thongchai Jira-alongkorn, Mr. Arsa Sarasin, Mr. Puttipong Prasarttong-Osoth, Mr. Subhak Siwaraksa, Ph.D., Mr. Predee Daochai and Mr. Veerathai Santiprabhob,

Ph.D. starting from the date of the 2021 Annual General Meeting of Shareholders to the end of 2021, the Company reported medical treatment expenditures for external directors at the total of Baht 1.13 million.

#### Directors and Sub-Committees

Apart from the remunerations in a form of meeting allowances and annual allowances, including medical treatment expenditures of external directors which were approved by the shareholders' meeting, the Company had no other remunerations for its directors and Sub-Committees.

#### **8.1.3 Governance of the Subsidiaries and Affiliates**

##### Maintaining the Shareholder's Rights

In governing the subsidiaries and affiliates, the Company as a shareholder has the same rights as other shareholders such as the right to attend the meetings and the rights to vote. Therefore, the Company has the policy to appoint a representative to attend the shareholders' meetings. The Company's representative has the right to vote on important agenda items at the meetings such as capital

decrease, capital increase, approval of the balance sheet and approval of the management structure. In this regard, the Company's representative shall vote according to the guidelines provided by the Board of Directors or the Executive Committee (as the case may be) or the representative may ask for an approval of the Executive Committee or the Board of Directors regarding the crucial agenda items prior to the shareholders' meeting.

#### **Nominating Representative(s) as Director of a Subsidiary**

The Company shall appoint representatives as directors of the subsidiaries. The Board of Directors has assigned the Executive Committee the task of determining the individuals who have the qualifications suitable for that particular business while specifying scope of duties and responsibilities of the representative in performing his/her respective duties with honesty to protect the benefits of the subsidiaries and the Company's policies in accordance with good corporate governance principle and related laws. At the same time, the Company has determined the policy that states that voting as a director of subsidiaries on important agendas such as capital decrease, capital increase, approval of the balance sheet, approval of the management structure and entering various transactions as stipulated in the Securities and Exchange Act, shall be in accordance with the guidelines set by the Executive Committee or the Board of Directors (as the case may be). The voting shall also be consistent with good corporate governance as stipulated by the Company. In appointing the representatives as directors of subsidiaries, the representation shall correspond with the ratio of shares held by the Company.

#### **Policy on Governing the Subsidiaries**

For the mechanism in governing internal control, disclosure of financial statements and operating results, transactions between subsidiaries and connected persons, procurement or sale of assets or the completion of significant transactions, the Company has set the rule that the individuals appointed by the Company shall make certain that the subsidiaries have appropriate and concise internal control system on connected transactions, purchase or sale of assets or any other important transactions of such subsidiary must be proceeded according to related regulations and guidelines to ensure its completeness and accuracy in consistent with the Company's own regulations. In addition, the representative shall also ensure that disclosure of financial status, performance and report of other important information are in compliance with the specifications of the regulating agencies while ensuring that gathering of information and recording of accounting of the subsidiaries can be verifiable and in a timely manner for the Company to review and collect such information for preparation of the consolidated financial statements within the given time period.

Furthermore, when a subsidiary invests in another business at a level that is significant to the Company, the representative has the responsibility in ensuring that the management of the subsidiary entered into a contract or agreement for clarity of authority in management.

### Specification of the Group's Central Accounting and Financial Policy

The Company has determined that all subsidiaries shall abide by the Central Accounting and Financial Policy. This is to ensure that each subsidiary has an accounting policy as well as accurate and timely preparation and disclosure of financial information in accordance with the rules of the regulating agency and related laws.

#### 8.1.4 Follow-up of Compliance with Corporate Governance Policies and Guidelines

The Company has consistently set the mechanism to follow-up and measure results to ensure that every personnel of the organization acknowledge and act in accordance with the corporate governance policies set forth by the Company which include the following matters:

##### 1) Prevention of Conflict and Use of Inside Information for Personal Interests

The Board of Directors approved the policy on information disclosure, use of inside information and trading of securities by determining guidelines in disclosing and preventing any transactions that may cause conflicts of interest, including the misuse of inside information. The guidelines shall be as follows:

1. Prepare the Company's ethics manual as well as employees' ethics which cover the conflicts of interest, information disclosure, prohibiting the use of inside information or benefit from inside information or disclosure of inside information for personal gain or others' benefit. The guidelines also state the

policy on treatment of the stakeholders with regard to the shareholders' rights and maintaining customer confidentiality. These guidelines are communicated to related persons for acknowledgement and practice.

2. Determine the blackout period and the quiet period when the directors and the management of the Company (including the spouse and child (children) not yet of a legal age of such person) are not allowed to trade securities or provide news on the operating results or any other news that may affect the price of the Company's securities and have not been publicly disclosed, for a period of 30 days before the day the quarterly financial statements and the annual financial statements are announced. Besides, the Company has determined that any directors, management or employees who acknowledge significant inside information which may incur an impact on the price of the securities that have not been publicly disclosed must abstain from trading his/her own securities, including securities of his/her spouse and child (children) not yet of a legal age (if any) as well as refrain from providing such significant information to other external parties. This policy has been stated in the Corporate Information Disclosure Policy, the Supervision of Using Inside Information Policy and the Securities Trading Policy.

3. Disclosure of securities held by the directors and the management (as defined in the Securities and Exchange Act and/or the Notification of the Capital Market Supervisory Board) whereby the directors and the management are required to report to the Office of the Securities and Exchange Commission any purchases and sales of the Company's



21.3	+1.91	34,726.2
3.25	+12.34	2,371.2
47.5	-1.55	2,613.0
46.25	+1.65	16,856.1
6.3	-0.79	270.0
1.68	-9.19	88,259.0
155	-0.96	554.7

securities within 3 days after any changes. The directors and the management shall also report the securities held or any changes to the Company Secretary so that the Company Secretary may gather reports on the changes in ownership of the Company's securities and include them in the agenda of the next Board of Directors' meeting for acknowledgement.

4. In reporting any stakes, the Company has determined that the directors and the management shall report one's stake or that of a related person to the Company Secretary as well as report any changes in such stake. The Company Secretary then has the duty to store information and report any changes to the Chairman of the Board and the Board of Directors' meeting in accordance with the Securities and Exchange Act B.E. 2535. The Company shall use the information to control the transactions between the Company and the directors or the management and/or persons related to the person mentioned earlier as require by law.

5. The Company has determined the procedures and punishments when it is discovered that there has been misuse of inside information for personal gain which is in accordance with the rules, regulations and Supervision of Using Inside Information Policy posted on the Company's website.

In 2021, there were no report on any misconducts relating to the misuse of inside information for personal gain.

### Report on Changes in Securities held by Directors and Executives in 2021

Name	Number of shares held as of 30 December 2021	Number of shares held as of 30 December 2020	Changes in number of shares
1 Professor Emeritus Santasiri Sornmani, M.D.	15,651,270	15,651,270	0
2 Mr. Chuladej Yossundharakul, M.D.	49,530,490	49,530,490	0
Spouse	530,000	530,000	0
<b>Total</b>	<b>50,060,490</b>	<b>50,060,490</b>	<b>0</b>
3 Mr. Prasert Prasarttong-Osoth, M.D.	2,292,955,640	2,348,119,240	(55,163,600)
Spouse	20,000,000	20,000,000	0
<b>Total</b>	<b>2,312,955,640</b>	<b>2,368,119,240**</b>	<b>(55,163,600)</b>
(as of 9 April 2021)			
4 Miss Poramaporn Prasarttong-Osoth, M.D.	568,377,610	549,377,610	19,000,000
5 Mrs. Narumol Noi-am	6,000,000	6,000,000	0
6 Mr. Pradit Theekakul	3,000,000	4,627,800	(1,627,800)
7 Mr. Chavalit Sethameteekul	0	0	0
8 Mr. Sripop Sarasas	0	0	0
9 Mr. Thongchai Jira-alongkorn	1,373,360	3,373,360	(2,000,000)
10 Mr. Weerawong Chittmittrapap	0	0	0

## Report on Changes in Securities held by Directors and Executives in 2021

Name	Number of shares held as of 30 December 2021	Number of shares held as of 30 December 2020	Changes in number of shares
11 Mr. Att Thongtang	337,694,295	337,694,295	0
Spouse	180,000	100,000	80,000
<b>Total</b>	<b>337,874,295</b>	<b>337,794,295</b>	<b>80,000</b>
12 Mr. Kan Trakulhoon	0	0	0
13 Mr. Arsa Sarasin	0	0	0
14 Mr. Puttipong Prasarttong-Osoth	17,026,660	17,026,660	0
Spouse	0	300,000	(300,000)
<b>Total</b>	<b>17,026,660</b>	<b>17,326,660</b>	<b>(300,000)</b>
15 Mr. Chairat Panthuraamporn, M.D.	0	0	0
16 Mr. Subhak Siwaraksa, Ph.D.	0	0	0
17 Mr. Veerathai Santiprabhob, Ph.D.	0	0**	0
		(as of 9 April 2021)	
18 Mr. Predee Daochai	0	0**	0
		(as of 9 April 2021)	
19 Mr. Trin Charumilind, M.D.	0	0	0
Spouse	35,900	35,900	0
<b>Total</b>	<b>35,900</b>	<b>35,900</b>	<b>0</b>

**\*\*Note:** Data on number of shares held as of the date of appointment to hold the position of director at the 2021 Annual Shareholders' Meeting on 9 April 2021.

### 2) Policy on Anti-Corruption

The Company has the policy to conduct business with virtue and responsibility. The Board of Directors has approved the policy on anti-corruption which has been communicated to personnel within the Company. Its subsidiaries and associates for acknowledgement and general practice as well as published such policy on the Company's website.

The Company operated the business according to such policy in various aspects in order to prevent and oppose the corruption issues which can be summarized as follows:

1. The Company has provided guidelines on assessing the operational risks and on prioritizing risks that may occur for the planning of internal auditing and risk management.

2. Guidelines are provided on the control and prevention of any risks that may occur by determining the principles and regulations on procurement, reimbursement, budget approval, charitable donations, entertaining expenditures or gift giving. In addition, the guidelines specify that there shall be an internal control system in finance, accounting, data recording as well as other internal processes related to accounting and

finance to ensure confidence that the financial transactions are consistent with the approved objectives and that the business operations are transparent etc.

3. The Company has communicated the policy on anti-corruption to various departments within the Company, the subsidiaries and the associated companies through various channels; namely, employee training, intranet and the Company's website for the acknowledgement and practice of related persons.

4. The Audit Committee has the duty to ensure that the Company has sufficient good corporate governance which is consistent with the established policy.

5. The Company has provided channels to report any violations, unlawful acts, ethical misconduct or fraudulent or corrupt behavior. In addition, the Company has set up the Whistleblower Policy to protect and alleviate any damages to the whistleblower or complainant or any persons cooperating in the reporting of such acts.

### **3) Whistleblowing**

The Company has the policy to protect and mitigate any damages to the persons reporting the misconduct, assisting in the report of or cooperation with the investigation of facts. Such persons shall receive protection and fairness under the Whistleblower Policy as stated in the Company's Codes of Conduct. The policy has also been published on the Company's website and can be summarized as follows:

- The complainant may choose to issue the complaint anonymously if he/she considers that the identity disclosure may be unsafe. However, if the complainant decides to disclose his/her identity, he/she shall receive a progress report and an explanation of facts or receives mitigation of damages in a more speedy and convenient manner.
- The person assigned to take complaints must keep all relevant information confidential and disclose such information only when deemed necessary by taking into consideration the safety of the complainant and potential damage to such complainant or persons cooperating in the investigation. The Company shall ensure that there will be no grounds for termination of employment, punishment or any other actions that may pose adverse impacts on the employee.
- Any persons who are adversely affected shall receive mitigation of damages through suitable and fair process.

### **Communication Channels for Stakeholders**

The Company has provided an opportunity for employees and stakeholders of every sector, both internal and external, to contact, suggest opinions, file complaints and report any misconducts through channels announced in the Company's Codes of Conduct and published on the Company's website. Persons assigned to take complaints from the stakeholders shall proceed as indicated below:

- Gather facts on the violation, negligence or non-compliance behavior. Persons in charge of related information must disclose all information available to the person assigned to gather facts and investigate such complaint.

- Assess and analyze the information to find the actual cause of such violation, negligence or non-compliance and then report the assessment results and information analysis to the authorized person for further action.
- In the event that the misconduct has been found out, action shall be taken in accordance with the guidelines or regulations governing such matter.

#### **4) Information Disclosure and Transparency**

The Company discloses financial statements, important information and other relevant information with potential impact on the interests of the shareholders or investment decision which in turn may affect the price of the Company's shares or securities in a sufficient, timely and appropriate manner through fair and appropriate channels. The main purpose is to ensure that the decision to invest in securities of the Company is made fairly and with equal information in accordance with the corporate information disclosure policy, the supervision of using inside information policy and the securities trading policy to the directors, the management and employees for further action.

Furthermore, the Board of Directors has prepared the report on responsibility for the financial statement along with the report from the auditors and also included these reports in the Company's annual report and annual information disclosure form so that the management may recognize the commitment and responsibility for information and financial report which must be accurate

before being made available to the investors.

#### ***Channels for Information Disclosure***

Apart from information disclosure as mandated by law and regulations of related agencies, the Company has established the Investor Relations unit as a channel for direct contact with both Thai and foreign investors and analysts, including any related persons or external parties who are interested in the Company's information. In communicating to external parties, the senior executives who have been assigned the task of disclosing information about the Company are the Chairman and the President, the Chief Financial Officer and the Assistant Vice President of Investor Relations as well as other related executives in accordance with the policy on information disclosure.

For the year 2021, the senior executives of the Company and the Assistant Vice President of the Investor Relations provided information to relevant parties in various occasions in a virtual form as follows:

1. Roadshows: 30 times by organizing virtual roadshows, enabling a large number of investors to attend each meeting and a great opportunity to meet with various groups of investors.
2. Analyst meetings: 8 times in total
3. Virtual meetings and conference calls, including questions and answers via e-mail: 175 times in total
4. According to the situation of Covid-19 pandemic, the Company has consistently conducted its business by applying Social Distancing policy; thus, the Company did not organize any site visits for investors, analysts and other relevant parties.

## 8.2 Report on the Performance of Duties of the Audit Committee for the Past Year

### 8.2.1 Number of Meeting Attendances of the Audit Committee

In 2021, the Audit Committee had convened total 8 meetings. Every member of the Audit Committee attended the meetings as follows:

No.	Name	Title	No. of meeting attendance
1	Mr. Chavalit Sethameteekul	Chairman	8/8
2	Mr. Weerawong Chittmittrapap	Member	8/8
3	Mr. Veerathai Santiprabhob, Ph.D.	Member	6/6
<b>Director who resigned during the year</b>			
1	Professor Emeritus Santasiri Sornmani, M.D.	Chairman	2/2

**Note:**

- 1) The Board meeting no. 4/2021 resolved to appoint Professor Emeritus Santasiri Sornmani, M.D., the independent director, as the Chairman of the Company. Therefore, to ensure that the Audit Committee can perform their duties independently, Professor Emeritus Santasiri Sornmani, M.D., resigned from the position of Chairman of the Audit Committee since 28 April 2021. Consequently, the Board of Directors resolved to appoint Mr. Chavalit Sethameteekul, member of the Audit Committee, as the Chairman of the Audit Committee.
- 2) Mr. Veerathai Santiprabhob, Ph.D. was appointed as a member of the Audit Committee according to the Board resolution on 28 April 2021 and he has attended the meetings of the Audit Committee since the meeting no. 3/2021 onwards.

### 8.2.2 Results of Performance of Duties of the Audit Committee

(See in the Attachment 6 “Report of the Audit Committee”)

## 8.3 Summary of Performance of Duties of Other Sub-Committees

### 8.3.1 Executive Committee

In 2021, 11 meetings of the Executive Committee were held to approve various operations according to the authority assigned by the Board of Directors as well as to determine the visions, business directions, policies, strategies and to screen business plans, budget plans, investment plans, including other plans of the Group, especially the matters relating to business management and human resources management before proposing to the Board of Directors. Moreover, the Executive Committee has consistently monitored the Company’s operations to ensure their efficiency.

No.	Name	Title	No. of meeting attendance
1	Miss Poramaporn Prasarttong-Osoth, M.D.	Chairperson	11/11
2	Mr. Chuladej Yossundharakul, M.D.	Member	11/11
3	Mrs. Narumol Noi-am	Member	11/11
4	Mr. Thongchai Jira-alongkorn	Member	11/11
5	Mr. Chairat Panthuraamphorn, M.D.	Member	11/11

### 8.3.2 The Nomination and Remuneration Committee

In 2021, 4 meetings of the Nomination and Remuneration Committee were arranged to recruit an individual with suitable qualifications for the directorship position and to propose to the Board of Directors' Meeting for further proposal and appointment at the Shareholders' Meeting. The Committee has also considered the form and criteria of remuneration payment as well as specify the remunerations of the directors, the Sub-Committees to propose to the Board of Directors before proposing to the shareholders' meeting for consideration. Details of meeting attendances are as follows:

No.	Name	Title	No. of meeting attendance
1	Mr. Predee Daochai	Chairman	2/2
2	Mr. Chuladej Yossundharakul, M.D.	Member	4/4
3	Mr. Chavalit Sethameteekul	Member	4/4
<b>Director who resigned during the year</b>			
1	Professor Emeritus Santasiri Sornmani, M.D.	Chairman	2/2

**Note:**

- 1) Professor Emeritus Santasiri Sornmani, M.D. resigned from the position of Chairman of the Nomination and Remuneration Committee on 28 April 2021 since he was appointed to hold the position of the Chairman of the Company.
- 2) Mr. Predee Daochai was appointed to hold the position of Chairman of the Nomination and Remuneration Committee according to the resolution of the Board meeting on 28 April 2021. He has attended the meeting of the Nomination and Remuneration Committee since the meeting no.3/2021 onwards.

### 8.3.3 Risk Management Committee

In 2021, the Risk Management Committee held a total of 4 meetings to screen risk management policies and guidelines as well as follow-up risk management of other departments of the Company while providing suggestions for implementation.

No.	Name	Title	No. of meeting attendance
1	Mr. Pradit Theekakul	Chairman	4/4
2	Mrs. Narumol Noi-am	Member	4/4
3	Mr. Sripop Sarasas	Member	4/4
4	Mr. Subhak Siwaraksa, Ph.D.	Member	3/3
<b>Director who resigned during the year</b>			
1	Mr. Chavalit Sethameteekul	Chairman	1/1

**Note:**

- 1) Mr. Chavalit Sethameteekul was appointed as the Chairman of the Audit Committee according to the resolution of the Board meeting on 28 April 2021. Therefore, he resigned from the position of Chairman of the Risk Management Committee on 28 April 2021 to ensure that the performance duties of these two committees are independent based on good corporate governance principle. The Board of Directors had resolved to appoint Mr. Pradit Theekakul, member of the Risk Management Committee, to hold the position of Chairman of such Committee.
- 2) Mr. Subhak Siwaraksa, Ph.D. was appointed as a member of the Risk Management Committee according to the resolution of the Board meeting on 28 April 2021. He has attended the meetings of the Risk Management Committee since the meeting no.2/2021 onwards.

#### 8.3.4 Corporate Governance Committee

In 2021, the Corporate Governance Committee held 1 meeting of to review the corporate governance policy as well as to evaluate the compliance with the Company's corporate governance principle to propose to the Board meeting.

No.	Name	Title	No. of meeting attendance
1	Mr. Weerawong Chittmittrapap	Chairman	1/1
2	Mr. Pradit Theekakul	Member	1/1
3	Mr. Sripop Sarasas	Member	1/1

# 9

# Internal Control and Connected Transactions

## 9.1 Internal Control

The Company recognizes the importance of the internal control system as it is deemed one of the significant tools in mitigating risks and preventing losses to the Company. The internal control system is also a tool that ensures an efficient management of the Company. Therefore, the Board of Directors has stipulated that the Company shall put in place an internal control system in various areas such as procurement, approval of disbursement, reliability of financial statement, administration by the Human Resources Department, purchase and sale of tools, medical supplies, compliance with relevant laws and regulations as well as monitor existing audit results that need to be revised or improved to ensure the transparency of management of every aspect.

To achieve this end, the Company, with an approval of the Audit Committee, approved Accounting Revolution Company Limited, an external company, as the Company's internal auditor. In turn, Accounting Revolution Company Limited appointed Mrs. Sasivimol Suksai to perform such duties since she possesses experiences in governance and internal audit. She can work independently and has available the appropriate number of staffs and teamwork to carry out the internal audit of the Company. Mrs. Sasivimol Suksai can inspect the operation of each department in accordance with guidelines on adequate evaluation of the internal control system prescribed by the Securities and Exchange Commission as well as comply with the annual audit plan approved by the Audit Committee.

### Profile and Experiences of Head of the Internal Audit Team

Mrs. Sasivimol Suksai, Managing Director, Accounting Revolution Company Limited

#### Educational Background

- BBA: Major in Accounting, Thammasat University
- MBA: Master of Business Administration, Chulalongkorn University

#### Work Experiences

- 1988-1991 Assistant Auditor, Office of SGV na Talang
- 1991-1996 Director, VSP Consultants Company Limited (provides auditing services)

- 1996-2002 Director, CAS Company Limited (provides auditing services)
- 2002-2006 Director Thana Ake Advisory Company Limited (provides auditing services)
- 2006-present Director, Accounting Revolution Company Limited

**Other qualifications**

- Licensed auditor of Thailand
- Special lecturer, Dhurakij Bundit University
- Special lecturer, Eastern Asia University

In addition, the Board of Directors has set up the Company's Internal Audit Department of which the Head reports directly to the Audit Committee who is responsible for considering, appointing, removing, transferring and approving the merits for the Head of Internal Audit Department. On 1 January 2022, the Audit Committee appointed Ms. Daranee Bunjongsilpa, Internal Audit Director, as Head of the Internal Audit Department, considering that she possesses suitable educational background, work experiences and adequate training appropriate for such position. (Details of the Head of the Internal Audit team can be seen in the Attachment 3)

**Duties of the Internal Audit Division**

1. Propose the audit plan to the Audit Committee for approval
2. Follow-up and acknowledge the policy on business risks and risks concerning the Company's control and report to the Audit Committee on key risk levels, including measures to alleviate such risks
3. Review, consult, consider the criteria of the audit plan that encompass various matters to be collaboratively inspected with the Audit Committee
4. Gather data on operation of various departments and then analyze, evaluate results as well as provide recommendations to enhance efficiency and effectiveness of the internal control system and then communicate to the management for acknowledgement to make necessary adjustments or improvements while at the same time independently reporting the audit results to the Audit Committee to consider the adequacy of the internal control system
5. Summarize the report of internal audit results or any matters deemed appropriate for further proposal to the Audit Committee to consider and propose to the Board of Directors or the management in a case of urgent matters which must be rectified immediately so that the management can proceed accordingly and in a timely manner

**Objectives of Internal Audit**

To facilitate every department of the organization to perform their respective duty with responsibility and in a transparent manner while ensuring good and efficient risk management and being able to monitor the business operation of the subsidiaries to be in accordance with established operational framework.

At the Board of Directors' Meeting no. 2/2022 held on 23 February 2022, a total of 18 directors attended, comprising 8 executive directors, 2 non-executive directors and 8 independent directors. Among those who attended, 3 members are independent directors of the Audit Committee. In addition, the Board of Directors reviewed the assessment of adequacy of the internal audit system as reported by the Audit Committee in 5 following aspects; namely, control environment, risk assessment, control activities, information and communication and monitoring activities. The Board of Directors believes that the Company has sufficient and suitable internal control system that suits current business condition and an overall operation has been transparent and good corporate governance can be verified.

In 2021, the Company did not discover any significant errors relating to conflicts of interest, corruption, abnormality or defect of the internal control system of the Company or its subsidiaries.

## 9.2 Connected Transactions

During the year 2021, the Company and subsidiaries have entered into connected transactions with related business according to the Securities and Exchange Act and/or the regulations or specifications of the Stock Exchange of Thailand and/or the notification of the Capital Market Supervisory Board. Moreover, to protect the investors and ensure transparency, in a case where the Company and/or subsidiaries must enter into connected transactions with connected persons, the Company has assigned the Audit Committee to supervise such connected transactions to be made fairly. In a case that the Audit Committee do not have the expertise in considering potential connected transactions, the Company has set the policy to assign the independent individual with knowledge and professional expertise to provide opinion on such transaction and then employ the opinion for the decision making of the Audit Committee and/or the Board of Directors and/or the shareholders' meeting, as the case may be.

### 9.2.1 Connected Transactions

The Company had connected transactions during the year 2021 which can be summarized below:

#### 1. General Transactions

Transactions between Bangkok Dusit Medical Services PCL. ("the Company") and its subsidiaries for the period ending 31 December 2021

Connected Person/ Relationship	Transaction	Value (Baht) as of			Reason and Necessity
		31/12/21	31/12/20	31/12/19	
1. Bangkok Airways PCL: BA <u>Relationship:</u> 1. Mr. Prasert Prasarttong-Osoth, M.D., and Mr. Puttipong Prasarttong-Osoth are major shareholders of BA.  2. Mr. Pradit Theekakul, Mr. Sripop Sarasas and Mrs. Narumol Noi-arm are mutual directors.	1. Air fare and air freight/patient transport by air charges	1,404,243	3,703,928	9,457,500	The Company and subsidiaries paid for air fare and air freight charges to Bangkok Airways PCL. The Company and subsidiaries paid for medical evacuation to Bangkok Airways PCL., which is considered as a transaction supporting normal business of the Company and subsidiaries. <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under normal trade conditions.
	2. Maintenance and administrative expenses	3,072,000	3,072,000	3,072,000	The subsidiaries made a contract regarding the maintenance and administrative of helicopters with BA, with the service rates as specified in the contract. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is considered a normal trade condition.
	3. Dividend income	-	1,790,560	1,432,448	The Company received dividends from the investment in common shares of Bangkok Airways PCL. in accordance with the right of the shareholder.
2. BAC Gourmet House Co., Ltd. <u>Relationship:</u> Bangkok Air Catering Co., Ltd., a subsidiary of Bangkok Airways PCL., is a major shareholder of BAC Gourmet House Co., Ltd., and Mr. Puttipong Prasarttong-Osoth is a mutual director.	1. Food and catering services	136,203,875	158,519,087	217,721,954	The Company and subsidiaries paid for food for patients and catering services to BAC Gourmet House Co., Ltd., which is catering provider of the Company and subsidiaries according to normal procurement procedures. <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under general trade terms.
	2. Creditor – food and catering services	13,829,504	11,486,097	18,132,770	The Company and subsidiaries had account payable for food services to BAC Gourmet House Co., Ltd., under general credit terms. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	3. Income from retail space rental	9,640,729	9,066,920	10,097,126	The Company and subsidiaries received a space rental from BAC Gourmet House Co., Ltd., which is in accordance with the lease agreement and the same rental rate terms as with other renters. <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under normal trade conditions.

Connected Person/ Relationship	Transaction	Value (Baht) as of			Reason and Necessity
		31/12/21	31/12/20	31/12/19	
	4. Debtor – retail space rental	552,577	668,966	666,060	The Company and subsidiaries are creditors for retail space rental according to the rental contract at the market rate and under the same rental terms as other renters. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	5. Deposit for retail space rental	918,236	836,536	836,536	The Company received a deposit on rental lease from BAC Gourmet House Co., Ltd., which is in accordance with the lease agreement and the same rental rate terms as with other renters. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	6. Revenues from sales of goods and services	1,197,380	1,297,010	1,625,045	The subsidiaries had revenues from laundry services and sales of goods with BAC Gourmet House Co., Ltd., at the market prices and under general trade terms. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with general trade conditions.
3. Bangkok Air Catering Samui Co., Ltd. <u>Relationship:</u> Bangkok Air Catering Co., Ltd., a subsidiary of Bangkok Airways PCL., is a major shareholder and Mr. Puttipong Prasarttong-Osoth is a mutual director.	1. Food and catering services	992,649	7,454,259	14,851,704	A subsidiary paid for food for patients and catering services to Bangkok Air Catering Samui Co., Ltd., which is a food provider of the subsidiary according to normal procurement procedures. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	2. Creditor – food and catering services	-	547,144	2,266,889	A subsidiary had account payable for food and catering services which is under general credit terms. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
4. Bangkok Air Tour (1988) Co., Ltd. <u>Relationship:</u> Connected person with Mr. Prasert Prasarttong-Osoth, M.D., is a director and a major shareholder	1. Air fare	1,568,769	4,659,074	21,864,030	The Company and subsidiaries paid for air fare to Bangkok Air Tour (1988) Co., Ltd., an airplane ticket agent, at the market rates and under general business terms <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under general business terms.
5. Bangkok Media and Broadcasting Co., Ltd. <u>Relationship:</u> 1. Mr. Prasert Prasarttong-Osoth, M.D., is a mutual director and a major shareholder.	1. Advertising fees	1,825,000	1,098,975	500,000	The Company and subsidiaries paid Bangkok Media and Broadcasting Co., Ltd., for television advertising at the market rate and under the same trade terms as other clients.

Connected Person/ Relationship	Transaction	Value (Baht) as of			Reason and Necessity
		31/12/21	31/12/20	31/12/19	
2. Mrs. Narumol Noi-am and Mr. Puttipong Prasarttong-Osoth are mutual directors.					<u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	2. Creditor – advertising fees	558,250	-	-	A subsidiary had account payable for advertising fees with Bangkok Media and Broadcasting Co., Ltd., which are under general credit terms. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	3. Revenues from sales of products	522,950	-	-	A subsidiary has revenues from sales of products to Bangkok Media and Broadcasting Co., Ltd., at the market rate and is in accordance with normal trade conditions. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
6. WTH Holdings Co., Ltd. <u>Relationship:</u> Mr. Att Thongtang and connected person(s) are directors and major shareholders.	1. Office building rental fees	17,716,437	14,947,591	12,714,719	A subsidiary paid for office building rental and service fees to WTH Holdings Co., Ltd., which is in accordance with the market price and under the same trade terms as with other service providers according to normal procurement procedures of the subsidiary. <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under normal trade conditions.
	2. Rental insurance	4,018,037	4,018,037	6,204,737	A subsidiary paid for rental insurance under the terms of the rental agreement, which is under general trade terms. <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
	3. Creditor- office building rental	27,667,385	35,743,094		The Company is a debtor of long-term office building rental agreement to WTH Holdings Co., Ltd., which is in accordance with the market rate and under the same trade terms as with other service providers <u>Opinion of the Audit Committee</u> Such transaction is reasonable and is in accordance with normal trade conditions.
7. Samui Accom Co., Ltd. <u>Relationship:</u> Mr. Puttipong Prasarttong-Osoth is a major shareholder and mutual director.	1. Vehicle rental fees	5,376,000	4,928,000	-	The Company paid for vehicle rental fees with the driver provided to Samui Accom Co., Ltd., with the market rate and under the same trade terms with other service providers according to normal procurement procedures of the Company. <u>Opinion of the Audit Committee</u> Such transaction is in accordance with the market rate and under normal trade conditions.

Connected Person/ Relationship	Transaction	Value (Baht) as of			Reason and Necessity
		31/12/21	31/12/20	31/12/19	
	2. Creditor- rental agreement	16,468,027	21,438,080	-	<p>The Company is a debtor of long-term agreement to Samui Accom Co., Ltd., which is in accordance with the market rate and under the same trade terms as with other service providers.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is reasonable and is in accordance with normal trade conditions.</p>
8. Bangkok Airways Ground Services Co., Ltd. <u>Relationship:</u> A subsidiary of Bangkok Airways PCL., and Mr. Puttipong Prasarttong-Osoth is a mutual director.	1. Ground and passenger handling costs	1,383,355	1,345,504	1,675,690	<p>A subsidiary paid for ground and passenger handling fees at Don Muang International Airport. Bangkok Airways Ground Services Co., Ltd., is the only service provider to be awarded the concession at Don Muang International Airport. Therefore, it was necessary for the subsidiary to use the service which was charged at the general rate as determined by such company.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is reasonable and is in accordance with normal trade conditions.</p>
9. Samui Palm Beach Resort Co., Ltd. <u>Relationship:</u> A juristic person connected with Mr. Prasert Prasarttong-Osoth, M.D., the Company's director and major shareholder, is a major shareholder of Samui Palm Beach Resort Co., Ltd., and Mr. Pradit Theekakul is a mutual director.	1. Food and catering service fees	1,862,728	139,490	269,164	<p>During the second quarter of 2021, Samui Palm Beach Resort Co., Ltd., won the bidding in entering into food and beverage service contract with the subsidiary according to normal procurement procedures; therefore, there were food and catering service fees which are in accordance with the market price and under general trade terms.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is reasonable and is in accordance with normal trade conditions.</p>
10. Aeronautical Radio of Thailand Co., Ltd. <u>Relationship:</u> Mr. Puttipong Prasarttong-Osoth is a mutual director.	1. Radio communication rental	959,920	909,286	1,219,775	<p>A subsidiary paid for radio communication rental to Aeronautical Radio of Thailand Co., Ltd., the only radio signal provider at the airport. Therefore, it was necessary for the subsidiary to use the service which was charged at the rate determined by such company.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is reasonable and is in accordance with normal trade conditions.</p>
11. Quality Delicious and Chef Man Co., Ltd. <u>Relationship:</u> 1. Mr. Puttipong Prasarttong-Osoth is a mutual director. 2. A juristic person connected to the director is a major shareholder.	1. Revenues from rental and service fees	1,005,334	168,063	-	<p>The subsidiaries had revenues from space rental and service fees with Quality Delicious and Chef Man Co., Ltd., which is normal business and according to the same trade conditions made with other service providers.</p> <p><u>Opinion of the Audit Committee</u></p> <p>Such transaction is reasonable and is in accordance with general trade conditions.</p>

## 2. Financial Assistance

The company did not provide financial assistance to any connected person or connected justic person.

### 9.2.2 Trend of Future Connected Transactions

Type of Transaction	Trend and Policy
Normal business transaction or transactions that support general business	<p><b><u>Normal business transactions</u></b></p> <p>In the case that the Company and/or subsidiaries provide(s) medical services and/or patient transfers, the Company has the policy for the Company and subsidiaries to charge fees for such transactions between the Company and/or subsidiaries and connected persons at the market rate. The rate charged, payment conditions and other business conditions shall be equal to or similar to such rates and conditions that the Company and/or subsidiaries charges and stipulates for transactions with other persons or counter parties under the same situations.</p> <p><b><u>Transactions that support general business</u></b></p> <p>In the case that the Company and subsidiaries purchase goods and services, raw materials and medical supplies, or procurements related to and in support of medical services provided among the companies, or between the Company and/or subsidiaries and connected persons, which are transactions in support of the Company's and/or subsidiary's normal business, the product price or service fee of such transactions must be at a referenced market rate. In addition, the payment terms and trade agreements and conditions must not differ from the terms and conditions in which the Company and/or subsidiary enters with other counter parties under the same circumstances.</p> <p>The Securities and Stock Exchange Act (Fourth Edition) Amendment B.E. 2551 effective from 31 August 2008 and the Securities and Exchange Commission circular dated 16 July 2008 state that for flexibility, the Company may bring transactions with associated companies which are normal business transactions or transactions supporting normal business between the Company and subsidiaries and a related person to the Board of Directors for approval in principle.</p> <p>Therefore, at the Board of Directors Meeting 8/2008 on 27 August 2008, the Board gave the management approval in principle to consider entering into normal business or transaction supporting normal business transactions with normal trade conditions, which are priced or have been charged at the market rate with the same conditions as the Company's transactions with external parties.</p>
Financial Assistance	The Company has the policy to provide financial assistance only to subsidiaries in which the Company holds more than 50 percent of the outstanding shares. The financial assistance is provided under the condition that the subsidiary has no connected person that holds more than 10 percent of the remaining shares. Such financial assistance will centralize financial management to manage costs appropriately and efficiently for the highest benefits of the organization as a whole.

Type of Transaction	Trend and Policy
	<p>The Company has the policy to enter into 3 types of financial assistance transactions as follows:</p> <p><b>1. Loans to subsidiaries:</b> The Company will take out loan in the money market or from a financial institution and then loan that money to the subsidiary at the rate of MLR-2.25 per annum, which is lower than the rate the subsidiary would be charged if taking out a loan directly.</p> <p><u>Benefit derived:</u> The subsidiary can take out a loan at a rate lower than borrowing directly from a financial institution as the Company is capable of seeking loans at a lower rate.</p> <p><b>2. Guarantee loans of foreign subsidiaries:</b></p> <p><u>Benefit derived:</u> To enable the foreign subsidiary to seek a loan directly from financial institution in that particular country at a prime rate.</p> <p><b>3. Centralize Liquidity Management (Cash Pooling):</b> At the end of the business day, the liquidity management program will transfer money from the subsidiary's bank account to the Company's bank account. The money transferred into the Company's bank account will be stated as short-term loan from a subsidiary with interest charged at the market rate. At the same time, if any subsidiaries require capital, the Company will transfer the excess liquidity to the subsidiary in need of capital. Such money transferred will be stated as short-term loan to the subsidiary with interest charged at the market rate as well.</p> <p><u>Benefit derived:</u> For liquidity management within the Group, the companies with excess liquidity will receive interest at a rate higher than the savings rate of financial institutions, while the companies in need of capital can borrow at a rate no higher than the market rate.</p>
<b>Other transactions defined as connected transactions by the Securities and Exchange Act</b>	In the case that it deemed necessary for the Company and/or subsidiaries to enter into transactions with each other in the future, such transactions shall be for the benefit of the Company and equal benefit of each shareholder under the regulations of the Securities and Exchange Act as well as any other related notifications of agencies that regulate the Company.

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ONE REPORT Part

# 03

## Financial Statements

- 1** The Board Of Directors' Report  
On Its Responsibility to the Financial  
Statements
- 2** Independent Auditor's Report
- 3** Financial Statements

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# 56-1

ONE REPORT

## ATTACHMENT

### Attachment 1

Details of Directors, Executives, Person supervising accounting and Company Secretary

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### Attachment 2

Details of Directors and Subsidiaries

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### Attachment 3

Details about the Head of Internal Audit

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### Attachment 4

Assets used in the Business Operation

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### Attachment 5

Policy and Guideline on Corporate Governance and Business Ethics of Bangkok Dusit Medical Services Public Company Limited

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### Attachment 6

Report of the Audit Committee

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**BDMS**  
Bangkok Dusit Medical Services



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