

Annual Report

2020



40TH
ANNIVERSARY

Bumrungrad Hospital Public Company Limited



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MESSAGE FROM THE CHAIRMAN



Chai Sophonpanich

Chairman of the Board

In 2020, Bumrungrad International Hospital witnessed two seminal moments in its history. We celebrated our 40th anniversary, in commemoration of our proud commitment to the community and our dedication to providing world-class care to our patients throughout the globe. Secondly, we're navigating through a global pandemic the likes of which haven't been witnessed in over 100 years. COVID-19 emerged and quickly spread to almost every country around the world, including Thailand. Our 40th year of operation was therefore dominated by the significant challenges of running the business during a global pandemic.

Despite strong measures by the Thai government to protect public health and rehabilitate the economy, international travel restrictions had a devastating effect on many businesses. With tourists, foreign patients and businesspeople unable to travel overseas, Thailand's hotels, restaurants, shopping malls and private hospitals suffered significantly.

Prior to 2020, approximately 55% of Bumrungrad International Hospital's annual income came from overseas patients. Consequently, the hospital's strategy was revised to reduce reliance on these patient groups. During the second half of 2020, the Thai government relaxed control measures and allowed foreign patients to enter the country for medical treatment. Nevertheless, the situation remains challenging in many regions that are home to our overseas patients, especially the Middle East, CLMV countries and the USA. The hospital's focus therefore shifted to domestic target groups, including Thais and foreign residents in Thailand. Yet even among these groups, there were challenges, including the slowdown in domestic purchasing power and public concern about the local COVID-19 outbreak at year-end. Higher operating costs and intensified competition among private hospitals added further challenges.

To adapt to these fast-changing circumstances, Bumrungrad continuously reviewed and acted decisively. We adjusted our playbook and our focus. We however did not stray our values on which this hospital was founded. We found inspiration from our values of being agile, innovative and caring. A few examples of these increasing our investments in advanced technology and equipment to provide the best infection prevention and control measures and to enhance treatment results. To adapt to changing patient behavior, the hospital offered additional services and promotions, while driving even greater efficiency in the management of service areas. Health and wellness goals were fully integrated into holistic medical care, treating and promoting health and we maintained close contact with patients. In gratitude for their support, we pledged a price freeze on the occasion of our 40th anniversary.

While the global COVID-19 situation may not yet have eased, I am confident that Bumrungrad will continue to successfully navigate the resulting challenges and maintain its leadership of Thailand's private hospital sector. As always, our unwavering commitment to the highest quality and safety standards is at the heart of everything we do. We continue to develop Bumrungrad's status as a quaternary hospital offering eight centers of excellence and three critical care units. We also continue our relentless focus on advanced medical technology and innovation. In addition, we are expanding our focus on wellness, with the launch of Vitallife@Bangkrachao at the world-class medical and wellness resort RAKxa.

I would like to thank our investors, the Board of Directors and hospital management team, I would also like to thank business partners everywhere as well as government agencies that have supported hospital operations during these difficult times.

Finally, I extend my gratitude to all of the doctors, dentists, nurses, pharmacists, multi-disciplinary professionals and support staff at Bumrungrad International Hospital. During this challenging year, many of them made significant personal sacrifices to ensure that the hospital continued to provide the highest standards of care for patients. Although this year was not the 40th anniversary for which we had hoped, it is still an anniversary of which we are proud.

MESSAGE FROM THE MANAGING DIRECTOR



For Bumrungrad the year 2020 was challenging indeed, as our 40th anniversary coincided with the COVID-19 pandemic. Reflecting on the past, we have successfully navigated other challenges, from the Asian financial crisis in 1997 to the subsequent outbreaks of SARS, H1N1 and MERS viruses. COVID-19 was the most acute challenge we have faced thus far, when broad travel restrictions were enacted by the government to control the spread of the virus and fear permeated domestic sentiment.

In the past, it was in fact Bumrungrad, which detected the first case of MERS in Thailand and thereby curbed the local spread of the infection. Our rigorous screening measures gained praise from the World Health Organization as well as the Thai Ministry of Public Health. Drawing on decades of experience and commitment to clinical and operational excellence, we have successfully navigated these troubled waters in 2020.

In the first quarter, we began offering direct teleconsultations and homecare services through our Bumrungrad@Home service to our patients, making it easier, and more comfortable for patients to connect with our doctors, to receive medications, vaccinations and specimen collections. This channel allows patients who trust in and demand Bumrungrad-quality services, but who cannot, or are reluctant to physically receive care, to be served. Our telemedicine service was well received, both by domestic and even our international patients. To improve the speed at which we render care, we launched the 'drive thru' 60-second clinic, offering vaccinations, medicine pickups and blood draws within that time and established a new Preventive Genomics & Family Check-up Services center, staying at the forefront of advanced medical intervention through genetic testing and consultations to identify and help patients mitigate the risk of hereditary disease and drug allergies.

A handwritten signature in black ink, appearing to read "Linda Lisahapanya".

Linda Lisahapanya

Managing Director

We were undeterred by the difficulties of providing care to our overseas patients who continued to express desire to come to Bumrungrad. We endeavored to connect with our international patients where possible. An exemplification of our commitment to our patients overseas saw two Bumrungrad Relief Flights being arranged, which chartered aircraft to transport patients and their companions safely into Thailand from Myanmar. Moreover, we especially outfitted a van to provide safety-compliant and comfortable transport for patients travelling overland from Cambodia and Laos.

We also offered Alternative State Quarantine (ASQ) services for overseas travelers to quarantine at partner hotels and Alternative Hospital Quarantine (AHQ) services at the hospital, where patients can receive care under strict protocols and measures. As the psychological impact of isolation and restricted movement under quarantine can often be daunting or distressing, we committed resources and technology to enhance their experience and mitigate the effects of temporary social isolation. It is this patient-centric and patient-safety approach that is at the core of everything we do. Every day, we have a waiting list of up to 400 overseas patients who are applying for permission from the government to come to Bumrungrad for their care.

Another underlying theme for this year is an emphasis on communications, and connectivity. Not only did we keep our patients informed of measures to ensure their safety, but we also communicated with the Thai public to help promote understanding of the pandemic and how to better protect themselves. During the year we launched a new 1378 hotline and the Bumrungrad app. The app allows patients to seamlessly book, adjust or review appointments, to view content, purchase the latest promotions or packages, and to be enrolled in our loyalty card program. We envision the app as the platform through which additional services and where one's health and wellbeing can be managed. The Company also conducted increasingly targeted digital marketing campaigns and in social media. These campaigns not only allow us to adapt to changing trends in media consumption, but allows us to increasingly measure performance and manage returns on ad spending.

Mutually beneficial partnerships are a channel we will increasingly nurture. During the year we opened 4 Centers of Excellence for joint and spine surgeries with partner hospitals under the Bumrungrad Health Network. We see significant expansion opportunities

offering similar services to other networked hospitals and in other specialties such as cancer in the coming years. Bumrungrad partnered with Central Group's The 1 Card in order to offer our patients the ability to 'earn and burn' points when paying for our services. This collaborative model has generated new patient registrations and encouraged spending in a challenging economic time.

We also adjusted or accelerated projects or new services as patient needs evolved. New services allowed patients to seek treatment and advice remotely. These include: tele-consultation, tele-medicine, the Bumrungrad@Home Service, 60 Second Service, the app Bumrungrad Application and the 1378 hotline. To accommodate different patient needs, a wide range of over 150 health packages are now available online, including the promotional health check-up packages as part of our 40th Anniversary Campaign. Other new services include our Preventive Genomics & Family Check-up Services Center, which offers genetic testing to identify and mitigate the risk of hereditary disease and drug allergies.

Our subsidiary, the Vitallife Scientific Wellness Center, also expanded its offering in 2020. With the aim of providing world-class holistic healthcare, we launched Vitallife @ Bang Krachao at RAKxa, a medical and wellness retreat located among lush greenery, nestled between the bend of the Chao Phraya river in Bang Krachao island. The retreat is the first of its kind in Thailand to provide such services and in the first month of operation, sold 40 prepaid memberships. We believe RAKxa, particularly when unrestricted travel is restored, will be a go-to regional wellness destination.

In conclusion, I would like to express my sincere thanks to our shareholders, Board of Directors, physicians and clinicians, dentists, staff and management for their support over this past year. In particular, I thank all the frontline staff and doctors who have continued to provide the highest standard of treatment and care throughout the pandemic. Lastly, I must thank our patients, whose trust we have enjoyed for over 40 years. Our six-month price freeze pledge for 2021 is a token of our gratitude for their patronage, especially during these challenging times. With your continued support, I am confident that Bumrungrad will continue to be world-acclaimed hospital in and grow from strength-to-strength.

ENSURING MAXIMUM SAFETY DURING COVID-19

From the outset of the pandemic, Bumrungrad Hospital has implemented stringent public health measures to ensure maximum safety for patients, visitors and hospital personnel, in accordance with guidelines from the Department of Disease Control.



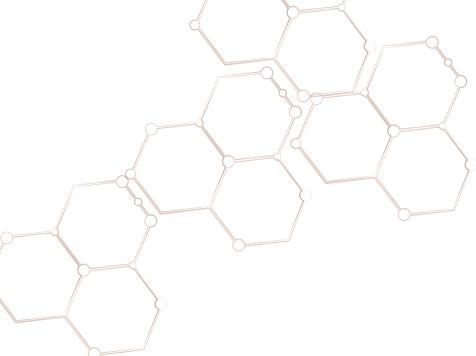


Our swift and comprehensive measures meant that Bumrungrad became the first hospital in the world to be certified by Global Healthcare Accreditation (GHA) for conformance with its COVID-19 Guidelines for Medical Travel Programs. We are equally proud that there have been zero cases of transmission within the hospital setting.

The measures we have taken to ensure the safety of patients, visitors and staff include:

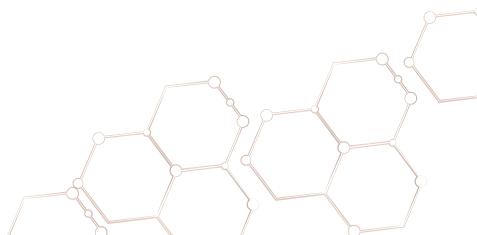
1. Immediate establishment of a COVID-19 command center at the outset of the pandemic. This has allowed us to closely monitor the situation, liaise with relevant authorities and make real-time adjustments as the pandemic unfolds.
2. Comprehensive training for medical personnel at the outset and with each significant new development.
3. Proper use of full personal protective equipment
4. Thermal imaging cameras and screening points at hospital entrances and in public areas
5. Separate clinics and negative pressure rooms to isolate suspected and confirmed COVID-19 patients. These are set apart from service areas for other patients, in accordance with Department of Disease Control criteria.
6. Frequent and rigorous cleaning of all areas and equipment with high-quality disinfectants. In addition, we use UVC light sterilization for indoor air conditioning and sterilizing UVC robots. Our stringent cleaning regime prevents all sources of transmission: contact, droplet and airborne.
7. Additional support for hospital personnel includes an employee health clinic, advice on health and self-care, insurance policies that include COVID-19-related issues and a telephone hotline service to provide information on employees' rights and benefits. Staff who can work from home or off-site are allowed/encouraged to do so.





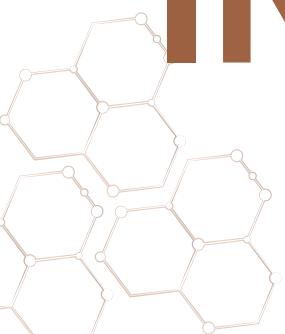
As a quaternary care hospital, Bumrungrad offers highly advanced and specialized levels of care, as well as the latest medical technology and innovations. These factors enable us to provide the most accurate diagnosis and effective treatment results for every patient.

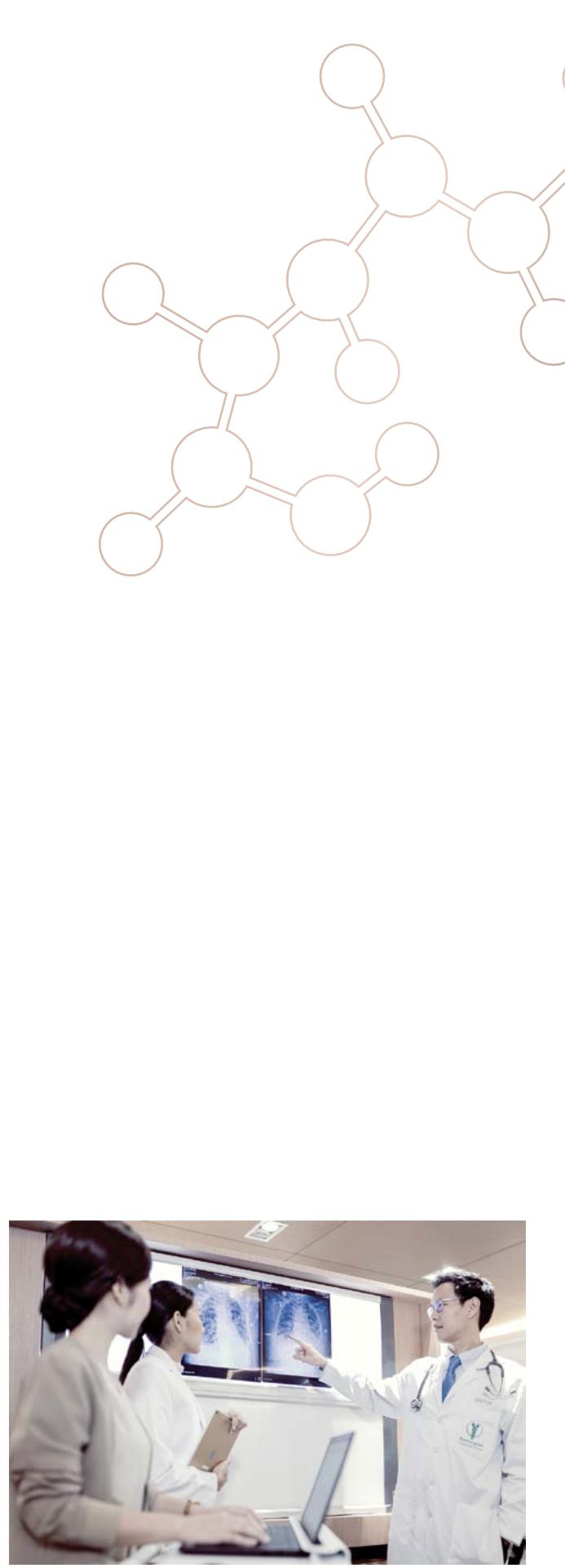
For example, we offer gene analysis services for prevention purposes, helping to reduce the risk of inherited diseases or drug allergies. Robot-assisted surgery allows complex operations to be performed safely and precisely with only small surgical incisions, shorter recovery times and fewer post-surgery complications. Our research is also highly advanced, with Next-Generation Sequencing (NGS) widely used into the nucleotide sequence of genetic materials of an organism, the most important element in genomics studies.

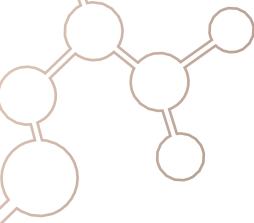




A LEADER IN ADOPTING
INNOVATIONS
AND ADVANCED TECHNOLOGY







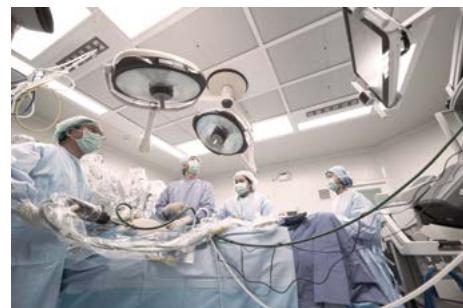
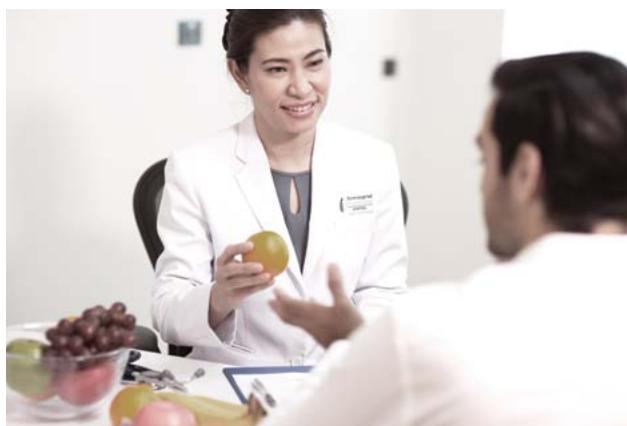
QUATERNARY CARE

AND CENTERS OF EXCELLENCE

**The collective knowledge and collaboration
in Bumrungrad spans 40 years.**

These have enriched both our capabilities and our culture in treating critical illness and highly complex diseases. This repository of knowledge also allows us to swiftly leverage medical innovations and technology. With our Centers of Excellence, Bumrungrad is now designated a quaternary care hospital. We take a multidisciplinary approach to medical care, with close collaboration between doctors, nurses, pharmacists, physiotherapists, nutritionists, medical technicians and others. In complicated cases, this is particularly valuable as diagnosis and treatment planning is significantly more advanced than at tertiary care hospitals. We also adopt the most appropriate medical technologies to achieve the best outcomes for patients.

Our eight Centers of Excellence include: the Bumrungrad Spine Institute, the Heart (Cardiology) Center, the Urology Center, the Horizon Regional Cancer Center, the Organs Transplantation Center, CCU/ICU, the Preventive Genomics Center and the Family Check-up Services Center. Each of these specialist centers is staffed by highly experienced experts, equipped with the latest technology and the logistics to safely transfer patients from other hospitals. Our ongoing research and development continually enhances the quality of these services. We also share our knowledge and experience with other organizations and the public at large.

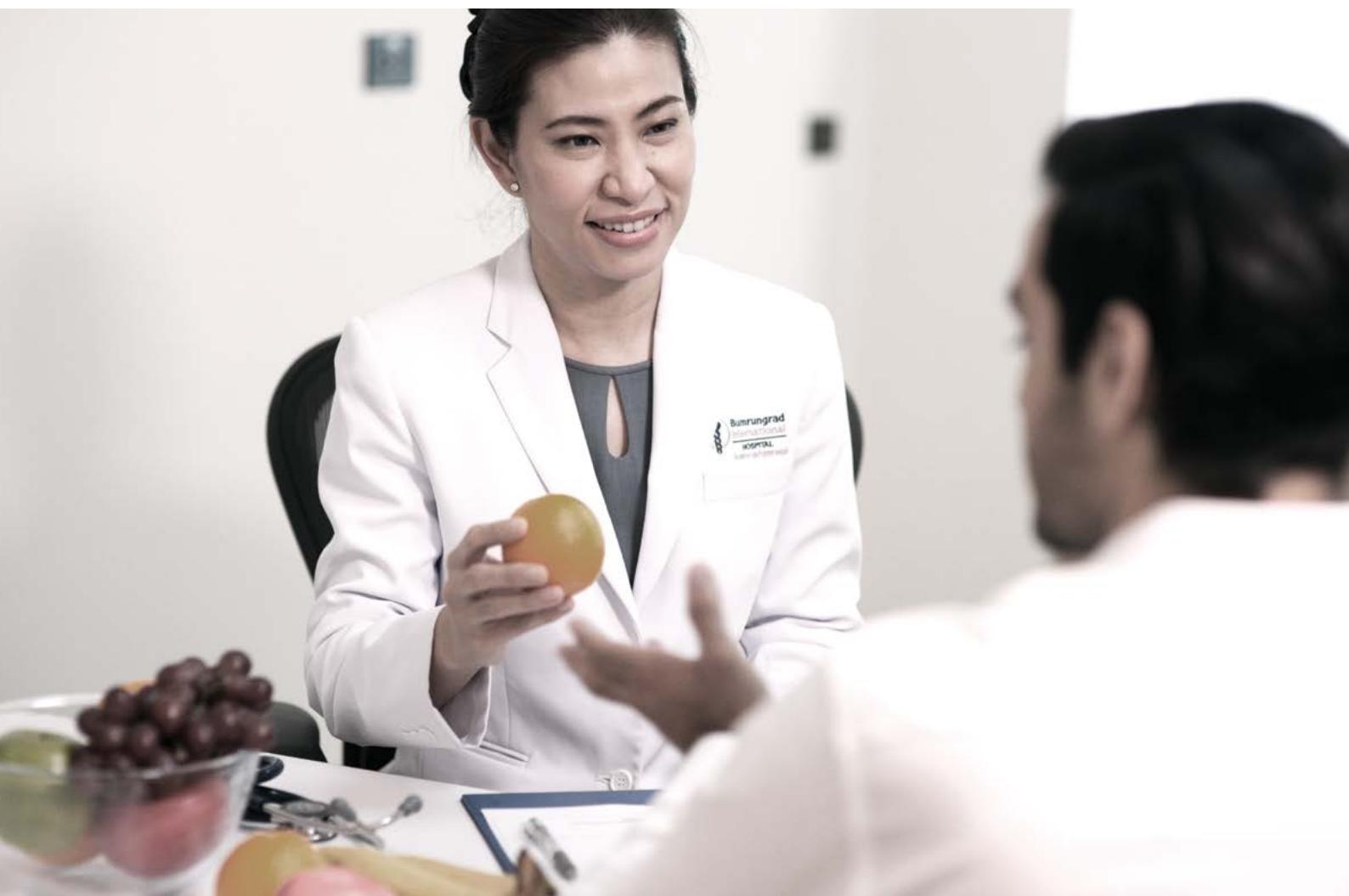


FROM TREATING ILL-HEALTH TO PROMOTING
WELLNESS

REPLACING I WITH WE

(i=ill, WE=wellness, from medical treatment to wellness/prevention)

Central to our world-class preventive healthcare is our subsidiary, the Vitallife Wellness Center. For 20 years, the Center has integrated conventional health care with holistic medicine, both for treating specific conditions and enhancing overall wellness.





Vitallife Wellness Center's methodology is based on three principles:

1. **Science-based approach** - All programs are founded in the latest science, the hallmark of our approach.
2. **A personalized approach** - Our healthcare programs are individually designed for precision since each person is unique, in terms of physical health, genetics and lifestyle.
3. **Our relationships are built on trust** - We build strong relationships with patients that are based on transparency and mutual trust. Our patients know that we offer the care and compassion they need, whenever they need it.

Vitallife@Bang Krachao is our new medical and wellness retreat located in the RAKxa Bang Krachao project. The first to provide such services in Thailand, our retreat perfectly combines Eastern and Western medicine, medicine and lifestyle modification.

In addition, we now partner with the Sindhorn Kempinski Hotel, Bangkok to offer the hotel's guests complimentary preventive health programs. This supports Thailand's strategy to promote health and stimulate health tourism, positioning the country as a premium destination for medicine and wellness.



Directors



Mr. Chai Sophonpanich

Chairman of the Board

Dr. Chanvit Tanphiphat, M.D.

Vice Chairman



Mrs. Linda Lisahapanya

Managing Director

Directors



Mr. Prin Chirathivat
Independent Director



Mrs. Aruni Kettrataad
Independent Director



Mr. Soradis Vinyaratn
Independent Director



Mr. Chong Toh
Director



Mr. Bernard Charnwut Chan
Director



Ms. Sophavadee Uttamobol
Independent Director



Mr. Anon Vangvasu
Director

Senior Executives



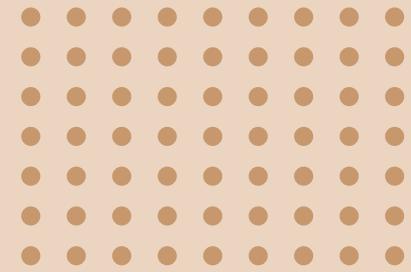
Mr. Aniello Sorrentino
Chief Global Strategist

Dr. Taveesin Tanprayoon
Chief Medical Officer

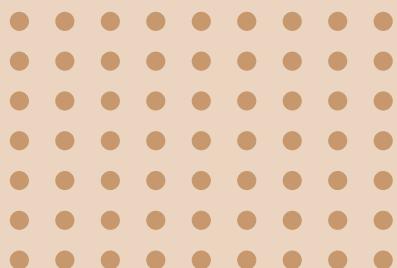
Mrs. Artirat Charukitpipat
Chief Executive Officer

Ms. Pantip Chirakarnjanakorn
Company Secretary

Ms. Oraphan Buamuang
Chief Financial Officer



Financial Information





Financial Highlights

	2020	2019	2018	2017	2016
Financial Performance (Baht '000)					
Total current assets	10,800,907	11,736,441	12,094,778	10,544,327	8,796,634
Total assets	24,221,666	26,181,032	24,748,808	23,483,955	21,332,954
Total current liabilities	4,418,029	2,639,052	2,878,134	3,646,891	2,358,096
Total liabilities	5,385,055	5,915,900	6,004,383	6,779,005	6,545,006
Total shareholders' equity	18,836,611	20,265,132	18,744,425	16,704,950	14,787,948
Total revenues	12,444,631	18,559,205	18,415,632	18,168,314	17,783,269
Share of income (loss) from investments in joint venture and associated companies	(2,377)	(3,049)	(4)	3,547	2,212
Net profit excluding extraordinary items	1,204,138	3,876,060	4,151,886	3,943,888	3,626,174
Net profit for the year	1,204,138	3,747,729	4,151,886	3,943,888	3,626,174
Basic earnings per share	1.54	5.14	5.70	5.41	4.98
Earnings per share - fully diluted	1.39	4.32	4.79	4.55	4.18
Book value per share	23.71	27.80	25.72	22.92	20.30
Book value per share - fully diluted	21.72	23.36	21.61	19.26	17.05
Dividend per share	3.20	3.20	2.90	2.70	2.50
Financial Ratios					
Gross profit margin (%)	43.3	48.2	49.2	47.7	46.4
EBITDA margin (%)	20.8	30.9	34.0	33.2	31.6
Net profit margin excluding extraordinary items (%)	9.7	20.9	22.5	21.7	20.4
Net profit margin (%)	9.7	20.2	22.5	21.7	20.4
Growth on revenues from hospital operations (%)	-33.1	0.8	1.4	2.3	1.2
Growth on net profit excluding extraordinary items (%)	-68.9	-6.6	5.3	8.8	5.5
Growth on net profit for the year (%)	-67.9	-9.7	5.3	8.8	5.5
Return on equity (%)	6.2	19.2	23.4	25.0	26.0
Return on assets (%)	4.8	14.7	17.2	17.6	17.0
Liabilities to equity (x)	0.3	0.3	0.3	0.4	0.4
Debt to equity (x)	0.1	0.1	0.1	0.2	0.3
Net debt to equity (x)	0.1	0.0	0.0	0.1	(0.1)
Interest coverage ratio (x)	19.7	45.1	35.9	34.2	23.4
Liquidity ratio (x)	2.4	4.4	4.2	2.9	3.7
Average collection Period (days)	78.8	56.6	47.4	39.2	44.4
Average inventory Period (days)	16.5	13.6	13.6	11.8	11.8
Average payable Period (days)	32.7	28.7	29.9	28.5	28.4



Management Discussion and Analysis

Total revenues for 2020 decreased to Baht 12,445 million, or 32.9% less than Baht 18,559 million in 2019. Net profit for 2020 decreased by 67.9% to Baht 1,204 million from Baht 3,748 million in 2019, with Net profit margin at 9.7% in 2020 compared to 20.2% in 2019.

Details of the management discussion and analysis follow:

1. Income Statement

The Company reported Revenues from hospital operations of Baht 12,315 million, a 33.1% decrease year-over-year from Baht 18,409 million in 2019. This was mostly due to a decrease in revenues from Thai patients and non-Thai patients by 1.8% and 48.4%, respectively. As a result, the revenue contribution from Thai patients was 48.1%, whereas revenue from non-Thai patients was 51.9% for 2020 compared with 32.8% and 67.2%, respectively, for 2019.

(Unit: Million Baht)

Operating Expenses and EBITDA	2020	2019	Change
Cost of hospital operations	7,677	10,285	25.4%
Selling expenses	328	487	32.6%
Administrative expenses	3,066	3,264	6.1%
EBITDA	2,593	5,734	-54.8%
EBITDA Margin	20.8%	30.9%	

The Company reported Cost of hospital operations (including Depreciation and amortization) of Baht 7,677 million in 2020, resulting in a 25.4% decrease year-over-year from Baht 10,285 million in 2019. The variance was mostly due to Baht 1,332 million decrease in physicians' fees; Baht 624 million less supply costs; and Baht 456 million decrease in personnel cost, mostly associated with workforce management after the COVID-19 outbreak and the prior year one-time adjustment of Thai severance in 2019. These variances were mainly in line with the decrease in Revenues from hospital operations. This contributed to the percentage of cost to Revenues from hospital operations of 62.3% in 2020 compared with 55.9% in 2019.

Selling expenses (including Depreciation and amortization) were Baht 328 million in 2020, or 32.6% decrease year-over-year from Baht 487 million in 2019. The variance was mostly due to Baht 162 million decrease in marketing expenses.

Administrative expenses (including Depreciation and amortization) were Baht 3,066 million in 2020, or 6.1% decrease year-over-year from Baht 3,264 million in 2019. The variance was mostly due to Baht 130 million less personnel cost, mostly associated with workforce management after the COVID-19 outbreak and the prior year one-time adjustment of Thai severance in 2019; Baht 33 million decrease in property taxes as the government announced a 90% property tax reduction in June 2020; and Baht 19 million decrease in rental expenses, as a result of TFRS 16 adoption since 1 January 2020.

EBITDA decreased by 54.8% year-over-year to Baht 2,593 million in 2020 from Baht 5,734 million in 2019, with an EBITDA margin of 20.8% in 2020 compared to 30.9% in 2019.

Depreciation and amortization were Baht 1,220 million in 2020 compared to Baht 1,223 million in 2019.

Corporate income tax was Baht 150 million in 2020 compared to Baht 773 million in 2019. The variance was mostly due to the decrease in taxable operating profit.

Basic EPS was Baht 1.54 in 2020, compared to Baht 5.14 in 2019, while 2020 Diluted EPS was Baht 1.39, compared to Baht 4.32 in 2019.

(Unit: Million Baht)

Income statements	2020	2019	Change
Revenues from Hospital Operations	12,315	18,409	-33.1%
Total Revenues	12,445	18,559	-32.9%
EBITDA	2,593	5,734	-54.8%
Net Profit	1,204	3,748	-67.9%
<i>EBITDA Margin</i>	20.8%	30.9%	
<i>Net Profit Margin</i>	9.7%	20.2%	

(Unit: Baht)

EPS	2020	2019	Change
EPS - Basic	1.54	5.14	-70.0%
EPS - Fully Diluted	1.39	4.32	-67.9%

2. Statement of Financial Position

As at 31 December 2020, the Company reported Total current assets of Baht 10,801 million, a decrease from Baht 11,736 million as at 31 December 2019. The variance was mostly due to a net decrease of Baht 352 million in Cash and cash equivalents; Short-term investments; and Other current financial assets, mainly from Baht 2,544 million dividend payment, offset with Baht 2,261 million increase in net cash flow from operating activities; and Trade receivables decreasing to Baht 2,190 million as at 31 December 2020 versus Baht 2,731 million as at 31 December 2019. The collection period was 78.8 days as at 31 December 2020 compared to 56.6 days as at 31 December 2019, mostly due to revenues and the collection periods associated with certain Middle East accounts. The collection period remains under the Company's overall credit term policy of 30-90 days.

Total non-current assets decreased to Baht 13,421 million as at 31 December 2020 from Baht 14,445 million as at 31 December 2019, mostly due to Baht 961 million net reclassification of Other non-current financial assets and Other long-term investments into Other current financial assets.

Total current liabilities were Baht 4,418 million as at 31 December 2020, an increase from Baht 2,639 million as at 31 December 2019. The variance was primarily from Baht 2,497 million reclassification of Long-term debentures into Current portion of long-term debenture due in December 2021, offset with Baht 400 million less Corporate income tax payable and Baht 201 million less Accrued physicians' fee.

Non-current liabilities were Baht 967 million as at 31 December 2020, a decrease from Baht 3,277 million as at 31 December 2019. The variance was mostly due to the above mentioned Baht 2,497 decrease in Long-term debentures reclassified as Current Liabilities, offset with Baht 129 million additional Provision for long-term employee benefits.

The Company's Interest coverage ratio was 19.7x in 2020 compared to 45.1x in 2019, due to the decrease in EBITDA.

Total shareholders' equity was Baht 18,837 million as at 31 December 2020, compared to Baht 20,265 million as at 31 December 2019. This variance was mostly from Baht 2,546 million dividend payment, offset with the Company's 2020 Net profit of Baht 1,204 million. Average return on assets (ROA) was 4.8% in 2020, compared to 14.7% in 2019. Average return on equity (ROE) was 6.2% in 2020, compared to 19.2% in 2019.

(Unit: Million Baht)

	31-Dec-20	31-Dec-19	Change
Total Assets	24,222	26,181	-7.5%
Total Liabilities	5,385	5,916	-9.0%
Total Shareholders' Equity	18,837	20,265	-7.0%

	2020	2019
Interest Coverage Ratio (x)	19.7*	45.1*

* After adding back the 2020 and 2019 capitalized interest expenses related to the campus expansion.

	2020	2019
Average Collection Period (days)	78.8	56.6
Average Inventory Period (days)	16.5	13.6
Average Payables Period (days)	32.7	28.7
Net Debt to Equity (x)	0.1	0.0
Net Debt to EBITDA (x)	0.5	0.1
Average Return on Assets (%)	4.8%	14.7%
Average Return on Equity (%)	6.2%	19.2%

3. Liquidity

The Company's Net cash flows from operating activities in 2020 were Baht 2,261 million, compared to Baht 4,897 million in 2019. This decrease was mainly due to Baht 3,331 million less income from operating activities before changes in operating assets and liabilities, Baht 114 million decrease in Trade and other payables and Baht 182 million reduction in Accrued physicians' fees, offset with Baht 780 million decrease in Trade and other receivables and Baht 285 million less Cash paid for corporate income tax. Net cash flows used in investment activities were Baht 364 million in 2020, compared to Baht 2,855 million in 2019. This variance was mainly due to Baht 1,709 million net decrease in investments in fixed deposit, debt securities, and held-to-maturity debt securities, and Baht 892 million decrease in acquisition of PP&E and computer software. The Company reported Net cash flows used in financing activities of Baht 2,737 million in 2020, compared to Baht 2,476 million in 2019. This variance was mostly due to Baht 393 million increase in dividend payment. As a result of the above, Cash and cash equivalents was Baht 1,229 million as at 31 December 2020, compared to Baht 2,081 million as at 31 December 2019.

The Company's Liquidity ratio as at 31 December 2020 was 2.4x compared to 4.4x as at 31 December 2019, and the Company's Quick ratio was 0.8x as at 31 December 2020 compared to 1.8x as at 31 December 2019. The decrease was due to the reclassification of Long-term debentures of Baht 2,497 million, due in December 2021, as Current liabilities.

(Unit: Million Baht)

	2020	2019
Cash Flow from Operating Activities	2,261	4,897
Cash Flow used in Investing Activities	(364)	(2,855)
Cash Flow used in Financing Activities	(2,737)	(2,476)
Net decrease in cash and cash equivalents	(851)	(442)
Cash and cash Equivalents at end of year	1,229	2,081

	31-Dec-20	31-Dec-19
Liquidity Ratio (x)	2.4	4.4
Quick Ratio (x)	0.8	1.8

4. Other Matter

4.1) On September 30, 2020, TRIS Rating affirmed the Company's rating and the rating on BH's senior unsecured debentures at "A+", with a "stable" outlook. The ratings reflect the Company's leading position in the premium private healthcare service market in Thailand and its well-recognized brand among local and international patients. The ratings also take into consideration its strong balance sheet with minimal financial leverage and ample liquidity position.

4.2) Due to TFRS 9 Financial Instruments effective 1 January 2020, interest income is reclassified as financial income and is not presented under Total revenues. As a result, Net profit margin of 2019 previously presented was slightly changed as shown in the table below.

Net profit margin	2019
Previously presented	20.0
After adoption of TFRS 9	20.2

5. Contractual Obligations

(Unit: Million Baht)

As at 31 December 2020

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	1–5 years	Over 5 years				
Long-term debentures	2,497	-	-	-	-	2,497	4.97
Long-term loan and interest payables to unrelated parties	-	20	-	-	1	21	0.21-1.38
	2,497	20	-	-	1	2,518	

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- a) maintenance of a net debt to equity ratio not exceeding 1.75:1
- b) maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

Report of the Audit Committee

To the Shareholders of Bumrungrad Hospital Public Company Limited

The Board of Directors appointed the Audit Committee, consisting entirely of three independent directors of the Board. Miss Sophavadee Uttamobol was appointed as Chairperson with Mr. Soradis Vinyaratn and Mr. Prin Chirathivat as members. Its main duties and responsibilities are to review financial reports, internal control systems and internal audits, risk management systems, and the compliance with laws, and to consider potential conflict of interest transactions.

In the year 2020, the Audit Committee held totally 4 meetings, including a meeting with the independent auditor without the presence of management, to perform its duties and responsibilities. The committee's main activities are summarized as below:

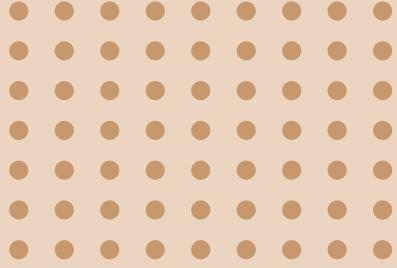
1. Reviewed the Company and its subsidiaries' financial statements prior to submission to the Board of Directors. Based on due consideration, after discussions with the executives, a non-management meeting with the Company's independent auditor, and consideration of the auditor's recommendations in the Management Letter, the Audit Committee has the opinion that the above financial statements are prepared accurately, completely, and creditably.
2. Reviewed and assessed the internal control systems. The Audit Committee has the opinion that the Company has appropriate, effective, and adequate systems, sufficient to mitigate its risks to the acceptable level, and help the Company to achieve its operation goals.
3. Reviewed the compliance with laws and regulations relating to the Company's business operations. The Audit Committee has the opinion that the Company has no legal violation that may significantly affect the Company's reputation and financial status.
4. Considered, selected, and nominated the Company's independent auditor, which is Ms. Vissuta Jariyathanakorn and/or Ms. Sumalee Reewarabandith and/or Ms. Kosum Cha-em from EY Office Limited, and proposed the remuneration to the Board.
5. Considered connected transactions or potential conflict of interest transactions. The Audit Committee has the opinion that all such transactions were the Company's normal business transactions.
6. Considered and approved the internal audit plan, which were determined to be suitable for the Company's nature of business, including its administrative policies, business plans, work processes, and business risks.
7. Considered and approved the Corporate Internal Audit Division's yearly expenditure budget and manpower requirements.

The Audit Committee has performed its duties and responsibilities as delegated by the Company's Board of Directors with care and at its fullest capability for the benefits of the Company, the shareholders, and all the stakeholders.



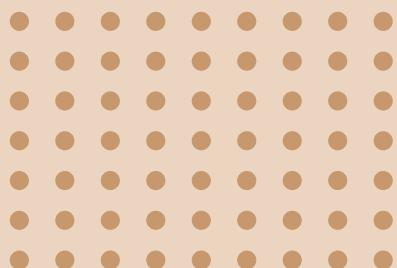
Miss Sophavadee Uttamobol
Chairperson of Audit Committee

17 February 2021



Report and Consolidated Financial Statements

31 December 2020



Independent Auditor's Report

To the Shareholders of Bumrungrad Hospital Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bumrungrad Hospital Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bumrungrad Hospital Public Company Limited and its subsidiaries and of Bumrungrad Hospital Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 1.2 and Note 3 to the consolidated financial statements. In the fourth quarter of 2020, the Company has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the consolidated and separate financial statements for the year ended 31 December 2020, the Company has decided to discontinue application of all relief measures which the Company elected to apply under the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. This has no significant impact on the Company's consolidated and separate financial statements.

The Coronavirus disease 2019 pandemic currently affects the Group's business activities in terms of revenue from hospital operations, and this is significantly impacting the Group's financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

My opinion is not qualified in respect of the these matters.

Key Audit Matter

Key audit matter is this matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

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

Key audit matter and how audit procedures respond to the matter are described below.

Revenue Recognition

Revenues from hospital operations are significant to the financial statements because the amount is high (approximately 99% of consolidated total revenues). In addition, it consists of many compositions, such as revenues from sales of medicines, revenues from medical services, revenues from patient rooms, etc., including discounts for counterparties, e.g. insurance companies, embassies and other several counterparties, whereas the agreements contain vary conditions for each party. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Applying a sampling method to select sales and service agreements of the Group to assess whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- Performing analytical procedures on disaggregated data to detect possible irregularities in revenues transactions throughout the period, including accounting entries made through journal vouchers.
- On a sampling basis, examining supporting documents for revenue transactions occurring during the period.
- Reviewing credit notes that the Group issued after the period-end.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

Kosum Cha-em
Certified Public Accountant (Thailand) No. 6011
EY Office Limited
Bangkok: 17 February 2021

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	1,229,423,953	2,080,581,051	838,418,432	1,770,480,242
Short-term investments	9	-	6,409,686,163	-	6,370,563,975
Trade and other receivables	10	2,205,538,500	2,747,661,934	2,214,779,775	2,763,295,571
Inventories	11	309,199,006	330,321,038	255,358,637	278,337,450
Other current financial assets	12	6,908,692,693	-	6,867,706,313	-
Prepaid expenses		107,328,095	116,865,265	81,741,894	94,992,325
Other current assets		40,724,650	51,326,122	32,814,168	45,931,136
Total current assets		10,800,906,897	11,736,441,573	10,290,819,219	11,323,600,699
Non-current assets					
Restricted bank deposits		-	6,004,356	-	6,004,356
Other non-current financial assets	13	356,250,146	-	356,250,146	-
Long-term loan and interest receivable					
from related parties	7	-	-	177,721,113	84,571,767
Investments in subsidiaries	14	-	-	1,697,532,498	1,684,022,723
Investment in associates	15	75,726,358	78,102,175	-	-
Other long-term investments	16	-	1,317,556,181	-	1,317,556,181
Property, plant and equipment	17	11,725,733,042	11,860,082,943	10,276,613,313	10,421,344,168
Right-of-use assets	21	83,862,156	-	87,376,800	-
Intangible assets	18	715,027,468	771,568,521	710,953,159	767,813,254
Goodwill	19	63,816,868	66,772,800	-	-
Deferred tax assets	30	338,661,212	326,857,306	331,750,965	319,225,300
Other non-current assets		61,681,254	17,646,632	58,301,615	16,068,048
Total non-current assets		13,420,758,504	14,444,590,914	13,696,499,609	14,616,605,797
Total assets		24,221,665,401	26,181,032,487	23,987,318,828	25,940,206,496

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables 20	704,155,354	870,348,667	688,681,363	862,779,431
Accrued physicians' fees	519,738,412	720,774,549	510,131,559	705,741,212
Accrued expenses	548,332,367	568,833,322	534,835,950	557,950,608
Current portion of long-term lease liabilities 21	37,141,093	-	39,204,635	-
Current portion of long-term debentures 22	2,497,288,955	-	2,497,288,955	-
Income tax payable	13,093,773	413,227,209	-	387,853,604
Other current liabilities	98,279,702	65,868,588	52,932,890	49,638,689
Total current liabilities	4,418,029,656	2,639,052,335	4,323,075,352	2,563,963,544
Non-current liabilities				
Long-term loan and interest payable				
to an unrelated party 23	20,833,502	18,426,190	-	-
Lease liabilities, net of current portion 21	52,967,567	-	54,537,530	-
Long-term debentures, net of current portion 22	-	2,494,615,225	-	2,494,615,225
Deferred tax liabilities 30	4,274,793	4,270,118	-	-
Provision for long-term employee benefits 25	888,949,128	759,537,233	862,566,223	734,917,654
Total non-current liabilities	967,024,990	3,276,848,766	917,103,753	3,229,532,879
Total liabilities	5,385,054,646	5,915,901,101	5,240,179,105	5,793,496,423

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Shareholders' equity				
Share capital				
Registered				
921,521,820 ordinary shares of Baht 1 each (2019: 921,491,820 ordinary shares of Baht 1 each)	921,521,820	921,491,820	921,521,820	921,491,820
1,180,865 preference shares of Baht 1 each (2019: 1,210,865 preference shares of Baht 1 each)	1,180,865	1,210,865	1,180,865	1,210,865
	922,702,685	922,702,685	922,702,685	922,702,685
Issued and paid-up				
794,585,642 ordinary shares of Baht 1 each (2019: 728,841,357 ordinary shares of Baht 1 each)	794,585,642	728,841,357	794,585,642	728,841,357
1,180,865 preference shares of Baht 1 each (2019: 1,210,865 preference shares of Baht 1 each)	1,180,865	1,210,865	1,180,865	1,210,865
	795,766,507	730,052,222	795,766,507	730,052,222
Premium on ordinary shares	449,854,015	285,568,300	449,854,015	285,568,300
Convertible bonds treated as equity securities	320,000,000	550,000,000	320,000,000	550,000,000
Retained earnings				
Appropriated - statutory reserve	92,275,000	92,275,000	92,275,000	92,275,000
Unappropriated	17,143,531,653	18,560,050,743	17,093,513,374	18,488,814,551
Other components of shareholders' equity	(269,892,720)	(244,579,450)	(4,269,173)	-
Equity attributable to owners of the Company	18,531,534,455	19,973,366,815	18,747,139,723	20,146,710,073
Non-controlling interests of the subsidiaries	305,076,300	291,764,571	-	-
Total shareholders' equity	18,836,610,755	20,265,131,386	18,747,139,723	20,146,710,073
Total liabilities and shareholders' equity	24,221,665,401	26,181,032,487	23,987,318,828	25,940,206,496

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Revenues				
Revenues from hospital operations	12,315,493,177	18,409,146,769	11,730,101,507	17,586,031,037
Rental income	46,607,193	65,164,995	79,773,349	97,449,629
Dividend income	14 -	-	221,987,860	315,241,852
Gain on investment in the associate	15.1 -	-	-	210,961,165
Exchange gains	4,696,401	-	408,657	-
Other income	77,834,043	84,892,912	88,325,682	116,022,508
Total revenues	12,444,630,814	18,559,204,676	12,120,597,055	18,325,706,191
Expenses				
Cost of hospital operations	7,677,335,490	10,285,083,377	7,291,320,193	9,845,105,142
Selling expenses	328,042,903	486,897,870	308,109,360	452,337,280
Administrative expenses	3,066,212,004	3,264,285,475	3,159,495,785	3,343,927,920
Loss on investment in the associate	15.1 -	6,005,148	-	-
Exchange losses	-	12,433,821	-	10,597,629
Total expenses	11,071,590,397	14,054,705,691	10,758,925,338	13,651,967,971
Operating profit	1,373,040,417	4,504,498,985	1,361,671,717	4,673,738,220
Share of loss from investments in associates	15.2 (2,377,134)	(3,049,132)	-	-
Finance income	127,891,029	159,067,395	117,154,728	148,689,512
Finance cost	(127,619,007)	(127,012,989)	(127,754,429)	(126,784,499)
Profit before income tax expenses	1,370,935,305	4,533,504,259	1,351,072,016	4,695,643,233
Income tax expenses	30 (149,681,024)	(773,190,708)	(125,964,973)	(765,930,736)
Profit for the year	1,221,254,281	3,760,313,551	1,225,107,043	3,929,712,497
Profit attributable to:				
Equity holders of the Company	1,204,137,572	3,747,729,295	1,225,107,043	3,929,712,497
Non-controlling interests of the subsidiaries	17,116,709	12,584,256		
Earnings per share	31 1,221,254,281	3,760,313,551		
Basic earnings per share				
Profit attributable to equity holders of the Company	1.54	5.14	1.57	5.39
Diluted earnings per share				
Profit attributable to equity holders of the Company	1.39	4.32	1.41	4.53

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit for the year	1,221,254,281	3,760,313,551	1,225,107,043	3,929,712,497
Other comprehensive income:				
Other comprehensive income to be reclassified to income statement in subsequent periods:				
Exchange differences on translation of financial statements in foreign currencies	(24,849,077)	(53,845,628)	-	-
Other comprehensive income to be reclassified to income statement in subsequent periods	(24,849,077)	(53,845,628)	-	-
Other comprehensive income not to be reclassified to income statement in subsequent periods:				
Actuarial gain (loss) - net of income tax	(40,002,770)	82,606	(39,676,178)	3,385,599
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(1,469,173)	-	(1,469,173)	-
Other comprehensive income not to be reclassified to income statement in subsequent periods - net of income tax	(41,471,943)	82,606	(41,145,351)	3,385,599
Other comprehensive income for the year	(66,321,020)	(53,763,022)	(41,145,351)	3,385,599
Total comprehensive income for the year	1,154,933,261	3,706,550,529	1,183,961,692	3,933,098,096
Total comprehensive income attributable to:				
Equity holders of the Company	1,141,621,532	3,704,597,086	1,183,961,692	3,933,098,096
Non-controlling interests of the subsidiaries	13,311,729	1,953,443		
	1,154,933,261	3,706,550,529		

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	1,370,935,305	4,533,504,259	1,351,072,016	4,695,643,233
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,220,101,870	1,223,296,584	1,163,288,620	1,170,557,814
Bad debts and doubtful debts	-	67,178,726	-	65,828,051
Expected credit losses	11,679,836	-	9,878,106	-
Reduction of cost of inventories to net realisable value (reversal)	1,345,081	(934,831)	-	-
Loss (gain) on sales and write-off of property, plant and equipment	2,623,934	(1,774,432)	(880,567)	(1,920,496)
Differences from termination of lease	(59,087)	-	(59,087)	-
Long-term employee benefits expenses	117,970,964	260,108,618	113,310,450	252,890,695
Share of loss from investments in associates	2,377,134	3,049,132	-	-
Loss (gain) on investment in the associate	-	6,005,148	-	(210,961,165)
Dividend income	-	-	(221,987,860)	(315,241,852)
Finance income	(127,891,029)	(159,067,395)	(117,154,728)	(148,689,512)
Amortisation of debenture issuing costs to interest expenses	2,673,731	2,534,332	2,673,731	2,534,332
Finance cost	124,945,276	124,478,657	125,080,698	124,250,167
Profit from operating activities before changes in operating assets and liabilities	2,726,703,015	6,058,378,798	2,425,221,379	5,634,891,267
Operating assets (increase) decrease				
Trade and other receivables	525,332,850	(254,168,134)	533,526,942	(263,553,091)
Inventories	19,776,951	63,836,274	22,978,813	43,056,314
Prepaid expenses	9,537,170	(7,631,255)	13,250,431	(8,576,476)
Other current assets	(1,741,125)	1,073,149	688,491	1,102,910
Other non-current assets	(44,034,622)	(554,299)	(42,233,567)	905,155
Operating liabilities increase (decrease)				
Trade and other payables	(179,498,297)	(65,103,988)	(187,403,052)	(66,834,250)
Accrued physicians' fees	(201,036,137)	(18,570,941)	(195,609,653)	(19,879,364)
Accrued expenses	(23,895,314)	49,849,315	(22,295,479)	48,759,410
Other current liabilities	32,411,114	(13,621,457)	3,294,201	(9,407,560)
Paid for long-term employee benefits	(38,661,100)	(66,760,186)	(35,257,105)	(66,759,810)
Cash flows from operating activities	2,824,894,505	5,746,727,276	2,516,161,401	5,293,704,505
Cash paid for corporate income tax	(564,369,037)	(849,380,867)	(529,109,451)	(796,709,956)
Net cash flows from operating activities	2,260,525,468	4,897,346,409	1,987,051,950	4,496,994,549

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease in restricted bank deposits	6,004,356	-	6,004,356	-
Increase in loan to related parties	-	-	(91,500,000)	(84,500,000)
Decrease (increase) in fixed deposits at banks	(132,351,565)	658,599,844	(130,487,373)	666,052,351
Cash paid for investments in held-to-maturity debt securities	-	(3,312,502,300)	-	(3,312,502,300)
Cash receipt from investments in held-to-maturity debt securities	-	1,406,178,809	-	1,406,178,809
Cash paid for investments in debt instruments	(26,185,588)	-	(26,185,588)	-
Cash receipt from investments in debt instruments	619,367,485	-	619,367,485	-
Cash paid for investments in subsidiaries	-	-	(13,509,775)	(249,925)
Cash paid for investment in associate	-	(79,815,783)	-	-
Proceeds from return of investment in the associate	-	212,408,212	-	212,408,212
Cash paid for acquisition and payment of account payable - construction and purchase of property, plant and equipment	(888,366,673)	(1,754,778,241)	(810,107,052)	(1,739,559,048)
Cash paid for acquisition and payment of account payable - purchase of computer software	(104,350,658)	(130,412,711)	(102,810,197)	(130,127,055)
Proceeds from sales of property, plant and equipment	7,316,245	6,203,970	7,316,245	6,203,970
Dividend received	-	-	221,987,860	315,241,852
Interest received	154,709,436	139,613,319	142,248,085	129,248,826
Net cash flows used in investing activities	(363,856,962)	(2,854,504,881)	(177,675,954)	(2,531,604,308)
Cash flows from financing activities				
Cash receipt from loan from unrelated party	2,561,920	-	-	-
Repayment of loan from related party	-	(168,295,656)	-	(168,295,656)
Interest paid for long-term debentures	(124,590,410)	(124,250,000)	(124,590,410)	(124,250,000)
Interest paid for convertible bonds treated as equity securities	(31,466,575)	(32,500,000)	(31,466,575)	(32,500,000)
Payment of principal portion of lease liabilities	(39,520,770)	-	(41,420,010)	-
Dividend paid	(2,543,962,951)	(2,150,897,948)	(2,543,960,811)	(2,150,895,473)
Net cash flows used in financing activities	(2,736,978,786)	(2,475,943,604)	(2,741,437,806)	(2,475,941,129)
Decrease in translation adjustment	(10,846,818)	(9,063,777)	-	-
Net decrease in cash and cash equivalents	(851,157,098)	(442,165,853)	(932,061,810)	(510,550,888)
Cash and cash equivalents at beginning of year	2,080,581,051	2,522,746,904	1,770,480,242	2,281,031,130
Cash and cash equivalents at end of year	1,229,423,953	2,080,581,051	838,418,432	1,770,480,242
Supplemental cash flow information				
Non-cash transactions Interest capitalised as cost of assets	3,954,394	113,471	3,954,394	113,471
Acquisition of construction and purchase of property, plant and equipment for which no cash has been paid	102,422,183	93,658,891	102,422,183	93,658,891
Increase in right-of-use assets and lease liabilities from additional lease agreements	40,720,517	-	40,720,517	-
Acquisition of computer software which no cash has been paid	3,828,888	1,614,044	3,828,888	1,614,044
Conversion of convertible bonds to ordinary shares	230,000,000	-	230,000,000	-
Dividend payable	2,622,478	2,474,837	2,622,478	2,474,837

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

Statement of changes in shareholders' equity

For the year ended 31 December 2020

Bumrungrad Hospital Public Company Limited and its subsidiaries

(Unit: Baht)

Consolidated financial statements

		Equity attributable to owners of the Company						Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity	
		Issued and paid-up share capital		Premium on ordinary shares		Convertible bonds treated as equity securities		Other components of shareholders' equity			
								Other comprehensive income	Fair value reserve	Other surplus of an associated company	
								Exchange differences on translation of financial statements in foreign currencies			
Issued and paid-up share capital	Ordinary shares	Preference shares									
728,751,357	1,300,865	285,568,300	550,000,000	92,275,000	16,789,303,287	(201,364,635)	-	208,779,271	7,414,636	18,454,613,445	289,811,128
-	-	-	-	-	3,747,729,295	-	-	-	-	3,747,729,295	12,584,256
-	-	-	-	-	82,66	(43,214,816)	-	-	(43,214,816)	(43,132,209)	(10,630,813)
90,000	(90,000)				3,747,811,901	(43,214,816)	-	-	(43,214,816)	3,704,597,086	1,953,443
Balance as at 1 January 2019	728,751,357	1,300,865	285,568,300	550,000,000	92,275,000	16,789,303,287	(201,364,635)	208,779,271	7,414,636	18,454,613,445	289,811,128
Profit for the year											18,744,424,573
Other comprehensive income for the year											3,760,313,551
Total comprehensive income for the year											(53,763,022)
Conversion of preference shares to ordinary shares (Note 27)											
Transfer other surplus of an associated company to retained earnings (Note 15.)											
Dividend paid (Note 34)											
Interest paid for convertible bonds treated as equity securities (Note 26)											
Balance as at 31 December 2019	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,560,050,743	(244,579,450)	-	-	(244,579,450)	19,973,366,815
Balance as at 1 January 2020	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,560,050,743	(244,579,450)	-	-	(244,579,450)	19,973,366,815
Cumulative effects of changes in accounting policies due to the addition of new financial reporting standards (Note 4)											
Balance as at 1 January 2020 - as restated	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,556,33,909	(244,579,450)	(2,800,000)	-	(2,800,000)	(6,518,834)
Profit for the year											
Other comprehensive income for the year											
Total comprehensive income for the year											
Conversion of convertible bonds to ordinary shares (Note 27)											
Dividend paid (Note 34)											
Interest paid for convertible bonds treated as equity securities (Note 26)											
Balance as at 31 December 2020	794,585,642	1,180,865	449,854,015	320,000,000	92,275,000	17,143,531,653	(265,623,547)	(4,269,173)	-	(269,892,720)	18,531,534,455
											305,076,300
											18,836,610,755

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

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

		Separate financial statements							
		Issued and paid-up share capital	Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings Appropriated	Unappropriated	Other components of shareholders' equity Other comprehensive income	Fair value reserve	Total shareholders' equity
Ordinary shares	Preference shares								
728,751,357	1,300,865	285,568,300	550,000,000	92,275,000	16,741,560,171	-	-	-	18,399,455,693
Balance as at 1 January 2019									
Profit for the year	-	-	-	-	-	3,929,712,497	-	-	3,929,712,497
Other comprehensive income for the year	-	-	-	-	-	3,385,599	-	-	3,385,599
Total comprehensive income for the year	-	-	-	-	-	3,933,098,096	-	-	3,933,098,096
Conversion of preference shares to ordinary shares (Note 27)	90,000	(90,000)	-	-	-	-	-	-	-
Dividend paid (Note 34)	-	-	-	-	-	(2,153,343,716)	-	-	(2,153,343,716)
Interest paid for convertible bonds treated as equity securities (Note 26)	-	-	-	-	-	(32,500,000)	-	-	(32,500,000)
Balance as at 31 December 2019	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,488,814,551	-	-	20,146,710,073
Balance as at 1 January 2020	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,488,814,551	-	-	20,146,710,073
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (Note 4)	-	-	-	-	-	(3,796,984)	(2,800,000)	(6,596,984)	
Balance as at 1 January 2020 - as restated	728,841,357	1,210,865	285,568,300	550,000,000	92,275,000	18,488,017,567	(2,800,000)	20,140,113,089	
Profit for the year	-	-	-	-	-	1,225,107,043	-	-	1,225,107,043
Other comprehensive income for the year	-	-	-	-	-	(39,676,178)	(1,469,173)	(41,145,351)	
Total comprehensive income for the year	-	-	-	-	-	1,185,430,065	(1,469,173)	1,183,961,692	
Conversion of convertible bonds to ordinary shares (Note 26)	65,714,285	-	164,285,715	(230,000,000)	-	-	-	-	
Conversion of preference shares to ordinary shares (Note 27)	30,000	(30,000)	-	-	-	(2,546,287,661)	-	(2,546,287,661)	
Dividend paid (Note 34)	-	-	-	-	-	(30,647,397)	-	(30,647,397)	
Interest paid for convertible bonds treated as equity securities (Note 26)	-	-	-	-	-	(30,647,397)	-	(30,647,397)	
Balance as at 31 December 2020	794,535,642	1,180,865	449,854,015	320,000,000	92,275,000	17,039,513,374	(4,269,173)	18,747,139,723	

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

Bumrungrad Hospital Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 General information of the Company

Bumrungrad Hospital Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business and investment in other companies. The registered office of the Company is at 33 Soi 3 (Nana Nua) Sukhumvit Road, Klongtoey Nua Sub District, Wattana District, Bangkok.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic significantly affects the Group's business activities in terms of revenues from hospital operations, and this is significantly impacting the Group's financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Bumrungrad Hospital Public Company Limited and the following subsidiary companies ("the subsidiaries" (collectively as "the Group")):

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2020	2019
			(%)	(%)
<u>Subsidiaries held by the Company</u>				
Vitallife Corporation Ltd. ("VTL") Asia Global Research Co., Ltd. ("AGR")	Health care center Clinical research service, cancer treatment center and distribution of pharmaceutical and medical goods in specialised store	Thailand Thailand	100 100	100 100
Ruenmongkol Co., Ltd. ("RM")	A holding real estate assets company	Thailand	100	100
Bumrungrad Health Network Co., Ltd. ("BHN")	Overseas investment and hospital consulting and management	Thailand	100	100
Bumrungrad Personnel Development and Training Center Co., Ltd. ("BPDC")	Personnel development and training center for healthcare service business to affiliated companies	Thailand	100	100
Asia Global Health Ltd. ("AGH") Life and Longevity Ltd. ("LLL") Health Horizons Enterprises Pte. Ltd. ("HHE") Bumrungrad Services Co., Ltd. ("BS")	Investment in healthcare business Overseas investment Overseas investment Referral services to both domestic and foreign patients and training center for healthcare service business	Hong Kong Hong Kong Singapore Thailand	100 100 80 100	100 100 80 100
Vitallife Allianz Co., Ltd. ("VTLA")	Wellness center clinic	Thailand	100	100
<u>Subsidiaries held by subsidiaries</u>				
Bumrungrad Mongolia LLC ("BML") (Investment through HHE)	Overseas investment	Mongolia	80	80
Seoul Seniors Tower LLC ("SST") (Investment through BML)	Owner and operates hospital	Mongolia	41	41
Bumrungrad Myanmar Co., Ltd. ("BM") (Investment through BHN)	Operation of a private clinic and diagnostic service	Myanmar	80	80
Bumrungrad Spine Network Co., Ltd. ("BSN") (Investment through BHN)	Hospital consulting and management	Thailand	75	-

- b) The Group is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.

- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Group and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Classification and measurement of non-listed equity investment that the Group has decided to measure this investment at fair value and classify it as financial asset at fair value through other comprehensive income.
- Recognition of expected credit losses that the Group recognises an allowance for expected credit losses on its debt instruments measured at amortised cost, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables and the general approach to consider impairment of long-term loan.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to retained earnings and other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach, fair value measurement of investments in unquoted equity instrument and financial assets in the form of debt instruments, and impairment of assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

- b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings and other components of shareholders' equity as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			1 January 2020	
	31 December 2019	The effect of			
		Financial reporting standards related to financial instruments	TFRS 16		
Statement of financial position					
Assets					
Current assets					
Current investments	6,409,686	(6,409,686)	-	-	
Trade and other receivables	2,747,662	(5,111)	-	2,742,551	
Other current financial assets	-	6,409,686	-	6,409,686	
Non-current assets					
Other non-current financial assets	-	1,317,556	-	1,317,556	
Other long-term investments	1,317,556	(1,317,556)	-	-	
Right-of-use assets	-	-	83,729	83,729	
Deferred tax assets	326,857	1,022	593	328,472	
Liabilities and shareholders' equity					
Current liability					
Current portion of lease liabilities	-	-	35,654	35,654	
Non-current liability					
Lease liabilities, net of current portion	-	-	51,098	51,098	
Shareholders' equity					
Retained earnings - unappropriated	18,560,051	(1,289)	(2,430)	18,556,332	
Other components of shareholders' equity	(244,579)	(2,800)	-	(247,379)	

(Unit: Thousand Baht)

	Consolidated financial statements			1 January 2020	
	31 December 2019	The effect of			
		Financial reporting standards related to financial instruments	TFRS 16		
Statement of financial position					
Assets					
Current assets					
Current investments	6,370,564	(6,370,564)	-	-	
Trade and other receivables	2,763,296	(5,111)	-	2,758,185	
Other current financial assets	-	6,370,564	-	6,370,564	
Non-current assets					
Other non-current financial assets	-	1,317,556	-	1,317,556	
Other long-term investments	1,317,556	(1,317,556)	-	-	
Right-of-use assets	-	-	88,919	88,919	
Deferred tax assets	319,225	1,022	627	320,874	
Liabilities and shareholders' equity					
Current liability					
Current portion of lease liabilities	-	-	37,330	37,330	
Non-current liability					
Lease liabilities, net of current portion	-	-	54,724	54,724	
Shareholders' equity					
Retained earnings - unappropriated	18,488,815	(1,289)	(2,508)	18,485,018	
Other components of shareholders' equity	-	(2,800)	-	(2,800)	

4.1 Financial instruments

- a) Details of the impact on retained earnings and other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements		Other components of shareholders' equity
	Retained earnings	Other components of shareholders' equity	
Fair value measurement of non-listed equity investment	2,800		(2,800)
Recognition of an allowance for expected credit losses on financial assets at amortised cost	(4,089)		-
Impacts of the adoption of financial reporting standards related to financial instruments	(1,289)		(2,800)

- b) As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

(Unit: Thousand Baht)

	The former carrying amount	Consolidated financial statements			
		Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	2,080,581	-	-	2,080,581	2,080,581
Trade and other receivables	2,747,662	-	-	2,742,551	2,742,551
Other current financial assets	6,409,686	-	-	6,409,686	6,409,686
Restricted bank deposits	6,004	-	-	6,004	6,004
Other non-current financial assets	1,317,556	-	1,700	1,315,856	1,317,556
Total financial assets	12,561,489	-	1,700	12,554,678	12,556,378

(Unit: Thousand Baht)

	The former carrying amount	Separate financial statements			
		Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	1,770,480	-	-	1,770,480	1,770,480
Trade and other receivables	2,763,296	-	-	2,758,185	2,758,185
Other current financial assets	6,370,564	-	-	6,370,564	6,370,564
Restricted bank deposits	6,004	-	-	6,004	6,004
Long-term loan and interest receivable from a related party	84,572	-	-	84,572	84,572
Other non-current financial assets	1,317,556	-	1,700	1,315,856	1,317,556
Total financial assets	12,312,472	-	1,700	12,305,661	12,307,361

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	570,118	576,609
Less: Short-term leases and leases of low-value assets	(152)	(152)
Less: Contracts reassessed as service agreements	(471,463)	(471,463)
Less: Others	(5,176)	(5,969)
Less: Deferred interest expenses	(6,575)	(6,971)
Increase in lease liabilities due to the adoption of TFRS 16	86,752	92,054
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	86,752	92,054
Weighted average incremental borrowing rate (percent per annum)	5.08	5.08
The above lease liabilities comprise of:		
Current lease liabilities	35,654	37,330
Non-current lease liabilities	51,098	54,724
	86,752	92,054

5. Significant accounting policies

5.1 Revenue and expense recognition

Revenues from hospital operations

Revenues from hospital operations, mainly consisting of medical fees, hospital room sales, and medicine sales, are recognised as income when services have been rendered or medicine delivered and are measured at the amount of the consideration received or receivable after deducting discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service or is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

Rental income

Rental income and related service income are recognised on a straight-line basis over the lease term.

Interest income

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

Finance cost

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

Dividends

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

5.2 Cash and cash equivalents

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

5.3 Inventories

Inventories are valued at the lower of cost (weighted average basis) and net realisable value.

5.4 Investments in subsidiaries and associates

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

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

5.5 Property, plant and equipment and depreciation

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

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Land improvement	5 - 30 years
Buildings and construction	5 - 40 years
Facility systems	3 - 40 years
Medical accessory equipment	3 - 15 years
Hospital equipment	3 - 15 years
Equipment and furniture	5 - 20 years
Motor vehicles	5 years

Depreciation is included in determining income.

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

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

5.6 Borrowing costs

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

5.7 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Computer software	3 - 10 years

5.8 Goodwill

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

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

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

5.9 Leases

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

The Group as a lessee

Accounting policies adopted since 1 January 2020

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

Right-of-use assets

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

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

Land and land improvement	3 - 5 years
Buildings and building improvement	3 years
Office equipment	3 years
Motor vehicles	3 - 5 years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

Accounting policies adopted before 1 January 2020

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to the income statement over the lease period. The assets acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

The Group as a lessor

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

5.10 Related party transactions

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

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

5.11 Deferred debenture issuing costs

Debenture issuing costs are recorded as deferred financial fees and amortised to be interest expense using the effective interest rate method over the term of the debentures.

Deferred debenture issuing costs are presented as a deduction against the debenture amounts in the statement of financial position.

5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income.

5.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

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

5.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

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

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in the income statement.

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.15 Provisions

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

5.16 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.17 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

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

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to the income statement.

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

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

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

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

Offsetting of financial instruments

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

Accounting policies adopted before 1 January 2020

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection and write-off experience, analysis of debt aging and other information.

Investments

- a) Investments in debt securities expected to be held to maturity are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- b) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the income statement.

5.18 Fair value measurement

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

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

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

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

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

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

6. Significant accounting judgements and estimates

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

Consolidation of subsidiaries in which the Company holds less than half of shares

The management of the Group determined that the Company has control over Seoul Seniors Tower LLC ("SST"), even though the Company holds 41% of shares and voting rights, which is less than half of shares and voting rights. This is because the Company is a major shareholder of this company, exercises control over its management and has the ability to direct its significant activities of that company. As a result, SST is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

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

Estimating the incremental borrowing rate - The Group as a lessee

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

Lease classification - The Group as lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables

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

Property, plant and equipment and depreciation

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

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

Goodwill

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

Deferred tax assets

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

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

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

Litigation

The Group has contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation and believes that provisions as recorded as at the financial statements date are adequate.

7. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	2020	2019	2020	2019	
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Medical service income	-	-	50.2	61.1	Market price
Professional service income	-	-	18.5	17.1	Actual paid and cost plus margin
Rental income	-	-	34.3	33.6	As per contracts
Sales of medicine and medical supplies	-	-	19.7	22.3	Cost plus margin
Sales of equipment	-	-	-	0.1	Market price and cost plus margin
Dividend income	-	-	222.0	315.2	As declared
Interest income on loans	-	-	1.9	1.0	1.25% p.a.
Lab service expense	-	-	17.9	15.8	Market price
Pharmacy expense	-	-	42.7	60.8	Market price
Training expenses	-	-	249.1	262.0	Cost plus margin
Service expenses	-	-	41.0	44.1	Cost plus margin
Rental expenses	-	-	4.2	3.8	As per contracts
Purchase of equipment	-	-	-	33.1	Mutually agreed price
Transactions with associates					
Interest expense on short-term loan	-	0.1	-	0.1	1.25% p.a.
Transactions with related parties					
Medical service income	50.8	49.6	50.8	49.6	Market price
Rental income	3.4	2.4	3.4	2.4	Market price
Interest income on short-term investments	-	63.1	-	63.0	1.40% to 1.75% p.a.
Interest income on other current financial assets	49.8	-	49.7	-	0.63% to 1.75% p.a.
Other income	1.9	3.0	1.9	3.0	At cost
Lab service expense	0.3	2.1	0.3	2.1	Market price
Purchase of medicine and medical supplies	12.5	15.3	12.5	15.3	Market price
Donation expense	12.0	19.0	12.0	19.0	-
Insurance expense	32.6	29.9	30.4	29.6	As per insurance policies
Credit card commission fees	75.6	109.9	70.6	102.7	Market price
Custodian fee	0.2	1.0	0.2	1.0	As per contract
Legal advisory fee	0.6	12.2	0.6	12.0	Market price
Service fee	0.6	3.8	0.6	3.8	Market price
Other expense	31.0	-	30.5	-	As per contract
Interest expense on debentures	22.6	22.6	22.6	22.6	4.97% p.a.
Interest expense on convertible bonds	30.6	32.5	30.6	32.5	1.00% and 10.00% p.a.

The balances of the accounts as at 31 December 2020 and 2019 between the Company and those related parties are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term investments - Fixed deposits with a local commercial bank (Note 9)				
Related company (common executive)	-	4,188,562	-	4,180,097
Other current financial assets - fixed deposits with a local commercial bank (Note 12)				
Related company (common executive)	3,997,934	-	3,997,084	-
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	42,644	37,837
Related company (common director)	244	492	244	492
Total	244	492	42,888	38,329
Long-term loans and interest receivables from related parties				
Subsidiaries	-	-	177,721	84,572
Other payables - related parties (Note 20)				
Subsidiaries	-	-	34,772	39,049
Long-term debentures (Note 22)				
Related companies (common shareholder)	455,000	455,000	455,000	455,000
Convertible bonds treated as equity securities (Note 26)				
Related company (common executive)	320,000	550,000	320,000	550,000

Long-term loans and interest receivables from the related parties

During the year ended 31 December 2020, movements of long-term loans and interest receivables from the related companies were as follows.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 January 2020	During the year		Balance as at 31 December 2020
		Increase	Decrease	
<i>Bumrungrad Services Co., Ltd.</i>				
Principal	84,500	-	-	84,500
Interest receivable	72	1,059	(225)	906
Total	84,572	1,059	(225)	85,406
<i>Vitallife Allianz Co., Ltd.</i>				
Principal	-	91,500	-	91,500
Interest receivable	-	815	-	815
Total	-	92,315	-	92,315
Total long-term loans and interest receivables from the related parties	84,572	93,374	(225)	177,721

The above long-term loans represent loans to the subsidiaries denominated in Baht which are repayable on demand. Since the Company's management does not plan to call the loans in the near future, they are classified as long-term loans.

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term benefits	95,049	148,912	77,106	132,195
Post-employment benefits	4,073	13,999	3,144	12,728
Other long-term benefits	6	6	2	1
Total	99,128	162,917	80,252	144,924

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	3,570	11,757	2,314	10,698
Bank deposits	1,225,854	1,968,866	836,104	1,659,824
Promissory notes	-	99,958	-	99,958
Total	1,229,424	2,080,581	838,418	1,770,480

As at 31 December 2020, bank deposits in savings accounts and fixed deposits carried interests between 0.01% and 0.50% per annum (2019: between 0.05% and 1.45% per annum).

9. Short-term investments

As at 31 December 2019, details of short-term investments are as below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Fixed deposit at banks	5,819,219	5,780,097
Investments in held-to-maturity debt securities due within one year		
- Government and state-owned enterprise bonds	319,992	319,992
- Private sector debt securities	270,475	270,475
Total short-term investments	6,409,686	6,370,564

As at 31 December 2019, fixed deposit at bank and investments in held-to-maturity debt securities carried interests between 1.10% and 3.05% per annum.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	58	228	1,138	1,556
Total trade receivables - related parties	58	228	1,138	1,556
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	748,561	1,516,617	733,294	1,510,903
Past due				
1 - 30 days	208,835	369,230	203,001	362,456
31 - 60 days	179,618	255,218	176,818	253,580
61 - 90 days	126,212	113,138	122,402	111,312
91 - 180 days	404,733	262,007	402,285	260,681
181 - 365 days	459,287	229,109	455,972	223,928
More than 365 days	269,591	249,315	264,551	246,253
Total	2,396,837	2,994,634	2,358,323	2,969,113
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(206,686)	(263,749)	(201,415)	(260,018)
Total trade receivables - unrelated parties, net	2,190,151	2,730,885	2,156,908	2,709,095
Total trade receivables - net	2,190,209	2,731,113	2,158,046	2,710,651
Other receivables				
Other receivables - related parties	186	264	41,750	36,773
Other receivables - unrelated parties	15,144	16,285	14,984	15,872
Total other receivables	15,330	16,549	56,734	52,645
Total trade and other receivables - net	2,205,539	2,747,662	2,214,780	2,763,296

Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 1 January 2020	268,860	265,129
Provision for expected credit losses	73,161	71,279
Amount written off	(135,335)	(134,993)
As at 31 December 2020	206,686	201,415

The significant increase in allowance for expected credit losses of trade receivables in 2020 of Baht 73 million (separate financial statements: Baht 71 million) was mainly due to increasing in default rate of trade receivables by rolling credit rate.

Trade receivables with a contractual amount of Baht 2 million written off during 2020 are still subject to enforcement activity.

11. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories – net	
	2020	2019	2020	2019	2020	2019
Medicine	154,005	179,315	(312)	(1,266)	153,693	178,049
Medical supplies	72,101	64,865	-	-	72,101	64,865
Other supplies	83,405	87,407	-	-	83,405	87,407
Total	309,511	331,587	(312)	(1,266)	309,199	330,321

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories – net	
	2020	2019	2020	2019	2020	2019
Medicine	128,224	146,441	-	-	128,224	146,441
Medical supplies	49,378	49,427	-	-	49,378	49,427
Other supplies	77,757	82,469	-	-	77,757	82,469
Total	255,359	278,337	-	-	255,359	278,337

12. Other current financial assets

As at 31 December 2020, details of other current financial assets are as below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<u>Debt instruments at amortised cost</u>		
Fixed deposits at banks	5,951,571	5,910,584
Short-term private sector debt securities	957,122	957,122
Total other current financial assets	6,908,693	6,867,706

As at 31 December 2020, bank deposits in fixed deposits and private sector debt securities carried interests between 0.60% and 3.00% per annum.

13. Other non-current financial assets

As at 31 December 2020, details of other non-current financial assets are as below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
<u>Debt instruments at amortised cost</u>	
Long-term private sector debt securities	356,019
	356,019
<u>Equity instrument designated at FVOCI</u>	
Non-listed equity instrument	4,500
Less: Fair value reserve	(4,269)
	231
Total other non-current financial assets - net	356,250

As at 31 December 2020, private sector debt securities carried interests between 2.43% and 3.10% per annum.

14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows.

Company	Paid-up capital		Shareholding percentage		Cost		Allowance for loss on impairment		Carrying amounts based on cost method - net	
	2020	2019	(%)	(%)	2020	2019	2020	2019	2020	2019
Vitallife Corporation Ltd.	Baht 31.5 million	Baht 31.5 million	100	100	25,610	25,610	-	-	25,610	25,610
Asia Global Research Co., Ltd.	Baht 95 million	Baht 95 million	100	100	95,000	95,000	(50,000)	(50,000)	45,000	45,000
Ruenmongkol Co., Ltd.	Baht 340 million	Baht 340 million	100	100	1,045,034	1,045,034	-	-	1,045,034	1,045,034
Bumungrad Health Network Co., Ltd.	Baht 132.8 million	Baht 120 million	100	100	132,759	120,000	-	-	132,759	120,000
Bumungrad Personnel Development and Training Center Co., Ltd.	Baht 5 million	Baht 5 million	100	100	5,000	5,000	-	-	5,000	5,000
Asia Global Health Ltd.	HKD 7.1 million	HKD 7.1 million	100	100	31,558	31,558	(29,500)	(29,500)	2,058	2,058
Life and Longevity Ltd.	USD 82,000	USD 82,000	100	100	2,860	2,860	-	-	2,860	2,860
Health Horizons Enterprises Pte. Ltd.	USD 16.8 million	USD 16.8 million	80	80	436,211	436,211	-	-	436,211	436,211
Bumungrad Services Co., Ltd.	Baht 2 million	Baht 2 million	100	100	2,000	2,000	-	-	2,000	2,000
Vitallife Allianz Co., Ltd.	Baht 1 million	Baht 0.25 million	100	100	1,000	250	-	-	1,000	250
Total					1,777,032	1,763,523	(79,500)	(79,500)	1,697,532	1,684,023

(Unit: Thousand Baht)

During the years, the Company received dividends from subsidiaries in the separate financial statements as follows.

(Unit: Thousand Baht)

Company	Separate financial statements	
	2020	2019
Vitallife Corporation Ltd.	77,489	133,243
Bumrungrad Personnel Development and Training Center Co., Ltd.	144,499	181,999
Total	221,988	315,242

14.2 Capital increase of subsidiaries

Vitallife Allianz Co., Ltd.

On 2 January 2020, the meeting of the Board of Directors of Vitallife Allianz Co., Ltd. approved the call up of the remaining 75% of the par value of its ordinary shares and the Company made the payment of Baht 0.75 million for the remaining shares subscription on 31 January 2020.

Bumrungrad Health Network Co., Ltd.

On 31 March 2020, the Extraordinary Meeting of the shareholders of Bumrungrad Health Network Co., Ltd. passed a resolution to increase its registered share capital from Baht 120 million (12 million ordinary shares with a par value of Baht 10 each) to Baht 132.76 million (13.276 million ordinary shares with a par value of Baht 10 each), by issuing additional 1.276 million ordinary shares with a par value of Baht 10 each. The Company invested in the additional share capital of Baht 12.8 million and still had a 100 percent shareholding in such company. The subsidiary registered the increase of its share capital with the Ministry of Commerce on 13 April 2020.

14.3 Investment in a new subsidiary

During the year, Bumrungrad Health Network Co., Ltd., the Company's wholly-owned subsidiary, invested in Bumrungrad Spine Network Co., Ltd., which is incorporated in Thailand, by acquisition its shares amounting to Baht 0.75 million, representing 75% of registered share capitals. That company is principally engaged in hospital consulting and management.

15. Investment in associates

15.1 Details of investment in associates

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
An associate held by the subsidiary			(%)	(%)				
Inovital International AG (held by LLL)	Manufacture and sale of vitamin supplement products	Swiss Confederation	49	49	1,670	1,670	1,316	1,330
IDoctor Pte. Ltd. (held by BS)	Design and develop software for medical industry	The Republic of Singapore	30	30	79,816	79,816	74,410	76,772
Total					81,486	81,486	75,726	78,102

Returning investment in the associate

During the year 2019, Bumrungrad International Company Limited returned investment to the shareholders in proportion to their shareholdings. The Company consequently received the return of investment amounting to Baht 212 million and recognised gain on investment in the associate amounting to Baht 211 million in the separate income statement for 2019. In addition, the Company transferred other surplus belonging to this associated company amounting to Baht 209 million to retained earnings as presented in the consolidated statement of changes in shareholders' equity for 2019 and recognised loss on investment in the associate amounting to Baht 6 million in the consolidated income statement for 2019.

15.2 Share of loss and dividend received

During the years, the Company has recognised its share of loss from investments in associate companies in the income statements as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements	
	2020	2019
Inovital International AG (held by LLL)	(15)	(5)
IDoctor Pte. Ltd. (held by BS)	(2,362)	(3,044)
Total	(2,377)	(3,049)

During the year 2020 and 2019, the Company had no dividend received from the associates.

16. Other long-term investments

As at 31 December 2019, details of other long-term investments are as below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
<u>Investments in held-to-maturity debt securities due over one year</u>	
Private sector debt securities	1,315,856
	1,315,856
<u>Other investment</u>	
Non-listed equity investment	4,500
Less: Allowance for loss on impairment	(2,800)
	1,700
Other long-term investments - net	1,317,556

Other investment represents investment in 37,500 ordinary shares of Chantaburi Country Club Co., Ltd. This represents 0.1 percent of the share capital of that company.

As at 31 December 2019, investments in held-to-maturity debt securities carried interests between 2.02% and 3.10% per annum.

17. Property, plant and equipment

(Unit: Thousand Baht)

		Consolidated financial statements									
		Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Cost											
1 January 2019	4,027,325	74,032	7,385,288	1,375,755	5,209,759	1,453,536	602,056	47,867	747,100	20,922,718	
Additions	962,645	93	62,130	87,996	125,434	89,016	4,977	89	393,270	1,725,650	
Disposals/write-off	-	-	(72)	(36)	(94,860)	(42,550)	(2,090)	(116)	-	(139,724)	
Transfer in (out)	-	-	64,426	161,683	2,501	34,838	82	-	(263,530)	-	
Capitalised interest	-	-	-	-	-	-	-	-	113	113	
Translation adjustment	-	(83)	(40,899)	(21)	(2,140)	(15,996)	(1,255)	(131)	(83)	(59,708)	
31 December 2019	4,989,970	74,042	7,470,873	1,625,377	5,240,694	1,519,744	603,770	47,709	876,870	22,449,049	
Additions	-	1,418	6,213	15,941	165,336	57,790	3,696	5,340	641,397	897,131	
Disposals/write-off	-	(143)	(34,002)	(2,831)	(81,215)	(63,592)	(1,506)	(4,314)	-	(187,603)	
Transfer in (out)	-	2,606	209,053	148,163	17,883	38,448	3,919	-	(420,072)	-	
Capitalised interest	-	-	-	-	-	-	-	-	3,954	3,954	
Translation adjustment	-	(16)	(8,985)	72	3,955	(6,725)	(237)	(50)	-	(11,986)	
31 December 2020	4,989,970	77,907	7,643,152	1,786,722	5,346,653	1,545,665	609,642	48,665	1,102,149	23,150,545	

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Accumulated depreciation										
1 January 2019	-	28,935	3,488,907	595,222	3,932,398	1,101,598	476,691	41,829	-	9,665,580
Depreciation for the year	-	7,160	441,661	124,898	342,445	130,299	29,390	1,820	-	1,077,673
Depreciation on disposals/write-off	-	-	(72)	(4)	(91,816)	(41,094)	(2,229)	(80)	-	(135,295)
Translation adjustment	-	(39)	(8,017)	(11)	(1,215)	(9,931)	(825)	(79)	-	(20,117)
31 December 2019	-	36,056	3,922,479	720,105	4,181,812	1,180,872	503,027	43,490	-	10,587,841
Depreciation for the year	-	7,946	403,706	148,624	301,807	129,068	25,133	2,106	-	1,018,390
Depreciation on disposals/write-off	-	(128)	(30,553)	(2,011)	(76,153)	(63,048)	(1,455)	(4,314)	-	(177,663)
Translation adjustment	-	(17)	(3,171)	(28)	1,963	(3,526)	(75)	(27)	-	(4,881)
31 December 2020	-	43,856	4,292,461	866,690	4,409,429	1,243,366	526,630	41,255	-	11,423,687
Allowance for impairment loss										
1 January 2019	-	-	-	-	-	-	239	-	-	886
31 December 2019	-	-	-	-	-	-	239	-	-	886
31 December 2020	-	-	-	-	-	-	239	-	-	886
Net book value										
31 December 2019	4,989,970	37,986	3,548,394	905,272	1,058,882	338,633	100,743	4,219	875,984	11,860,083
31 December 2020	4,989,970	34,051	3,350,691	920,032	937,224	302,060	83,012	7,430	1,101,263	11,725,733
Depreciation for the years										
2019 (Baht 741 million included in cost of hospital operations, and the balance in selling and administrative expenses)										1,077,673
2020 (Baht 676 million included in cost of hospital operations, and the balance in selling and administrative expenses)										1,018,390

(Unit: Thousand Baht)

		Separate financial statements									
		Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Cost											
1 January 2019	2,992,291	53,810	6,258,345	1,349,844	4,482,361	1,154,696	465,430	24,151	742,665	17,513,593	
Additions	962,645	93	58,422	88,095	139,910	64,524	3,409	-	393,333	1,710,431	
Disposals/write-off	-	-	(72)	(36)	(94,847)	(41,535)	(2,441)	-	-	(138,931)	
Transfer in (out)	-	-	64,426	161,683	-	34,838	82	-	(261,029)	-	
Capitalised interest	-	-	-	-	-	-	-	-	113	113	
31 December 2019	3,944,936	53,903	6,381,121	1,599,586	4,527,424	1,212,523	466,480	24,151	875,082	19,085,206	
Additions	-	1,418	2,986	10,739	122,545	37,371	2,512	5,340	635,959	818,870	
Disposals/write-off	-	-	(1,806)	(2,064)	(81,179)	(63,238)	(1,434)	(4,314)	-	(154,035)	
Transfer in (out)	-	2,606	209,053	148,163	17,883	38,448	3,919	-	(420,072)	-	
Capitalised interest	-	-	-	-	-	-	-	-	3,954	3,954	
31 December 2020	3,944,936	57,927	6,591,354	1,756,424	4,586,673	1,225,104	471,477	25,177	1,094,923	19,753,995	

(Unit: Thousand Baht)

		Separate financial statements								
	Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Accumulated depreciation										
1 January 2019	-	21,148	2,677,694	561,502	3,318,628	806,897	367,644	18,761	-	7,772,274
Depreciation for the year	-	7,061	422,929	124,564	322,876	118,800	28,067	1,700	-	1,025,997
Depreciation on disposals/write-off	-	-	(72)	(4)	(91,803)	(40,524)	(2,245)	-	-	(134,648)
31 December 2019	-	28,209	3,100,551	686,062	3,549,701	885,173	393,466	20,461	-	8,663,623
Depreciation for the year	-	7,834	381,125	148,080	282,300	116,515	23,238	2,028	-	961,120
Depreciation on disposals/write-off	-	-	(1,788)	(1,321)	(76,117)	(62,737)	(1,323)	(4,314)	-	(147,600)
31 December 2020	-	36,043	3,479,888	832,821	3,755,884	938,951	415,381	18,175	-	9,477,143
Allowance for impairment loss										
1 January 2019	-	-	-	-	-	-	239	-	-	239
31 December 2019	-	-	-	-	-	-	239	-	-	239
31 December 2020	-	-	-	-	-	-	239	-	-	239
Net book value										
31 December 2019	3,944,936	25,694	3,280,570	913,524	977,723	327,111	73,014	3,690	875,082	10,421,344
31 December 2020	3,944,936	21,884	3,111,466	923,603	830,789	285,914	56,096	7,002	1,094,923	10,276,613
Depreciation for the years										
2019 (Baht 703 million included in cost of hospital operations, and the balance in selling and administrative expenses)										1,025,997
2020 (Baht 629 million included in cost of hospital operations, and the balance in selling and administrative expenses)										961,120

During the year ended 31 December 2020, the Company had capitalised interest cost totaling Baht 4.0 million (2019: Baht 0.1 million). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 5.08% (2019: 5.07%).

As at 31 December 2020, certain building and equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 5,066 million (2019: Baht 4,278 million) (separate financial statements: Baht 5,013 million, 2019: Baht 4,171 million).

18. Intangible assets

(Unit: Thousand Baht)

	Computer software	
	Consolidated financial statements	Separate financial statements
Cost		
1 January 2019	1,392,756	1,420,866
Additions	127,882	127,596
Translation adjustment	(339)	-
31 December 2019	1,520,299	1,548,462
Additions	106,566	105,025
Translation adjustment	27	-
31 December 2020	1,626,892	1,653,487
Accumulated amortisation		
1 January 2019	603,441	636,088
Amortisation during the year	145,624	144,561
Translation adjustment	(335)	-
31 December 2019	748,730	780,649
Amortisation during the year	163,103	161,885
Translation adjustment	32	-
31 December 2020	911,865	942,534
Net book value		
31 December 2019	771,569	767,813
31 December 2020	715,027	710,953

19. Goodwill

Goodwill resulted from the acquisition by Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary that is 80% owned by the Company, of a 100% interest in the common shares of Bumrungrad Mongolia LLC ("BML") on 28 March 2014. BML holds 51% of the common shares of Seoul Seniors Tower LLC ("SST"), which operates Ulaanbaatar Songdo Hospital in Mongolia. The excess of the purchase price over the net value of the tangible assets acquired was allocated as goodwill. The amount of goodwill is USD 3.4 million, which mainly comprises the value of expected synergies from customer base expansion.

The change in the goodwill account is due to the impact of exchange differences on translation of the foreign operation's financial statements.

20. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables - unrelated parties	534,368	735,891	485,848	689,837
Accounts payable - construction, purchase of equipment and computer software	106,251	95,273	106,251	95,273
Other payables - related parties	-	-	34,772	39,049
Other payables - unrelated parties	63,536	39,185	61,810	38,620
Total trade and other payables	704,155	870,349	688,681	862,779

21. Leases

The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 3 – 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and land improvement	Buildings and building improvement	Office equipment	Motor vehicles	Total
As at 1 January 2020	2,261	6,165	48,490	26,813	83,729
Additions	-	20,698	-	20,023	40,721
Terminate during the year	-	-	-	(1,979)	(1,979)
Depreciation for the year	(891)	(7,319)	(15,688)	(14,711)	(38,609)
As at 31 December 2020	1,370	19,544	32,802	30,146	83,862

(Unit: Thousand Baht)

	Separate financial statements				
	Land and land improvement	Buildings and building improvement	Office equipment	Motor vehicles	Total
As at 1 January 2020	8,064	6,165	48,490	26,200	88,919
Additions	-	20,698	-	20,023	40,721
Terminate during the year	-	-	-	(1,979)	(1,979)
Depreciation for the year	(3,006)	(7,319)	(15,688)	(14,271)	(40,284)
As at 31 December 2020	5,058	19,544	32,802	29,973	87,377

b) Lease liabilities

Detail of lease liabilities as at 31 December 2020 are as below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Lease payments	96,372	100,175
Less: Deferred interest expenses	(6,263)	(6,433)
Total	90,109	93,742
Less: Portion due within one year	37,141	39,205
Lease liabilities - net of current portion	52,968	54,537

c) Expenses relating to leases that are recognised in income statements

Expenses relating to lease that are recognised in income statement for the year ended 31 December 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	38,609	40,284
Interest expense on lease liabilities	4,214	4,445
Expense relating to short-term leases	9,765	-
Expense relating to leases of low-value assets	6,207	5,858
Expense relating to variable lease payments	24,008	23,952

The Company has lease commitment for building space with a company for a period of 4 years. Under the terms of the agreement, the Company agrees to pay a rental fee at a rate based on the revenues and other information.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 81 million (separate financial statements: Baht 71 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 41 million (separate financial statements: Baht 41 million). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 35.2 to the consolidated financial statements.

22. Long-term debentures

The Extraordinary General Meeting of the Company's shareholders held on 8 December 2011 approved the issuance and offering of unsecured, unsubordinated debentures in Baht currency with the principal amount not exceeding Baht 7,000 million and the tenure not more than 10 years.

The long-term debentures Series#1 was entirely redeemed on 20 December 2016.

The long-term debentures Series#2 was entirely redeemed on 20 December 2018.

As at 31 December 2020 and 2019 detail of outstanding long-term debentures are as follows.

(Unit: Thousand Baht)

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	Carrying amount	
						2020	2019
3	Entirely redeemed on 20 December 2021 (10 years)	2,500	1,000	4.97	Semi-annual	2,500,000	2,500,000
	Less: Deferred debenture issuing costs					(2,711)	(5,385)
	Total					2,497,289	2,494,615
	Less: Portion due within one year					(2,497,289)	-
	Long-term debentures - net of current portion					-	2,494,615

The long-term debentures are unsecured and unsubordinated debentures in Baht currency with fixed interest rates.

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- a) maintenance of a net debt to equity ratio not exceeding 1.75:1
- b) maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

23. Long-term loan and interest payable to an unrelated party

Long-term loan was a loan which Bumrungrad Myanmar Co., Ltd., a subsidiary, entered into a loan agreement with other shareholder in USD and dued at call. The loan carries interest at the 1-year fixed deposit rate of a local commercial bank but not over 3.25% per annum. Interest is due annually. The other shareholder does not plan to call the loan in the near future, it is therefore classified as a long-term loan.

During the year ended 31 December 2020, movements of long-term loan and interest payable to an unrelated party were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 31 December 2020	
	Balance as at 1 January 2020	During the year			
		Increase	Decrease		
Principal	20,537	2,562	-	23,099	
Interest payable	876	96	-	972	
Translation adjustment	(2,987)	-	(250)	(3,237)	
Total	18,426	2,658	(250)	20,834	

24. Undrawn loan facilities

As at 31 December 2020, the Group has short-term credit facilities which have not yet been drawn down amounting to Baht 3,310 million (2019: Baht 3,310 million) (separate financial statements: Baht 3,310 million, 2019: Baht 3,310 million).

25. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Compensations on employees' retirement		Other long-term employee benefits		Total	
	2020	2019	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	714,913	527,788	44,624	38,861	759,537	566,649
Included in the income statement:						
Current service cost	99,038	233,906	7,215	6,366	106,253	240,272
Interest cost	11,274	17,338	689	1,005	11,963	18,343
Losses on settlement	190	-	-	-	190	-
Actuarial loss (gain) arising from						
- Financial assumptions changes	-	-	1,379	3,526	1,379	3,526
- Experience adjustments	-	-	(1,814)	(2,032)	(1,814)	(2,032)
Included in the statement of comprehensive income:						
Actuarial loss (gain) arising from						
- Financial assumptions changes	31,876	14,284	-	-	31,876	14,284
- Experience adjustments	18,226	(14,745)	-	-	18,226	(14,745)
Benefits paid during the year	(31,347)	(63,659)	(7,314)	(3,101)	(38,661)	(66,760)
Provision for long-term employee benefits at end of year	844,170	714,912	44,779	44,625	888,949	759,537

(Unit: Thousand Baht)

	Separate financial statements					
	Compensations on employees' retirement		Other long-term employee benefits		Total	
	2020	2019	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	691,209	514,634	43,709	38,385	734,918	553,019
Included in the income statement:						
Current service cost	94,833	227,595	7,041	6,278	101,874	233,873
Interest cost	10,901	16,871	676	995	11,577	17,866
Losses on settlement	172	-	-	-	172	-
Actuarial loss (gain) arising from						
- Financial assumptions changes	-	-	1,360	3,468	1,360	3,468
- Experience adjustments	-	-	(1,673)	(2,316)	(1,673)	(2,316)
Included in the statement of comprehensive income:						
Actuarial loss (gain) arising from						
- Financial assumptions changes	31,107	13,865	-	-	31,107	13,865
- Experience adjustments	18,488	(18,097)	-	-	18,488	(18,097)
Benefits paid during the year	(30,791)	(63,659)	(4,466)	(3,101)	(35,257)	(66,760)
Provision for long-term employee benefits at end of year	815,919	691,209	46,647	43,709	862,566	734,918

The Group expects to pay Baht 22 million (2019: Baht 27 million) (separate financial statements: Baht 22 million, 2019: Baht 26 million) of long-term employee benefits during the next year.

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 4 - 20 years (2019: 5 - 22 years) (separate financial statements: 19 years, 2019: 20 years).

Key actuarial assumptions used for the valuation are as follows.

(Unit: % p.a.)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	0.5 - 1.5	1.3 - 1.6	1.2	1.6
Salary increase rate	4.0	4.0	4.0	4.0
Turnover rate	0.0 - 18.0	0.0 - 18.0	0.0 - 13.0	0.0 - 13.0

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2020 and 2019 are summarised below.

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated financial statements		Separate financial statements	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(86)	101	(84)	98
Salary increase rate	83	(72)	80	(70)
Turnover rate	(90)	55	(88)	54

(Unit: Million Baht)

	As at 31 December 2019			
	Consolidated financial statements		Separate financial statements	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(76)	89	(74)	86
Salary increase rate	73	(63)	71	(62)
Turnover rate	(80)	49	(78)	48

26. Convertible bonds treated as equity securities

Convertible bonds treated as equity securities as at 31 December 2019 and 2018 are as follows.

- a) Partly secured convertible bonds in an amount of Baht 300 million, with a maturity of 12 years, and a coupon rate of 2.5% p.a. for years 1 - 4, 5% p.a. for years 5 - 8, and 10% p.a. for years 9 - 12, which the interest was payable semi-annually. The current conversion price is Baht 4.55 per one ordinary share. The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds. The bonds were secured by the mortgage of the Company's land. On 23 August 2012, the Company released the mortgage of the land.
- b) Partly secured convertible bonds in an amount of Baht 250 million (after conversion by the bondholder of Baht 750 million in the year 2003); with a maturity of 12 years, and a coupon rate of 1% p.a., which the interest was payable semi-annually. The current conversion price is Baht 3.50 per one ordinary share. The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds. The bonds were secured by the mortgage of the Company's land. On 23 August 2012, the Company released the mortgage of the land.

On 22 November 2000, the meeting of the bonds' holders and on 24 November 2000, an extraordinary meeting of the Company's shareholders passed approval of the amendment to the terms and conditions governing the rights and obligations of the issuer and the bondholders, which gives the Company the option to either redeem the convertible bonds or to convert the bonds into ordinary shares on the maturity date.

On 6 December 2011, the meeting of bonds' holders and on 8 December 2011, an extraordinary meeting of the Company's shareholders passed approval of the amendment to the terms and conditions governing the rights and obligations of the issuer and the bondholders, which to extend the tenure of the convertible bonds for additional 5 years maturing on 23 August 2017 and that the security of the convertible bonds be released in accordance with the same term on 23 August 2012.

On 9 November 2015, the meeting of bonds' holders and on 30 November 2015, an extraordinary meeting of the Company's shareholders passed approval of the amendment to the terms and conditions governing the rights and obligations of the issuer and the bondholders, which to extend the tenure of the convertible bonds for additional 10 years maturing on 23 August 2027 and to cancel the appointment of a bondholders' representative since the collateral for the convertible bonds has already been released. In addition, it is proposed that the name of the BH Convertible Bonds Series#1 and Series#2 be changed to reflect the new maturity date and the release of the collateral for the bonds.

According to the Thai Accounting Standard No. 32 "Financial Instruments: Presentation", because the Company has the option to either redeem the convertible bonds or to convert them into ordinary shares on the maturity date, and delivery of equity securities will not be changed by fair value of such equity securities (since the Company determined a certain conversion price), so the convertible bonds are not covered by the definition of financial liabilities and are to be treated as equity securities. In addition, the Company's management expresses their intention to convert these bonds into ordinary shares on the maturity date. Therefore, the whole amounts of the convertible bonds are presented as part of shareholders' equity and future interest on the bonds will be recorded as a deduction from shareholders' equity.

In the first quarter of 2020, the holders of BH Convertible Bonds Series#2 Due 2027 ("BH Convertible Bonds Series#2") exercised rights to convert 23 bonds of Baht 10 million per unit, or a total of Baht 230 million. At a conversion price of Baht 3.50 per ordinary share this was equivalent to 65,714,285 ordinary shares with a par value of Baht 1 each.

Movements in the balances of convertible bonds treated as equity instruments for the year ended 31 December 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	BH Convertible Bonds Series#1	BH Convertible Bonds Series#2	Total
Balance as at 1 January 2020	300,000	250,000	550,000
Conversion of bonds to ordinary shares	-	(230,000)	(230,000)
Balance as at 31 December 2020	300,000	20,000	320,000

Details of the conversion of BH Convertible Bonds Series#2 are as follows.

	Units
Bonds sold	100
Conversion of bonds to ordinary shares in 2003	(75)
Conversion of bonds to ordinary shares in 2020	(23)
Unexercised convertible bonds	2

In 2000, the Company increased its registered share capital and set aside ordinary shares to accommodate the exercise of BH Convertible Bonds Series#1 and Series#2. After the exercise of conversion rights, the Company has 71,714,285 ordinary shares with a par value of Baht 1 per share remaining to accommodate the conversion of the bonds.

The interest expense for the year 2020 of the convertible bonds amounted to Baht 31 million (2019: Baht 33 million), was recorded as a reduction to unappropriated retained earnings.

27. Share capital

Preference shareholders have the same right as the ordinary shareholders except that they are entitled to receive an annual dividend at 15% of preference shares capital prior to the dividend paid to the ordinary shareholders. Preference shares can be converted into ordinary shares.

In the first quarter of 2020, 30,000 preference shares (2019: 90,000 shares) were converted into ordinary shares at ratio of 1 preference share to 1 ordinary share, as a result, the Company's ordinary shares increased from 728,841,357 shares with a par value of Baht 1 each to 728,871,357 shares with a par value of Baht 1 each. The Company registered this conversion with the Ministry of Commerce on 5 March 2020.

As a result of the conversion of bonds, as described in Note 26 to the consolidated financial statements, the Company's paid-up capital has increased from Baht 730,052 thousand (728,871,357 ordinary shares with a par value of Baht 1 each and 1,180,865 preference shares with a par value of Baht 1 each) to Baht 795,766 thousand (794,585,642 ordinary shares with a par value of Baht 1 each and 1,180,865 preference shares with a par value of Baht 1 each) and its premium on ordinary shares has increased from Baht 285,568 thousand to Baht 449,854 thousand. The Company registered this conversion with the Ministry of Commerce on 17 March 2020 and the Stock Exchange of Thailand (SET) allowed the common shares increased to be listed on the SET starting from 20 March 2020.

28. Statutory reserve

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

29. Expenses by nature

Significant expenses classified by nature are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salaries, wages and other employee benefits	2,723,335	3,231,523	2,504,460	3,072,253
Physicians' fee	2,587,924	3,925,902	2,510,600	3,811,342
Depreciation	1,056,999	1,077,673	1,001,404	1,025,997
Amortisation	163,103	145,624	161,885	144,561
Property, plant and equipment rental expenses from leases	39,980	68,425	29,810	59,113
Building and equipment maintenance expenses	332,911	331,698	321,933	327,769
Advertising and public relation expenses	234,103	403,975	223,633	379,999
Medicine, medical supply and other supply consumptions	2,126,589	2,717,786	1,972,870	2,617,780

30. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax:				
Current income tax for the year	149,760	854,226	126,923	803,547
Deferred tax:				
Relating to origination and reversal of temporary differences	(79)	(81,035)	(958)	(37,616)
Income tax expenses reported in profit or loss	149,681	773,191	125,965	765,931

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax relating to actuarial losses (gains)	10,099	(376)	9,919	(846)
Total	10,099	(376)	9,919	(846)

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before tax	1,370,935	4,533,504	1,351,072	4,695,643
Applicable tax rate	10, 15 and 20%	10, 15 and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	314,239	1,009,463	270,214	939,129
Effects of:				
Tax-exempt revenues	(74,884)	(100,273)	(44,398)	(69,440)
Non-deductible expenses	20,307	15,538	15,964	7,498
Additional expense deductions allowed	(114,744)	(111,462)	(112,558)	(111,007)
Others	4,763	(40,075)	(3,257)	(249)
Total	(164,558)	(236,272)	(144,249)	(173,198)
Income tax expenses reported in profit or loss	149,681	773,191	125,965	765,931

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	40,283	52,003	40,283	52,003
Allowance for diminution in value of inventories	36	120	-	-
Allowance for loss on impairment of investments	5,900	5,900	5,900	5,900
Allowance for construction in progress	177	177	-	-
Accumulated depreciation - building and equipment	101,434	103,920	101,434	103,920
Accumulated amortisation - intangible assets	747	1,786	731	1,763
Lease	1,245	-	1,273	-
Provision for long-term employee benefits	184,968	159,062	182,672	156,716
Unrealised loss from exchange rate	3,871	3,889	-	-
Total	338,661	326,857	332,293	320,302
Deferred tax liabilities				
Deferred debenture issuing costs	(542)	(1,077)	(542)	(1,077)
Interest receivable	(3,733)	(3,193)	-	-
Total	(4,275)	(4,270)	(542)	(1,077)
Deferred tax assets - net			331,751	319,225

As at 31 December 2020 the subsidiaries have unused tax losses totaling Baht 46 million (2019: Baht 26 million). No deferred tax assets have been recognised on this amount as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

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

(Unit: Million Baht)

	Consolidated financial statements	
	2020	2019
31 December 2022	11	12
31 December 2023	6	6
31 December 2024	8	8
31 December 2025	21	-
	46	26

31. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following tables set forth the computation of basic and diluted earnings per share.

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
Basic earnings per share	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Profit attributable to equity holders of the Company	1,204,138	3,747,729	781,653	728,826	1.54	5.14
Effect of dilutive potential ordinary shares						
Preference shares	-	-	1,186	1,226		
Convertible bonds	-	-	84,576	137,363		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	1,204,138	3,747,729	867,415	867,415	1.39	4.32

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
Basic earnings per share	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Profit attributable to equity holders of the Company	1,225,107	3,929,712	781,653	728,826	1.57	5.39
Effect of dilutive potential ordinary shares	-	-	1,186	1,226		
Preference shares	-	-	84,576	137,363		
Convertible bonds						
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	1,225,107	3,929,712	867,415	867,415	1.41	4.53

32. Segment information

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

The Group has only one main reportable operating segment, which is the hospital and health care center business, and the major geographical area of its operations is Thailand, with its overseas operations not being material. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

For the years 2020 and 2019, the Group has no major customer with revenues of 10% or more of the Group's revenues.

33. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contributed to the fund monthly at the rate of 5% and 15% of their basic salaries and the Group contributed 5% and 7% of basic salary. The fund, which is managed by Bualuang Securities Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to Baht 76 million (2019: Baht 70 million) (separate financial statements: Baht 72 million, 2019: Baht 67 million), were recognised as expenses.

34. Dividends paid

Dividends	Approved by	Dividend paid	Dividend per share
Interim dividends from operations from 1 July 2019 to 31 December 2019	Board of Director's meeting on 2 April 2020	(Thousand Baht) 1,631,166	(Baht) 2.05
Interim dividends from operations from 1 January 2020 to 30 June 2020 and retained earnings	Board of Director's meeting on 5 August 2020	915,122	1.15
Total dividends for 2020		2,546,288	
Final dividends for 2018	Annual General Meeting of the shareholder on 24 April 2019	1,313,985	1.80
Interim dividends from operations from 1 January 2019 to 30 June 2019	Board of Director's meeting on 7 August 2019	839,359	1.15
Total dividends for 2019		2,153,344	

35. Commitments and contingent liabilities

35.1 Capital commitments

As at 31 December 2020 and 2019, the Group had capital commitments as below.

Details of Commitments	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
1) Design and renovation agreements of buildings	462 Million Baht and 27 Million Myanmar Kyat	421 Million Baht	462 Million Baht	421 Million Baht
2) Purchase of medical instruments and hospital equipment	41 Million Baht	21 Million Baht	34 Million Baht	21 Million Baht
3) Purchase of computer software agreements	29 Million Baht	16 Million Baht	29 Million Baht	16 Million Baht

35.2 Lease commitments

As at 31 December 2020, the Group has future lease payments that have not yet commenced as follows:

(Unit: Million Baht)

	Consolidated /Separate financial statements
Within 1 year	3
Over 1 and up to 5 years	7
Total	10

35.3 Long-term service commitments

As at 31 December 2020 and 2019, the Group has entered into long-term service agreements. The terms of the agreements are generally between 2 and 8 years.

Future minimum payments required under these agreements were as follows.

(Unit: Million Baht)

Details of Commitments	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
1) Maintenance service fee for medical instruments	149	213	149	213
2) Service fee for medical treatment information	-	61	-	61
3) Maintenance service fee for computer system	145	197	145	197
4) Medical research	-	-	-	1

35.4 Uncalled portion of investment in subsidiary

As at 31 December 2020, the Company had commitment in respect of the uncalled portion of investment in an overseas subsidiary (Asia Global Health Ltd.) of HKD 2.4 million (2019: HKD 2.4 million).

35.5 Bank guarantees

As at 31 December 2020, there were outstanding bank guarantees of Baht 24 million (2019: Baht 30 million) issued by banks on behalf of the Company. All were required in the normal course of business e.g. payment of utility expenses and space rental.

35.6 Contingent liabilities related to agreement to acquire investments in associate

Bumrungrad Services Co., Ltd. ("BS"), the Company's wholly-owned subsidiary, has contingent liabilities under the Subscription Agreement, dated 15 February 2019, made to acquire 30% of the registered share capital of iDoctor Pte. Ltd. ("iDoctor"). The agreement grants the seller the right to receive an additional contingent consideration in the form of earn-out payments, provided certain net profit or loss targets as stipulated in the agreement. The contingent liabilities under such agreement are as following:

- a) An additional earn-out payment of USD 0.85 million based on net profit or loss targets for the financial period from 1 November 2018 to 31 October 2019
- b) An additional earn-out payment of USD 0.85 million based on net profit or loss targets for the financial period from 1 November 2019 to 31 October 2020
- c) An additional earn-out payment of USD 2.55 million less the earn-out amounts paid out in a) and b) based on net profit or loss targets for the financial period from 1 November 2020 to 31 October 2021

The earn-out payments shall be made by the subsidiary to the seller within 45 days of the subsidiary's receipt the audit financial statements of IDoctor.

The Group has reviewed and reassessed the likelihood that the Group will have to pay this additional amount, taking into consideration the economic situation, the result of its operation and the forecasted operating results of IDoctor for the financial periods from 1 November 2018 to 31 October 2021. It was concluded that, as at 31 December 2020, the Group's assessment is that it has no additional consideration obligations.

36. Financial instruments

36.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, lendings, investments, borrowings and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade accounts receivable

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts receivable are regularly monitored, and the Company does not have high concentrations of credit risk since it has a large and diverse customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The Group classifies trade accounts receivable segments by similar credit risks and calculates expected credit losses by consideration the outstanding debts aging of each segment, the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade accounts receivable is written-off if past due for more than two years and may consider legal action against such debtor. In addition, the Group will write-off the trade accounts receivable when it has been taken an action in accordance with the Revenue Code, the Write-Off of Bad Debts from Debtor Accounts.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's management in accordance with the Group's policy. Investments are made only with approved counterparties. The Group's policy is reviewed by the Group's Board of Directors, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk*Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign currency risk arises from investments in subsidiaries those are denominated in foreign currencies. The Company has no foreign currency forward contracts to reduce the exposure since the Company expects the risk to be minimal. In addition, the Group does not use foreign currency forward contracts or purchased currency options for trading purposes.

The Group has no significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2020 and 2019.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash and cash equivalents, other financial assets, long-term loans, long-term borrowings and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	As at 31 December 2020						
	Within 1 year	1–5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
Financial assets							(% per annum)
Cash and cash equivalents	-	-	-	1,184	45	1,229	0.01-0.50
Trade and other receivables	-	-	-	-	2,206	2,206	-
Other current financial assets	6,909	-	-	-	-	6,909	0.60 - 3.00
Other non-current financial assets	-	356	-	-	-	356	2.43 - 3.10
	6,909	356	-	1,184	2,251	10,700	
Financial liabilities							
Trade and other payables	-	-	-	-	704	704	-
Accrued physicians' fees	-	-	-	-	520	520	-
Current portion of long-term debentures	2,497	-	-	-	-	2,497	4.97
Long-term loan and interest payable to an unrelated party	-	20	-	-	1	21	0.21 - 1.38
	2,497	20	-	-	1,225	3,742	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2020						
	Within 1 year	1–5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
Financial assets							(% per annum)
Cash and cash equivalents	-	-	-	831	7	838	0.01 - 0.25
Trade and other receivables	-	-	-	-	2,215	2,215	-
Other current financial assets	6,868	-	-	-	-	6,868	0.60 - 3.00
Other non-current financial assets	-	356	-	-	-	356	2.43 - 3.10
Long-term loan and interest receivable from related parties	-	176	-	-	2	178	1.25
	6,868	532	-	831	2,224	10,455	
Financial liabilities							
Trade and other payables	-	-	-	-	689	689	-
Accrued physicians' fees	-	-	-	-	510	510	-
Current portion of long-term debentures	2,497	-	-	-	-	2,497	4.97
	2,497	-	-	-	1,199	3,696	

(Unit: Million Baht)

	Consolidated financial statements						
	As at 31 December 2019						
	Within 1 year	1–5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
Financial assets							(% per annum)
Cash and cash equivalents	-	-	-	2,010	71	2,081	0.05 - 1.45
Short-term investments	6,410	-	-	-	-	6,410	1.10 - 3.05
Trade and other receivables	-	-	-	-	2,748	2,748	-
Restricted bank deposits	-	-	-	6	-	6	0.90
Other long-term investment	-	1,316	-	-	-	1,316	2.02 - 3.10
	6,410	1,316	-	2,016	2,819	12,561	
Financial liabilities							
Trade and other payables	-	-	-	-	870	870	-
Accrued physicians' fees	-	-	-	-	721	721	-
Long-term loan and interest payable to an unrelated party	-	17	-	-	1	18	1.00 - 1.38
Long-term debentures	-	2,495	-	-	-	2,495	4.97
	-	2,512	-	-	1,592	4,104	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2019						
	Within 1 year	1–5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
Financial assets							(% per annum)
Cash and cash equivalents	-	-	-	1,742	28	1,770	0.05 - 1.10
Short-term investments	6,371	-	-	-	-	6,371	1.10 - 3.05
Trade and other receivables	-	-	-	-	2,763	2,763	-
Restricted bank deposits	-	-	-	6	-	6	0.90
Long-term loan and interest receivable from a related party	-	85	-	-	-	85	1.25
Other long-term investment	-	1,316	-	-	-	1,316	2.02 - 3.10
	6,371	1,401	-	1,748	2,791	12,311	
Financial liabilities							
Trade and other payables	-	-	-	-	863	863	-
Accrued physicians' fees	-	-	-	-	706	706	-
Long-term debentures	-	2,495	-	-	-	2,495	4.97
	-	2,495	-	-	1,569	4,064	

In addition, as at 31 December 2020, the Company's exposures to fixed interest rate risk relate to convertible bonds treated as equity securities amounting to Baht 320 million (2019: Baht 550 million) with maturity date in 2027 and carry interests at the rates 1% and 10% per annum, as described in Note 26 to the consolidated financial statements.

The Group analyses interest rate sensitivity and considers that there is no significant effect on profit before tax arising from a reasonably possible change in interest rates of financial assets and financial liabilities bearing interest rate as at 31 December 2020 since most of these bear fixed interest rates.

Liquidity risk

As of 31 December 2020, most of the Group's liabilities, which will mature within one year, relate to current portion of long-term debentures. The Group has assessed its ability to repay existing liabilities and concluded the risk is low. Furthermore, the Group has access to a sufficient variety of sources of funding.

36.2 Fair values of financial instruments

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

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows.

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other receivables, trade and other payable and accrued physicians' fees, the carrying amounts at the statement of financial position approximate fair value.
- b) The fair value of debt securities is derived from quoted market prices of the Thai Bond Market Association at the close of the business on the reporting date.
- c) The fair value of long-term lending is estimated by discounting expected future cash flows by the current market interest rate of lends with similar terms and conditions.
- d) The fair value of investment in equity instruments of non-listed companies has been determined by analysis and considering change in the invested companies' financial position and operating performance, including other several factors, and concluded that the cost of those investments has appropriately represented the fair value of the investments.
- e) The fair value of fixed rate debentures is estimated by discounting expected future cash flow by the current market interest rate.
- f) The carrying amounts of long-term borrowings carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

37. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had assets and liabilities that were measured at fair value or for which fair value was disclosed using a level of inputs as follows.

(Unit: Million Baht)

	Consolidated/ Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Finance assets measured at amortised cost				
- Debt investments	-	1,316	-	1,316
Liabilities for which fair value are disclosed				
Current portion of long-term debentures	-	2,588	-	2,588

(Unit: Million Baht)

	Consolidated/ Separate financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investments in held-to-maturity debt securities	-	1,925	-	1,925
Liabilities for which fair value are disclosed				
Long-term debentures	-	2,664	-	2,664

38. Capital management

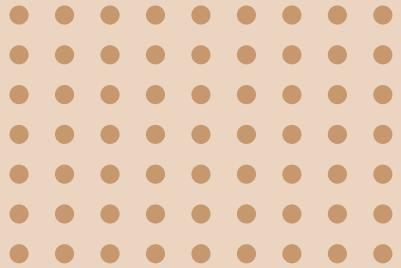
The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 0.29:1 (2019: 0.29:1) and the Company's was 0.28:1 (2019: 0.29:1).

39. Events after the reporting period

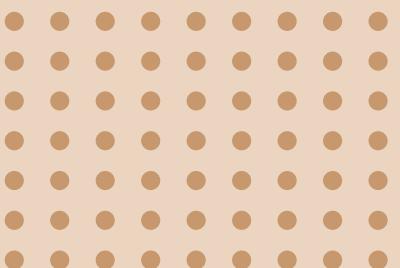
On 17 February 2021, a meeting of the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2021 to adopt a resolution to pay a dividend of Baht 3.20 per share, or a total of Baht 2,546 million, to the shareholders in respect of the 2020 profit and retained earnings. The Company already paid an interim dividend of Baht 1.15 per share, or a total of Baht 915 million on 3 September 2020. The remaining dividend of Baht 2.05 per share, or a total of Baht 1,631 million will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2021.



Company and **Business Information**





Vision/ Mission/ Values

Vision :

To provide World-class Holistic Healthcare with Innovation by 2022

Mission :

Deliver innovative clinical and service experiences

Accomplish operational excellence

Establish transdisciplinary care team with quality and humanized care

Values :

Agility

Innovation

Caring

Company Information

Name :	Bumrungrad Hospital Public Company Limited
Type of Business :	Private hospital
Head Office Address :	33 Sukhumvit Soi 3 (Nana Nua), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110
Registration No. :	0107536000994
Home page :	http://www.bumrungrad.com
E-mail address :	ir@bumrungrad.com
Telephone :	0 2066 8888 or 1378
Fax :	0 2011 5100
Registered Capital :	Baht 922,702,685
(31 December 2020)	Divided into Ordinary shares of 921,521,820 shares, par value at Baht 1 per share Preferred shares of 1,180,865 shares, par value at Baht 1 per share
Issued and Paid up Capital :	Baht 795,766,507
(31 December 2020)	Divided into Ordinary shares of 794,585,642 shares, par value at Baht 1 per share Preferred shares of 1,180,865 shares, par value at Baht 1 per share

Entities in which the Company has more than 10% shareholding

Legal Entity	Type of Business	Issued ordinary shares (shares)	Shareholding
1. Vitallife Corporation Limited Head Office: 210 Sukhumvit Soi 1 (Soi Ruenrudee), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8899 Branch Office 1: 96/4 Sukhumvit Soi 1 (Soi Ruenrudee), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2011 4001 Branch Office 2: 68 Bumrungrad International Tower, 8 Floor Soi Sukhumvit 1, Sukhumvit Road Khlong Toei Nua, Vadhana 10110 Phone 0 2011 4001 Branch Office 3: 68 Bumrungrad International Tower, 10 Floor Soi Sukhumvit 1, Sukhumvit Road Khlong Toei Nua, Vadhana 10110 Phone 0 2011 4001 Branch Office 4: 33/3 Soi Sukhumvit 3, Sukhumvit Road Khlong Toei Nua, Vadhana 10110 Phone 0 2011 4001	Comprehensive scientific wellness center Skin Clinic Distribution of non-toxin cosmetics	315,000	100%
2. Asia Global Research Company Limited Head Office: 3241 Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok 10110 Phone 0 2011 5126, Fax 0 2011 5127 Branch Office 1: 68 Bumrungrad International Tower, 11 Floor Soi Sukhumvit 1, Sukhumvit Road Khlong Toei Nua, Vadhana 10110 Phone 0 2011 5126, Fax 0 2011 5127 Branch Office 2: 11/25 Soi Sukhumvit 1 (Ruenrudee), Sukhumvit Road Khlong Toei Nua, Vadhana 10110 Phone 0 2011 4530	Clinical research Oncology Clinic Drug store	9,500,000	100%
3. Asia Global Health Limited Room 337, 3 rd Fl. South China C.S. Building 13-17 Wah Sing Street, Kwai Chung New Territories, Hong Kong Phone (852) 881 8226, Fax (852) 881 0377	Dormant	1,220,000	100%
4. Ruenmongkol Company Limited 11/26 Sukhumvit Soi 1, Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Owns the land at Sukhumvit Soi 1	34,000,000	100%
5. Life and Longevity Limited Room 337, 3 rd Fl. South China C.S. Building 13-17 Wah Sing Street, Kwai Chung New Territories, Hong Kong Phone (852) 881 8226, Fax (852) 881 0377	Holding company for overseas investments	82,000	100%
6. Bumrungrad Health Network Co., Ltd. (previously Bumrungrad Personnel Development Center Co., Ltd.) 33 Sukhumvit Soi 3 (Nana Nua) Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Holding company for domestic and overseas investments	132,760,000	100%

Legal Entity	Type of Business	Issued ordinary shares (shares)	Shareholding
7. Health Horizons Enterprises Pte. Ltd. 8 Marina Boulevard #05-02 Marina Bay Financial Centre, Singapore 018981 Phone +65 6338 1888, Fax +65 6337 5100	Holding company for overseas investments	16,849,422	80%
8. Bumrungrad Mongolia LLC Choidog-5, Peace Avenue, 1 st Khoroo Sukhbaatar District, Ulaanbaatar, Mongolia Phone +976-7012-9000, Fax +976-7011-1164	Holding company for overseas investments	4,181,000	80% (100% by HHE)
9. Seoul Seniors Tower LLC Choidog-5, Peace Avenue, 1 st Khoroo Sukhbaatar District, Ulaanbaatar, Mongolia Phone +976-7011-1163, Fax +976-7011-1164	Owns and operates Ulaanbaatar Songdo Hospital in Mongolia	8,000,000	41% (51% by BML)
10. Bumrungrad Personnel Development and Training Center Co., Ltd. 33 Sukhumvit Soi 3, Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100 <u>Branch Office 1:</u> 73/1 Soi Sukhumvit 3 (Nana Nua), Khlong Toei Nua Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100 <u>Branch Office 2:</u> 3241 Rama 4 Road, Khlong Ton, Khlong Toei Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Personnel development and training center (for affiliated companies only)	500,000	100%
11. Bumrungrad International Limited 33 Sukhumvit Soi 3 (Nana Nua) Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Dissolved and being liquidated	45,938	31.5%
12. Bumrungrad Services Co., Ltd. 33 Sukhumvit Soi 3 (Nana Nua), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Referral services to both domestic and overseas patients Healthcare-related training services to non-affiliated companies Overseas investment	200,000	100%
13. Bumrungrad Myanmar Co., Ltd. No.46/B GF-A Pantra Street, Dagon Township Yangon, Myanmar Phone 95-978 230 2424, Fax 95-1 230 2424	Operate a private primary care and medical diagnostic services clinic in Myanmar	1,325,750	80% (80% by BHN)
14. INOVITAL International AG Neuhofstrasse 5A, 6340 Baar, Switzerland	Manufacture and sale of vitamin supplement products and after sales services	490	49% (49% by LLL)

Legal Entity	Type of Business	Issued ordinary shares (shares)	Shareholding
15. Vitallife Allianz Co., Ltd. 33 Soi 3 (Nana Nua), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2066 8888, Fax 0 2011 5100	Operate a clinic	10,000	100%
16. Bumrungrad Spine Network Co., Ltd. 33 Soi 3 (Nana Nua), Sukhumvit Road Khlong Toei Nua, Vadhana, Bangkok 10110 Phone 0 2055 3150, Fax 0 2011 5100	Provide consulting and management services to healthcare facilities	10,000	75% (75% by BHN)

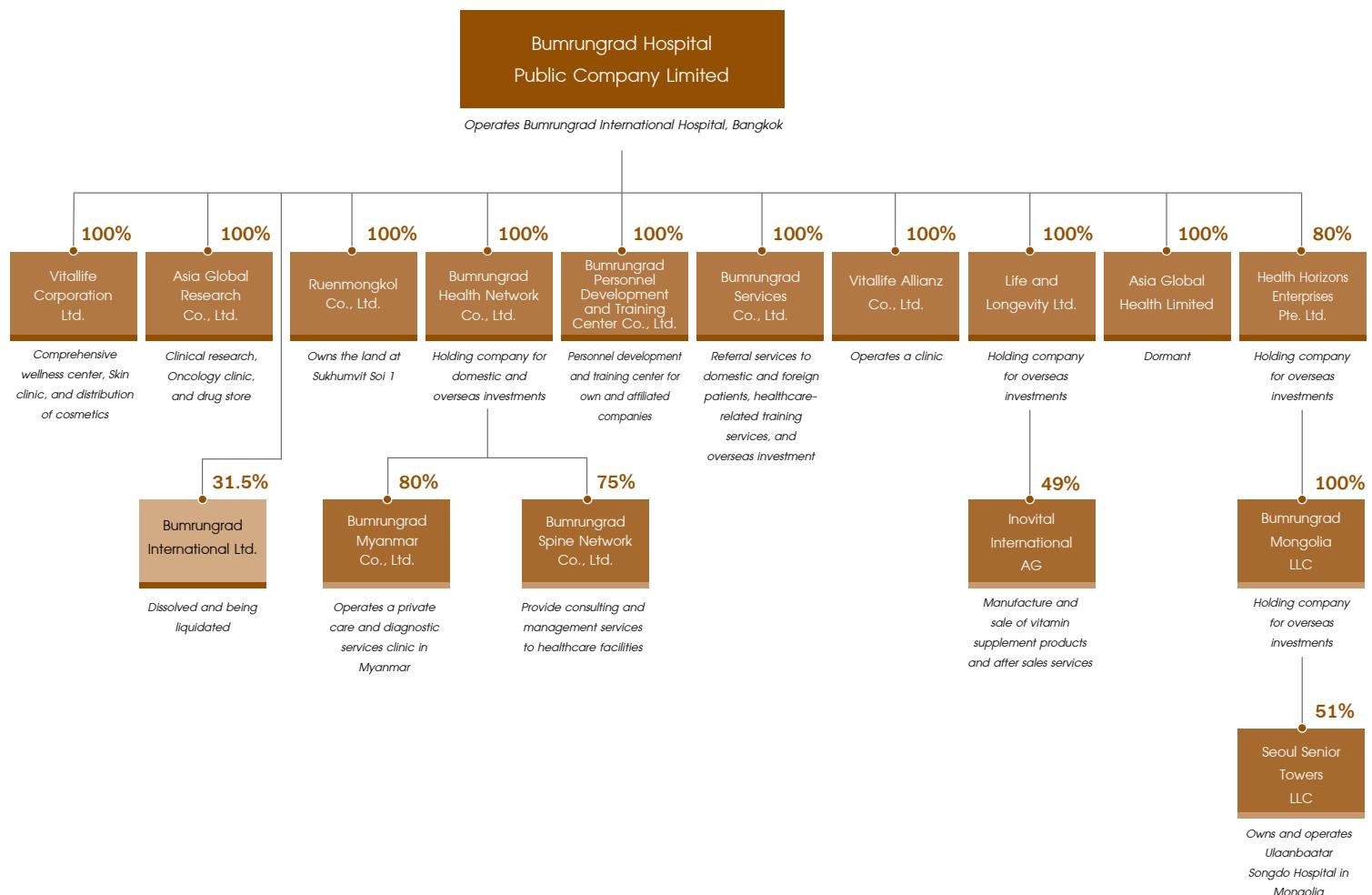
Reference Persons

1. Auditor	EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Phone 0 2264 9090, Fax 0 2264 0789-90
2. Legal Consultant	Thai Consultant Ltd. 63 Soi 8 (Soi Preeda), Sukhumvit Road, Bangkok 10110 Phone 0 2255 2552, Fax 0 2653 1135
3. Share Registrar	Thailand Securities Depository Company Limited 93, 14 th Floor, The Stock Exchange of Thailand Building Ratchadapisek Road, Dindaeng, Bangkok 10400 Phone 0 2009 9000, Fax 0 2009 9992
4. Convertible Bonds Registrar	Bumrungrad Hospital Public Company Limited 33 Sukhumvit Soi 3 (Nana Nua), Sukhumvit Road, Khlong Toei Nua Vadhana, Bangkok 10110 Phone 0 2011 4956, Fax 0 2011 5100
5. Debentures Registrar	Siam Commercial Bank Public Company Limited 9 Ratchadapisek Road, Jatujak, Bangkok 10900 Phone 0 2128 2324-9, Fax 0 2937 7662

Business Policy and Overall Operation

Bumrungrad Hospital Public Company Limited (the "Company") operates a private hospital business in Bangkok with 580 licensed beds and capacity for over 5,500 outpatients per day. The Company is one of the leading healthcare providers in Thailand and the Southeast Asian region, providing complete healthcare services for both outpatients and inpatients. The Company has always emphasized the importance of quality healthcare and experienced physicians and staff. Bumrungrad International Hospital, Bangkok is the first hospital in Asia to receive the US standard accreditation from the Joint Commission International (JCI). Additionally, the hospital is the first to be approved by Thai Hospital Accreditation (HA), and the first hospital in Thailand to receive accreditations from the College of American Pathologists (CAP) and the first in Asia to receive Det Norske Veritas (DNV) in Managing Infection Risk (MIR).

Corporate Structure (as of 31 December 2020)



The Company has 10 subsidiaries, namely (1) Vitallife Corporation Limited, (2) Asia Global Health Limited, (3) Asia Global Research Company Limited, (4) Ruenmongkol Company Limited, (5) Life and Longevity Limited, (6) Bumrungrad Personnel Development and Training Center Company Limited, (7) Bumrungrad Health Network Company Limited (formerly known as Bumrungrad Personnel Development Center Company Limited), (8) Health Horizons Enterprises Pte. Ltd., (9) Bumrungrad Services Company Limited, and (10) Vitallife Allianz Company Limited.

The Company also has four indirect subsidiaries, namely (1) Bumrungrad Mongolia LLC (80%-owned as per its shareholding portion in Health Horizons Enterprises Pte. Ltd.), (2) Seoul Seniors Towers LLC (approx. 41%-owned with control as per its shareholding portion through Health Horizons Enterprises Pte. Ltd. and Bumrungrad Mongolia LLC), (3) Bumrungrad Myanmar Company Limited (80%-owned through Bumrungrad Health Network Company Limited), and (4) Bumrungrad Spine Network Company Limited (75% through Bumrungrad Health Network Company Limited).

The Company has two associated companies, namely (1) 31.5%-owned Bumrungrad International Limited, and (2) 49%-indirect owned Inovital International AG through Life and Longevity Limited.

Details of subsidiaries, affiliated companies and associated companies are as follows:

Vitallife Corporation Limited ("Vitallife") is a pioneer in longevity medicine; integrating predictive, preventive, rejuvenating, and regenerative strategies for optimal healthy lifestyles. Vitallife brings together cutting-edge technologies to provide patients the means to "Feel Younger, Look Better, and Live Longer". Biomarker analysis, advanced supplementation, toxicity assessments, early detection, and regenerative medicine are key Vitallife analytics. Vitallife also operates a skin clinic and distributes non-toxin cosmetics. In 2021, Vitallife will also sell non-toxin cosmetics online via Company's website.

Asia Global Health Limited ("AGH") has served as a company that supports the strategy for regional investment in healthcare and related business. It is now a dormant company.

Asia Global Research Company Limited ("AGR") is the provider of clinical research, both within Thailand and Southeast Asia. The services include (1) contract research organization ("CRO"), which performs multicenter clinical trials for international biotech, pharmaceutical and device companies, and (2) site management organization ("SMO"), which manages groups of investigational sites to provide quality research and quality data. In addition, AGR owns and operates Esperance Oncology Clinic, and Iconic Pharmacy store.

Ruenmongkol Company Limited ("RM") is the owner of land at Sukhumvit Soi 1 (approx. 3-3-44.4 rai). The Company is currently constructing buildings thereon to serve as a clinic and facilities.

Life and Longevity Limited ("LLL") registered in Hong Kong Special Administrative Regions of the People's Republic of China, a holding company for overseas investments of the Company.

Bumrungrad International Limited ("BIL") had served as a Company international investment arm. BIL had focused on hospital ownership and management. In 2013, BIL ceased its operating activity and pursued the distribution of its funds to shareholders via capital reduction. The Company was dissolved on 28 December 2017 and is now in the liquidation process.

Bumrungrad Health Network Company Limited ("BHN") (previously Bumrungrad Personnel Development Center Co., Ltd.) is a company focuses on investing in healthcare and related businesses both domestic and overseas.

Health Horizons Enterprises Pte. Ltd. ("HHE") is a holding company registered in Singapore, which supports the Company's strategy for overseas investment in healthcare and related businesses.

Bumrungrad Mongolia LLC ("BML") is a holding company registered in Mongolia, which supports the Company's strategy for overseas investment in healthcare and related businesses.

Seoul Seniors Towers LLC ("SST") is a company that owns and operates Ulaanbaatar Songdo Hospital in Mongolia.

Bumrungrad Personnel Development and Training Center Company Limited ("BPDC") is the personnel development and training company that focuses on improving and expanding the capabilities in clinical and healthcare service to the Company and affiliated companies only.

Bumrungrad Services Company Limited ("BS") is a company that supports the strategy for referral services to both domestic and foreign patients and provides healthcare-related training services to non-affiliated companies. It also invests overseas.

Bumrungrad Myanmar Company Limited ("BM") is a company that operates a private primary care and medical diagnostic services clinic in Myanmar.

Inovital International AG ("Inovital") is principally engaged in manufacturing and sales of vitamin supplement products and after sales services.

Vitallife Allianz Company Limited ("VTLA") is a company that will operate a clinic at Bangkrajao in Thailand.

Bumrungrad Spine Network Company Limited ("BSN") is a company that provides consulting and management services to healthcare facilities.

Revenue Structure

Unit: Baht Million

Product line / Business Group	Operated by	% Shareholding By Company	2020		2019		2018	
			Revenue	%	Revenue	%	Revenue	%
Healthcare	Bumrungrad Hospital Pcl.		11,671	93.8	17,516	94.4	17,509	95.1
Healthcare	Vitallife Corporation Ltd.	100.0	327	2.6	571	3.1	510	2.8
Healthcare	Seoul Seniors Towers LLC	40.8	246	2.0	242	1.3	222	1.2
Healthcare	Asia Global Research Ltd.	100.0	35	0.3	53	0.3	-	-
Healthcare	Bumrungrad Myanmar Co., Ltd.	80.0	28	0.2	27	0.1	23	0.1
Healthcare	Vitallife Allianz Co.,Ltd.	100.0	8	0.1	-	-	-	-
Total Healthcare			12,315	99.0	18,409	99.2	18,264	99.2
Rental	Bumrungrad Hospital Pcl.		47	0.4	65	0.4	62	0.3
Total Rental			47	0.4	65	0.4	62	0.3
Others	Bumrungrad Hospital Pcl.		49	0.4	60	0.3	70	0.4
Others	Vitallife Corporation Ltd.	100.0	3	0.0	5	0.0	4	0.0
Others	Asia Global Research Ltd.	100.0	16	0.1	11	0.1	10	0.1
Others	Health Horizons Enterprises Pte. Ltd.	80.0	2	0.0	2	0.0	2	0.0
Others	Bumrungrad Services Co., Ltd.	100.0	4	0.0	7	0.0	4	0.0
Other	Bumrungrad Health Network Co., Ltd.	100.0	9	0.1	-	-	-	-
Total Others			83	0.7	85	0.5	90	0.5
Total			12,445	100.0	18,559	100.0	18,416	100.0

Products and Services Description

Bumrungrad Hospital Public Company Limited (“the Company”)

The Company is the owner and operator of multiple healthcare-related entities, both within and outside of Thailand. They include Bumrungrad International Hospital, Bumrungrad International Clinic, Vitallife Scientific Wellness Center, Vitallife Skin Clinic, Bumrungrad International Dialysis Clinic, and Esperance Cancer Clinic, all are in Bangkok; Bumrungrad Clinic Yangon in Myanmar, and Ulaanbaatar Songdo Hospital in Mongolia. Bumrungrad International Hospital is the main revenue contributor.

In 2020, the revenue from hospital operations of the Bangkok facility is 96.8% of total revenues.

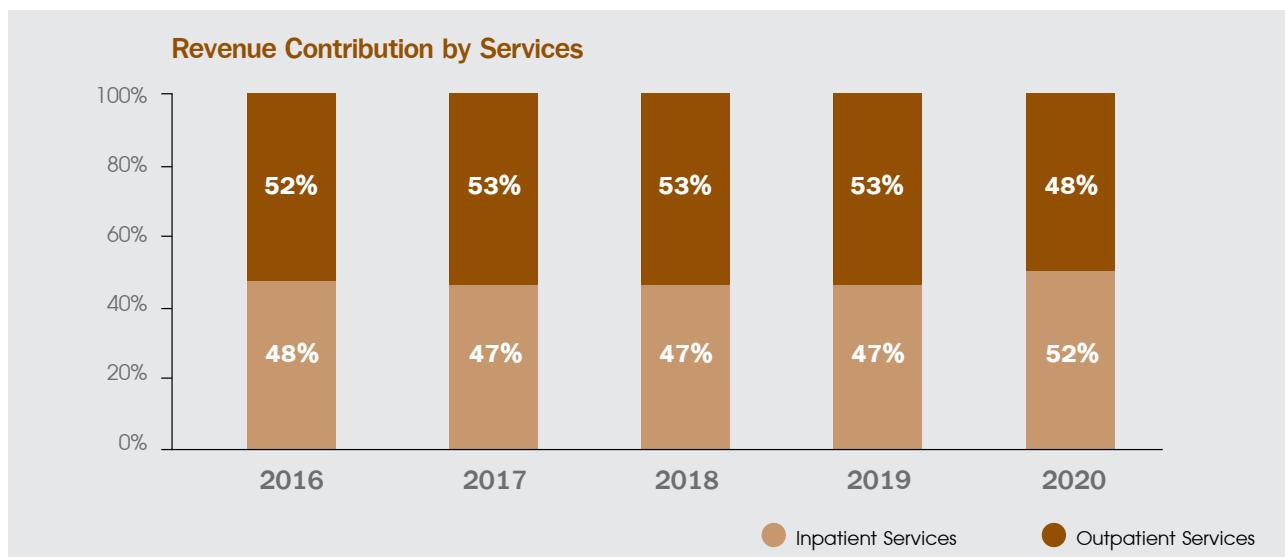
The Hospital’s Services:

The services of Bumrungrad International Hospital, Bangkok can be detailed as follows:

1. Outpatient service has 56 clinics/centers with 272 examination rooms, and capacity to serve over 5,500 outpatients per day, with the following details:
 - Allergy Center
 - Arrhythmia Center
 - Behavioral Health Center
 - Breast Care Clinic
 - Breastfeeding Clinic
 - Bumrungrad @ Home Service Center
 - Children’s (Pediatrics) Center
 - Colorectal Surgery Center
 - Complex Coronary Artery Intervention Center
 - Dental Center
 - Endocrinology, Diabetes & Clinical Nutrition Center
 - Diagnostic Radiology and Nuclear Medicine
 - Dialysis Center
 - Digestive Disease (GI) Center
 - Ear, Nose and Throat Center
 - Emergency Center
 - Esperance Cancer Treatment Clinic
 - Eye Center
 - Fertility Center & IVF Clinic
 - Health Screening Center (Check-up)
 - Hearing and Balance Clinic
 - Heart (Cardiology) Center
 - Heart Valve Center
 - Horizon Regional Cancer Center
 - Hyperbaric Oxygen Therapy
 - Hypertension Clinic
 - Intensive Care Unit (ICU)
 - Liver Center
 - Joint Replacement Center
 - Medical Clinic
 - Memory Clinic
 - Men’s Center
 - Nephrology (Kidney) Center
 - Neuroscience Center
 - New Life Healthy Aging Clinic
 - OPD Instant Clinic
 - Orthopedic Center
 - Parkinson’s Disease and Movement Disorders Clinic
 - Perinatal Center
 - Physical Therapy & Rehabilitation Center
 - Plastic (Cosmetic) Surgery Center
 - Preventive Genomics and Family Check-up Services
 - Pulmonary (Lung) Center
 - Refractive Surgery Center
 - Robotic Scoliosis Center
 - Robotic Surgery Center
 - Skin (Dermatology) Center
 - Sleep Lab
 - Spine Institute
 - Sports Medicine & Lifestyle Center
 - Surgical Clinics
 - Travel Medicine Center
 - Urology Center
 - Vitallife Scientific Wellness Center
 - Vitallife Skin & Aesthetic Center
 - Women’s Center

2. Licensed capacity for inpatient services totals 580 beds, which includes ward beds and intensive care beds. In 2020, the Company treated more than 0.8 million medical episodes. The revenue contribution by inpatient and outpatient services in 2020:

Inpatient vs. Outpatient (% of total revenue)



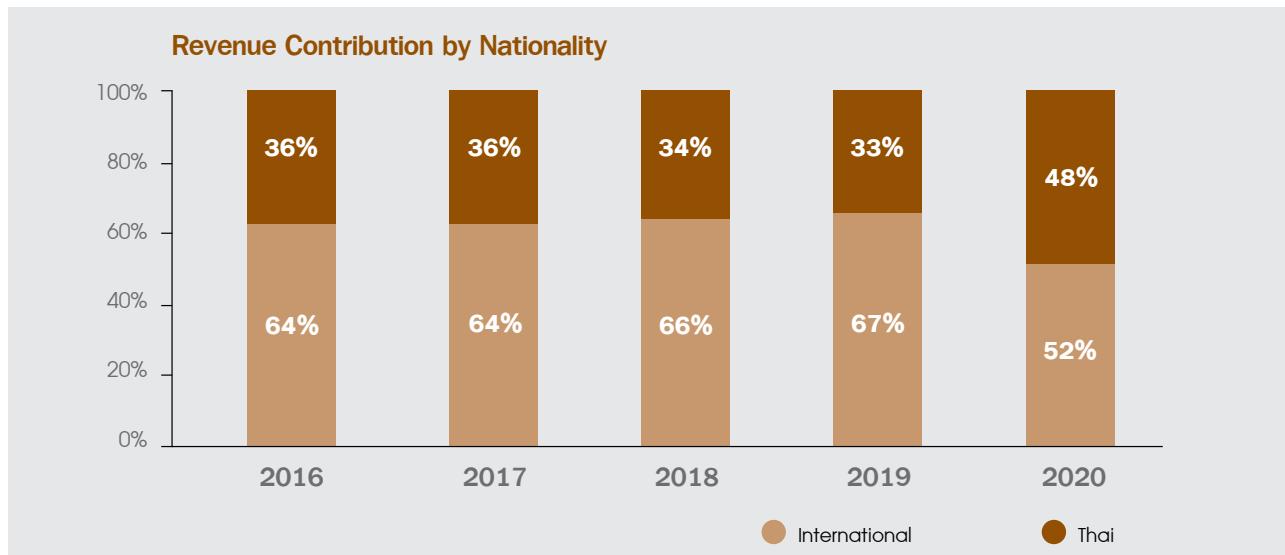
International Patient Services:

The Company has an International Patient Services Center to facilitate and accommodate international patients. The services offered include medical coordinators, interpreters, insurance coordination, referral center, visa extension counter, embassy assistance, airport reception and travel assistance. The Company also has 68 overseas referral offices in 29 countries.

In 2020, Bumrungrad treated over 350,000 international medical episodes from over 160 countries. The top three highest revenue contributors by country are Kuwait, Qatar and Myanmar.

The following graph shows the historical revenue contribution of international patients over the past five years.

Thai vs. International Patients (% of net revenue)



* Note: International patients are non-Thai nationals and include both expatriates and medical tourists.

The Bangkok Facility:

At present, the hospital's services are mostly conducted and supported in five buildings:

1. **Bumrungrad International Clinic Building (BIC)** or **Building A** is a 22-storey outpatient facility, with the first 10 floors being used as parking spaces and the top 12 floors as outpatient clinics and ancillary services together with non-clinic floors for patient services, conference and educational facilities.
2. **Bumrungrad International Hospital Building (BIH)** or **Building B** offers a combination of inpatient and outpatient services. The licensed inpatient bed capacity of the Bumrungrad International Hospital is 580.
3. **Bumrungrad International Tower Building (BIT)** or **Building C** offers clinical and support functions, with 7 floors of parking spaces.
4. **Vitallife Building** is occupied by Vitallife Corporation Limited, which provides a scientifically based, highly personalized treatment for the prediction and prevention of age-related disease as well as helping customers live a more youthful life.
5. **Bumrungrad Residential and Office Building (BRO)** accommodates back office functions and employee housing for over 1,000 nurses.

The Ulaanbaatar Songdo Hospital in Mongolia:

Ulaanbaatar Songdo is one of the leading private hospitals in Mongolia. Strategically located in the center of the country's capital. The hospital's services are offered in an 8-storey building, with 88 inpatient beds.

Industry and Competition

Impact of COVID-19 on the Industry

Beginning at the end of 2019, through all of 2020 and yet still at the time of this writing, the COVID-19 outbreak has spread globally and its effects to the global economy continue to be felt. The outbreak has shaken consumer confidence in all outdoor activities and has compelled governments to restrict activities and travel at varying degrees and at disparate points throughout the year. Both Thai and foreign residents, decided to postpone or cancel their appointments in non-urgent cases due to safety concerns and fear of getting infected when outside of home. At the same time, patients overseas, businesspeople, and medical tourists could not travel into the country after the government's announcement of the Emergency Decree on Public Administration in the Situation of Emergency B.E. 2548 to control the COVID-19 pandemic, effective from 26 March 2020. Since July 2020, these restrictions were eased, allowing certain permitted groups entry, but inbound travelers were required to undergo quarantine under all circumstances. The abovementioned and consequent sharp drop in patient volumes, prompted private hospitals to quickly adjust themselves in response, primarily in enhancing screening, sanitization and safety measures, focusing on domestic business and promotions, offering telemedicine and home care services.

The subsequent easing of travel restrictions and the government's readiness to support business activity, whilst keeping residents safe, germinated into offering Alternative State Quarantine (ASQ) in partnership with hotels where quarantined persons reside during the required minimum quarantine period of 14 days,

and Alternative Hospital Quarantine (AHQ) services, where quarantined persons reside in hospitals and receive treatment. Persons wishing to use ASQ and AHQ services are required to meet a number of criteria that includes health insurance or funding to support their cost of treatment in the case of COVID-19 detection, being tested and cleared of infection at least 72 hours prior to traveling, and securing permission from the Ministry of Public Health and the Ministry of Foreign Affairs to enter into the country. The AHQ and ASQ programs, though welcomed, continue to pale in comparison to the volumes handled prior to the pandemic, when travel was free and unrestricted. This can be attributed to the reluctance of most people to undergo isolation for a period of at least 14 days, the significant paperwork, and costs associated with applying and undergoing these programs.

After several months of non-local transmissions, the country's first local case, a merchant working at a seafood market in Samut Sakhon province, was detected on 17 December. The government acted promptly to conduct widespread contact tracing, mass-testing and stepped up preparations and controls in response. Part of these controls, included restrictions on mass gatherings, public activities, closures of certain businesses considered as high risk, and encouraging people to stay and work from home. As a result, outdoor activities and commercial activity was muted and consumer sentiment decreased. This has led to a drop in patient volumes, in addition to low seasonality from the holiday period during the latter half of December 2020 and towards the first week of January of 2021. As the international medical tourism business remains inhibited, a large number of industry players, previously benefiting from significant revenues from international patients, has had to reorient and tactically backfill volume and revenue with domestic business, intensifying competition markedly and slowing or reducing capital investments or expenditures.

Private Hospital and International Medical Tourism Industry

The overall domestic private hospital business is generally stable and resilient to economic cycles and gyrations. Healthcare is a fundamental need for all societies. In Thailand and throughout much of the world, the aging demographic is accelerating the demand for healthcare to prevent or treat illness, and to improve the quality of life of patients. International medical tourism, is a significant and lucrative contributor to the healthcare industry. It is dependent not only on the attractiveness of Thailand as a world travel and medical destination, where it punches well above its weight relative to other competing countries in the cost-quality equilibrium, but also fundamentally on free and unhindered travel to and from Thailand.

Demographic structural changes towards an aging society, is increasing the demand for medical services relying on advanced technology. It is expected that Thailand will become an aged society in 2021, with the population age 60 years and over accounting for 20% of the total population. This means that the higher proportion of the elderly will cause the health care costs to increase substantially as it is the old who are at highest risk for illness and chronic diseases, and when ill, present proportionately higher acuity. Diseases affecting the circulatory system, diabetes, cancer and chronic respiratory diseases are increasingly recorded in epidemiology.

The growing middle class and higher purchasing power allow for higher discretionary spending for private hospital services. Urban communities are expanding, with Thailand's urbanization rate expected to go up from 50.4% in 2015 to 60.4% in 2025 according to the United Nations. Combined with such government policies as various long-term infrastructure investments, the establishment of special economic zones and the Eastern

Economic Corridor (EEC) projects, these are expected to increase the opportunities for medical service providers to expand their operations into these areas while accommodating the increasing number of foreigners who will come to work or invest in Thailand.

As the COVID-19 pandemic is prolonged, a “new normal” in how people interact, work and consume has rapidly emerged, and a number of technologies, previously less ubiquitous, particularly in Thailand, has seen considerable acceleration in adoption from telemedicine to telecommuting. There is a broad increase and dependence on all things digital. It is expected that demand for digital, remotely provided healthcare such as telemedicine, telepharmacy and telemonitoring will continue to grow rapidly in the future as patients become more inclined to connecting to their healthcare provider and consumer behaviors adapt and anneal. This long-term shift will drive healthcare providers towards offering seamless, user-friendly, convenient and integrated ecosystems centered on a digital care platform. Patients and potential customers have also consumed more digital media, as a result of working from home, from travel restrictions affecting their lifestyles, and their increasing dependence on portable or wearable electronic devices.

As competition for domestic business intensifies, many industry players are collaborating with third-parties such as insurance, other hospitals, hospitality, retail and property developers to mutually benefit from joint distribution channels, cross-sell between their customer base and expand business horizontally and through less capital intensive channels. A culmination and example of this model is the Company partnering with M.K. Real Estate Company Limited and Minor International Public Company Limited in collaborating to offer a luxury medical wellness sanatorium in anti-aging medicine and preventive health care. This is in line with Bumrungrad's vision of providing holistic healthcare with world-class innovations by 2022 and in line with the Tourism Authority of Thailand's policy to promote Thailand as the “Medical and Wellness Resort of the World” by 2024. In addition, the medical industry is designated as a new target industry (New S-Curve), with the government providing benefits such as tax cuts to attract investors in setting up a research base, drug manufacturing, and producing medical innovations. This is expected to benefit private hospitals in lowering certain supply costs, and increasing the quantity and quality of human capital, thus increasing their competitiveness against businesses overseas, while further strengthening the Thai healthcare business.

Markets

Our markets can be viewed in two broad categories: domestic and international. The domestic market consists mainly of Thais of upper-middle class incomes and above. The international market primarily comprises local expatriate community and medical tourism patients from countries where healthcare infrastructure and services lack quality, access or affordability.

In both market segments, the Company attracts patients based on the strength of our reputation. This may be on an individual basis or through third parties, including corporate contracts, insurance companies, and referral sources both within Thailand and abroad.

Distribution and Marketing Channels

Patient referrals are a particularly effective way to attract customers. Over the course of 40 years, we have built a reputation for excellence, specializing in the treatment of complicated diseases. During this time, the Company has established excellent connections with hospitals and doctors in Thailand and overseas, which allows for referrals. In addition, the Company has set up 68 referral offices in 29 countries.

Within Thailand, we have built 5 partnership Centers of Excellence and a network of 59 domestic hospitals that operate in public, private and research sectors and serve as a source of referred patients. In addition, we have established numerous direct billing agreements with insurance providers, assistance companies and corporate sales agreements.

Sources of Products and Services

Bumrungrad International Hospital, Bangkok

Capacity

As at 31 December

Inpatients	2020	2019	2018
Total number of licensed beds	580	580	580
Beds in operation	564	564	556
Weighted total capacity*	206,424	205,860	202,940
Occupied beds per year (beds)	96,247	123,171	129,051
Weighted capacity Utilization (percent) - Licensed	45.34	58.18	60.96
Weighted capacity Utilization (percent) - Operation	46.63	59.83	63.59

* Weighted total capacity is calculated by multiplying the number of beds in operation with the number of days of service

As at 31 December

Outpatients	2020	2019	2018
Capacity per day (persons)	5,500	5,500	5,500
Average outpatients per day (persons)	1,856	2,673	2,729
Weighted Capacity Utilization (percent)	33.75	48.60	49.62

Raw Materials and Suppliers

Primary raw materials of the hospital business are pharmaceuticals, medical supplies and medical equipment. Raw material suppliers include both local companies and international distributors with offices in Thailand. With a network of over 600 suppliers, the Company is able to source raw materials without disruption. In addition, the Company uses an efficient purchasing and inventory control system to evaluate pricing, effectiveness and quality of raw materials.

Environmental Compliance

The Company is firmly committed to environmental protection and conservation of energy and natural resources. The Company has established an environmental policy to communicate to employees its views on environmental preservation and encourages employees to actively support environmental protection.

The Company is committed to minimizing its environmental impact on neighboring communities and to efficient use of natural resources through energy conservation and materials recycling programs. All employees and contractors of the Company are expected to follow the government's environmental regulations.

RISK FACTORS

In order to mitigate risk - and to maintain our leading position in Thailand and Asia - the Company focuses on complicated cases that require extensive medical care in multiple specialties as well as conducts marketing activities to maintain market share.

The Company has adopted a risk management framework from the American Society for Healthcare Risk Management (ASHRM) to comprehensively identify, assess and address its enterprise risks. The Company has in place a governance structure through a Risk Management Committee to identify, monitor and report risks.

Intensified Competition in the Premium Healthcare Sector

As competition increases, the Company continuously improves the quality of healthcare services we offer by embracing innovation and recruiting medical staff of the highest caliber. By doing so, we remain competitive and minimize the risk of losing business to competitors.

Healthcare businesses around the world increasingly rely on innovation and advanced technology to add value to their products and services. The Company's use of advanced technology has enhanced the efficiency of our medical services in recent years. Robot-assisted surgery, for example, enables our surgeons to operate with an unprecedented degree of precision and control.

The Company has also invested in and adopted various genetic technologies to more precisely screen disease and disease risk of patients, enable more targeted drug therapies and minimize adverse reactions to medications.

In addition, the Company has made significant progress with joint ventures, public-private partnerships (PPPs) and other collaborative relationships across healthcare sectors and geographies. Our strong relationships with local network hospitals and international referral offices allow complicated cases to be referred and treated in a seamless process.

Our commitment to continuous improvement is demonstrated by our numerous accreditations, such as the US-based JCI (Joint Commission International) and 'Advanced Hospital Accreditation (A-HA) accreditations. Throughout the year, Bumrungrad also received numerous awards in various areas.

These prestigious awards reaffirm Bumrungrad's strong commitment to pursuing the highest standards of excellence in medical care.

Shortage of Professional Staff

A shortage of skilled professionals is due in part to increasing demand within the industry from both public and private sectors. Given the importance of its international client base, the Company also requires multi-lingual professionals.

To retain and develop our highly skilled workforce, the Company offers highly competitive compensation, benefits, training, scholarships, career development programs as well as recognition for both clinical and non-clinical staff.

Raw Materials and Suppliers

Our primary raw materials include pharmaceuticals, medical supplies and medical equipment. The Company purchases these raw materials from both local and international suppliers. With a network of over 600 suppliers, we are able to obtain raw materials without disruption or difficulty. Even though there might be a risk to product quality or pricing, the Company is able to evaluate pricing, effectiveness and quality of raw materials through an efficient purchasing and inventory control system.

Legal Disputes

The hospital business is subject to litigation risk related to the provision of healthcare services by hospital staff and physicians.

To minimize litigation risk, Bumrungrad International Hospital has implemented a quality management system to ensure that the risk of mistakes by Bumrungrad personnel is minimized. The Company also has a Patient Safety Advisor who is responsible for advising and consulting management, department and service leaders, as well as medical staff on safety issues, risks, mitigation measures and policies. In addition, the Company has various insurance policies in force against potential litigation.

Emerging Diseases

The ever-increasing inter-connectivity between and within countries and the high and diverse patient base has meant that the Company is exposed to the risk of novel diseases and outbreaks, from both natural and manufactured sources released either deliberately or accidentally. In response, the Company has rapid-response teams, crisis management and infection control policies and best practices, experienced and specialized physicians and staff.

Bumrungrad International Hospital was DNV-MIR (Managing Infection Control) certified. The accreditation recognized our adoption of principals and best practices from the World Health Organization and Center for Disease Control, verified by a globally trusted accreditor, DNV-GL.

The Company also has a comprehensive Infectious Control Program focusing on risk assessment, active surveillance, early detection, isolation, case management, prevention of onward spread and contact tracing by infected persons. The program is regularly reviewed and continuously improved to manage evolving risks and minimize risks to patients and impact to the business.

Cybersecurity

Healthcare Information Technology (HIT) and data management plays a critical role in current hospital operations, service delivery and administration. Pairing this need with the handling of highly sensitive patient data, data privacy issues, security and integrity according to both regulatory obligations and good business practices is paramount to the Company.

The Company has a roadmap to develop and evolve HIT and its security to address the rapidly changing technological landscape and support the trend towards big data. The Company also received ISO-27001 (Information Security Management System: ISMS) accreditation from Bureau Veritas, a globally trusted accreditor. The aforementioned and the investment in software and training to continue to proactively prevent IT security risks and to adhere to the upcoming Thailand Personal Data Protection Act B.E. 2562 (2019) which will become effective in mid 2021.

International Travel Disruptions

Bumrungrad International Hospital is a major medical tourism destination in South East Asia and derives a considerable portion of its revenue from international patients who travel from overseas to seek treatment. Moreover, the relatively higher acuity of international patients means any international travel restrictions, especially if prolonged in duration, may have a significant impact to the Company's financial performance.

The Company has a relatively diverse patient base, which mitigates the risk that any country-specific restriction would significantly and adversely impact the Company. If there is a broad restriction to international travel, the Company continuously monitors developments and has developed strategies and tactics that focuses on seeking alternative patient markets, reducing costs and preserving liquidity to offset some of the impact.



The Company's Major Shareholders

List of the Company's 10 major shareholders as at 31 December 2020 are as follows:

Shareholders	Number of Shares*	Shareholding (%)**
1. Mr. Satit Viddayakorn	142,792,906	17.94
2. Bangkok Insurance PLC	106,740,417	13.41
3. UOB Kay Hian (Hong Kong) Limited - Client Account	72,328,265	9.09
4. Bangkok Bank PLC	65,743,344	8.26
5. Thai NVDR Co., Ltd.	58,921,824	7.40
6. The Sophonpanich Co., Ltd.	29,138,875	3.66
7. Social Securities Office	26,472,500	3.33
8. State Street Europe Limited	14,458,663	1.82
9. Bualuang Long-Term Equity Fund	13,955,600	1.75
10. South East Asia UK (Type C) Nominees Limited	13,340,532	1.68
Total	543,892,926	68.35

* Number of shares includes preferred shares.

** The calculation of holding percentage includes preferred shares.

Among the Company's top ten major shareholders list are foreign financial institutions or custodians acting as trust companies or nominee accounts. The Company has no knowledge of the ultimate shareholders of these companies as these shareholders have never nominated their representatives to serve on the Board of Directors nor taken part in the management of the Company.

Mr. Satit Viddayakorn is not a director or executive of the Company nor has he appointed his representative as a director or executive of the Company.

Dividend Policy

The Company's dividend policy is as follows:

- When the Company has net profit which can be distributed to shareholders, the preferred shareholders will receive dividends before the ordinary shareholders. In any year that dividends distributed to the preferred shareholders reach 15% of the capital represented by the preferred shares, the balance of the profit shall be distributed to the ordinary shareholders at any amount as determined by the shareholders' meeting. In any year that the Company is able to distribute dividends of more than 15% of its capital, the shareholders of both types shall receive the dividends equally.
- For the payment of dividends, the Board of Directors is to follow the resolution of the shareholders' meeting.
- For every dividend payment, the Company shall reserve at least 5% of the profit as appropriated statutory reserve, until the reserve accounts for 10% of the Company's capital.
- Accrued dividends are not entitled to any interest payment.

Subsidiaries' dividend policy is as follows:

- When the company has profit which can be distributed to shareholders, the company is eligible to pay dividends to its shareholders at any amount in accordance with the resolution of shareholders' meeting.
- For every dividend payment, the Company shall reserve at least 5% of the profit as appropriated statutory reserve, until the reserve accounts for 10% of the Company's capital.
- Accrued dividends are not entitled to any interest payment.

On 17 February 2021, the Board of Directors approved, subject to shareholders' approval in the shareholders' meeting to be held on 28 April 2021, a dividend payment for the operation periods from 1 January 2020 to 31 December 2020 to preferred and ordinary shareholders at the rate of Baht 3.20 per share, totaling Baht 2,546 million, which is a 211% pay-out ratio. The Company already paid an interim dividend of Baht 1.15 per share, totaling Baht 915 million, on 3 September 2020. The remaining dividend payment of Baht 2.05 per share, amounting to Baht 1,631 million, will be paid on 10 May 2021, after receiving shareholders' approval.

For the operation period from 1 January 2019 to 31 December 2019, the Company paid dividend of Baht 3.20 per share, totaling Baht 2,471 million, or a 66% pay-out ratio.

Management Structure

The Company has four committees, which are the Company's Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Investment Committee. Details of each committee are as follows:

Board of Directors

The Company's Board of Directors as at 31 December 2020 comprises the following:

1. Mr. Chai	Sophonpanich	Chairman of the Board
		Chairman of the Investment Committee
2. Dr. Chanvit	Tanphiphat, M.D.	Vice Chairman of the Board
		Member of the Nomination and Remuneration Committee
3. Mrs. Linda	Lisahapanya	Managing Director
		Member of the Investment Committee
4. Ms. Sophavadee	Uttamobol	Independent Director
		Chairperson of the Audit Committee
5. Mr. Soradis	Vinyaratn	Independent Director
		Member of the Audit Committee
6. Mr. Prin	Chirathivat	Independent Director
		Member of the Audit Committee
7. Mrs. Aruni	Kettratad	Independent Director
		Chairperson of the Nomination and Remuneration Committee

8. Mr. Chong	Toh	Director Member of Investment Committee, and Nomination and Remuneration Committee
9. Mr. Bernard	Charnwut Chan	Director
10. Mr. Anon	Vangvasu	Director

Ms. Pantip Chirakarnjanakorn, Company Secretary, is the secretary to the Board of Directors.

Legal Binding of the Company

Any two authorized directors, except Mr. Chong Toh, jointly sign with the Company's seal affixed.

Term of Directors

At the annual general meeting of shareholders, one-third of the directors shall retire from office. If the number of directors is not a multiple of three, then the number nearest to one-third shall retire from office. Retiring directors shall be those who have served longest in office. Those who retire by rotation are eligible for re-election.

Duties and Responsibilities of the Board of Directors

The duties and responsibilities of the Board of Directors, which are described in the Board of Directors' Charter, are as follows:

1. to perform duties in accordance with the laws, the Company's objectives and regulations, and resolutions of the shareholders' meeting, in good faith and with care for the best interest of the Company;
2. to establish the Company's vision, directions and strategies, with the aim to maximize long-term shareholder value;
3. to endorse major strategies and policies, including objectives, business plans, financial targets, operating plans and capital expenditure budgets, as proposed by management; and to monitor and ensure the implementation and follow up on the outcome;
4. to establish the Corporate Governance Manual and the Company's Code of Ethics, and to monitor and ensure communication and implementation of such policies and guidelines, to approve amendments as appropriate and to report in the annual report;
5. to ensure proper systems for corporate accounting, financial reporting and financial auditing; to ensure that the Company has an effective internal control, internal audit and risk management system, which should be reviewed annually, and to assign the internal audit department to independently audit and report on the system;
6. to approve quarterly and annual financial reports; to ensure that they are correct, accurate, credible, in compliance with generally accepted accounting standards and report to shareholders in the annual report;
7. to monitor, supervise and approve, as the case may be, and to ensure transparency in the transactions which are connected transactions and may cause conflict of interest, and to set clear guidelines on the approval and disclosure process of transactions with conflict of interest; and
8. to set and appoint committees as appropriate to help pursue, study in detail, monitor and oversee matters of importance as assigned, and to approve their charters which include their duties and responsibilities and determine their remuneration.

Audit Committee

The Company's Audit Committee as at 31 December 2020 comprises the following:

1. Ms. Sophavadee Uttamobol Chairperson
2. Mr. Soradis Vinyarath Member
3. Mr. Prin Chirathivat Member

Ms. Rangsima Thongdee, Director of Corporate Internal Audit, is secretary to the Audit Committee.

The Company's Audit Committee has the experience and knowledge of the Company's financial matters and Ms. Sophavadee Uttamobol is the Chairperson of the Audit Committee who has the knowledge and experience in reviewing the Company's financial statements.

Term of the Audit Committee

The term of service of the Audit Committee is three years. In case that an Audit Committee member vacates his/her position before the expiration of his/her term of service, the Board of Directors shall select a replacement as soon as possible. The replacement will serve only up to the remaining term of the Audit Committee.

Authorities, Duties and Responsibilities of the Audit Committee

The Board of Directors granted authorities to the Audit Committee to fulfil its duties and responsibilities as follows:

1. to review the financial reports of the Company to ensure accuracy and sufficiency;
2. to review the Company's internal control system, internal audit system, and risk management system to ensure appropriateness and effectiveness by approving the annual internal audit plan and its changes, considering the audit results, including considering the independence of the internal audit function, giving consent to the appointment, rotation or termination of head of corporate internal audit unit or another function responsible for internal auditing
3. to review the Company's compliance with the laws governing securities and exchange, including rules and regulations prescribed by the Stock Exchange of Thailand and other laws related to the conduct of the Company's business;
4. to consider, select and propose the appointment of an independent party as the Company's external auditor, to propose the audit fees, to propose termination, and to meet with the external auditor without the presence of management at least once a year;
5. to consider related party transactions or transactions which may have conflict of interest, to be in accordance with the Stock Exchange of Thailand's rules and regulations, to ensure that such transactions are reasonable and are for the best benefits of the Company;
6. to prepare the report of the Audit Committee to be disclosed in the Company's annual report including opinion on the accuracy, sufficiency and credibility of the Company's financial statements, internal control system and compliance with the laws governing securities and exchange and rules and regulations prescribed by the Stock Exchange of Thailand and other laws related to the conduct of the Company's business;
7. to report to the Board of Directors for rectification within the period of time that the Audit Committee sees fit if it is found or suspected that there is a transaction or an act which may materially affect the Company's financial conditions and operating results;

8. to perform other duties as assigned by the Board of Directors and with consent from the Audit Committee;
9. to have unrestricted access to management, employees and relevant information; and
10. to conduct special investigations where required.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee as at 31 December 2020 comprises the following:

- | | | |
|----------------|------------------|-------------|
| 1. Mrs. Aruni | Kettratad | Chairperson |
| 2. Dr. Chanvit | Tanphiphat, M.D. | Member |
| 3. Mr. Chong | Toh | Member |

Ms. Pantip Chirakarnjanakorn, Company Secretary, is the secretary to the Nomination and Remuneration Committee.

Term of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has a term of three years. Members of the Nomination and Remuneration Committee may be re-elected upon expiration of the term.

Duties and Responsibilities of the Nomination and Remuneration Committee

The duties and responsibilities of the Nomination and Remuneration Committee, in accordance with Nomination and Remuneration Committee's Charter, are as follows:

1. Nomination
 - a. to consider the appropriate size, composition and term of the Board of Directors;
 - b. to consider and recommend whether there should be a retirement age for directors, and to recommend to the Board of Directors the directors' retirement age;
 - c. to formulate and review qualifications of directors and members of the Committees;
 - d. to propose and review candidates for the director position in case of vacancies or for any other reasons, including collecting a list of candidates nominated by shareholders, to be approved by the Board of Directors and/or Shareholders' Meeting as the case may be; and
 - e. to consider and propose qualified directors to be a member of a Committee when there is a vacancy.
2. Remuneration
 - a. to determine the procedures and criteria for fair and reasonable compensation for directors and Committee members; and
 - b. to recommend remuneration for directors and Committee members, including remuneration of the Nomination and Remuneration Committee members, to the Board of Directors and/or Shareholders' Meeting, as the case may be; and
3. To perform other duties relevant to the Nomination and Remuneration Committee as may be assigned by the Board of Directors:
 - a. implement an evaluation process to assess the performance of the Board of Directors and Committee members, including proposing their Performance Evaluation Form; and
 - b. undertake an annual Board performance evaluation which compares the performance of the Board with the requirements of the Board Charter, and propose the evaluation results with recommendation for requisite improvements to the Board for approval. The evaluation shall be an assessment on the Board as a whole and not specifically for each individual director.

Investment Committee

The Company's Investment Committee as at 31 December 2020 comprises the following:

- | | | |
|---------------|--------------|----------|
| 1. Mr. Chai | Sophonpanich | Chairman |
| 2. Mrs. Linda | Lisahapanya | Member |
| 3. Mr. Chong | Toh | Member |

Ms. Pantip Chirakarnjanakorn, Company Secretary, is the secretary to the Investment Committee.

Term of the Investment Committee

The Investment Committee has a term of three years. Members of the Investment Committee may be re-elected upon expiration of the term.

Duties and Responsibilities of the Investment Committee

The duties and responsibilities of the Investment Committee, in accordance with Investment Committee's Charter, are as follows:

1. to consider investment opportunities, their appropriateness and feasibilities, and investment structure of each investment project. Investment projects include the Company's annual capital expenditure, expansion and renovation of the Bangkok hospital facilities, investment and / or joint-venture, by the Company, subsidiary or affiliate, in new project, business or company both within Thailand and abroad;
2. to consider financial status of the Company in order to evaluate the Company's investment capacity;
3. to recommend investment projects which have been considered by the Investment Committee to the Board of Directors for approval;
4. to monitor result of an investment made by the Company in terms of its performance and to consider any action necessary to minimize the Company's risks from investment; and
5. to perform other duties relevant to the Investment Committee as may be assigned by the Board of Directors.

Organization Chart



The Company's Management as at 31 December 2020 consists of the following:

- | | | |
|-----------------|---------------|-------------------------|
| 1. Mrs. Linda | Lisahapanya | Managing Director |
| 2. Mr. Aniello | Sorrentino | Chief Global Strategist |
| 3. Mrs. Artirat | Charukitpipat | Chief Executive Officer |
| 4. Ms. Oraphan | Buamuang | Chief Financial Officer |

Management's authority to approve the capital expenditure:

The Managing Director is the highest-ranking corporate executive of management authorized by the Board of Directors to approve all budgeted capital expenditures or projects up to Baht 40 million per capital expenditure or project.

Attachment 1 Details of Management and Controlling Parties

Directors

Name / Position	Age	Education	Shareholding* (%)	Family Relationship Between Management	Work Experience
1. Mr. Chai Sophonpanich Chairman of the Board Chairman of the Investment Committee	77	<ul style="list-style-type: none"> - Bachelor of Science, University of Colorado, USA - Advanced Management Program, The Wharton School, University of Pennsylvania USA - The Joint State - Private Sectors Course, Class 6, The National Defense College of Thailand - Director Certification Program, class 16/2002, Thai Institute of Directors - Chairman 2000, class 10/2004, Thai Institute of Directors 	1.3921	<ul style="list-style-type: none"> Mrs. Linda Usahapanya's brother-in-law Mr. Chong Toh's father-in-law 	<ul style="list-style-type: none"> 11/2018 - Present Chairman, Bangkok Insurance PCL 11/2018 - Present Chairman, Fine Metal Technologies PCL 09/2018 - Present Chairman, Chatroong Thai Wire & Cable PCL 11/2018 - Present Chairman, Thai Reinsurance PCL
2. Dr. Chanvit Tanphiphat, M.D. Vice Chairman of the Board Nomination and Remuneration Committee Member	77	<ul style="list-style-type: none"> - Bachelor of Medicine, and Bachelor of Surgery, Leeds University, United Kingdom - Fellowship of the Royal College of Surgeons of Edinburgh, United Kingdom 	0.0685	-	<ul style="list-style-type: none"> Professor Emeritus, Department of Surgery, Faculty of Medicine, Chulalongkorn University
3. Mrs. Linda Usahapanya Managing Director Investment Committee Member	68	<ul style="list-style-type: none"> - Master's Degree in Finance, University of Illinois, USA - Director Certification Program, class 7/8/2006, Thai Institute of Directors - Director Accreditation Program, class 17/3/2020, Thai Institute of Directors 	0.0072	<ul style="list-style-type: none"> Sister of Mr. Chai Sophonpanich's wife 	<ul style="list-style-type: none"> Managing Director, Bumrungrad Hospital PCL
4. Ms. Sophavadee Uttramobol Independent Director Chairperson of the Audit Committee	60	<ul style="list-style-type: none"> - Master of Business Administration, Chulalongkorn University - Director Accreditation Program, class 5/2003, Thai Institute of Directors - Audit Committee Program, class 2/2004, Thai Institute of Directors - Role of Chairman Program class 14/2006, Thai Institute of Directors - Financial Statements for Directors, class 18/2012, Thai Institute of Directors - Board Matters & Trends, class 9/2020, Thai Institute of Directors 	-	<ul style="list-style-type: none"> - - - - - 	<ul style="list-style-type: none"> 2001 - present Director, S&P Syndicate PCL 1991 - present Legal consultant, Thai Consultant Ltd.
5. Mr. Soradis Vinyarat Independent Director Audit Committee Member	80	<ul style="list-style-type: none"> - Bank Management, City of London College of Banking, London, United Kingdom - Director Accreditation Program, class CP/2005, Thai Institute of Directors 	-	<ul style="list-style-type: none"> - - 	<ul style="list-style-type: none"> 2010 - 2015 Independent Director, Dusit Thani PCL 1982 - 2001 Vice Chairman, Landmark Hotel Group 1957 - 1990 Executive Vice President, Bangkok Bank PCL

* Shareholding as at 31 December 2020, including both preferred and ordinary shares, and shares held by spouse and minors.

Name / Position	Age	Education	Shareholding* (%)	Family Relationship Between Management	Work Experience
6. Mr. Prin Chitathivat Independent Director Audit Committee Member	58	<ul style="list-style-type: none"> - Master of Business Administration, SASIN Graduate Institute of Business Administration, Chulalongkorn University - B.S. (Accounting), Skidmore College, New York, USA - Director Certification Program, DCP 2/2000 - Director Accreditation Program, DAP 35/2005 - Audit Committee Program, ACP 6/2005 - The Role of Chairman Program, RCP 11/2005 - Capital Market Academy, CMA 1/2005 - Chief Financial Officer (CFO), 2006 - Monitoring the Internal Audit Function Program, MIA 1/2007 - Monitoring the System of Internal Control and Risk Management Program, MIR 1/2007 - Monitoring the Quality of Financial Reporting, MFR 7/2009 - Monitoring Fraud Risk Management (MFM), 1/2009 - Advanced Audit Committee Program, 1/2009 - Corporate Governance for Capital Market Intermediaries, CGI 20/2018 - Advance Audit Committee Program, AACP 39/2021 	0.0024	-	<ul style="list-style-type: none"> 2006 - present Executive Director, Robinson Department Store PCL 2003 - present Executive Director, Central Plaza Hotel PCL 2002 - present Executive Director, Central Group of Companies 1996 - present Executive Director, Central Retail Corp Ltd. 1994 - present Executive Director, Central Pattana PCL
7. Mrs. Arun Kittratad Independent Director Chairperson of the Nomination and Remuneration Committee	73	<ul style="list-style-type: none"> - Master of Business Administration, University of Portland, Oregon, USA - Role of the Nomination and Governance Committee (RNG), 2011, IOD training - Director Accreditation Program (DAP), 2011, IOD training - Role of the Compensation Committee (RCC), 2013, IOD training - Board Matters & Trends, class 9/2020, Thai Institute of Directors 	-	<ul style="list-style-type: none"> 2009 - 2013 Managing Director, AA Talent Recruitment Co., Ltd. 2014 - present President, AA Talent Recruitment Co., Ltd. 	<ul style="list-style-type: none"> Senior Vice President, Bangkok Bank PCL Executive Chairman, BuaLuang Securities PCL Senior Advisor, Morgan Stanley (Thailand) Limited
8. Mr. Chong Toh Director Nomination and Remuneration Committee Member Investment Committee Member	52	<ul style="list-style-type: none"> - Master of Science in Management, Massachusetts Institute of Technology, USA - Bachelor of Arts in Philosophy, Politics and Economics, Oxford University, United Kingdom - Director Accreditation Program, class 54/2006, Thai Institute of Directors 	0.3933	Mr. Chat Sophonpanich's son-in-law	<ul style="list-style-type: none"> 2011 - present Senior Vice President, Bangkok Bank PCL 2005 - present Executive Chairman, BuaLuang Securities PCL 2017 - present Senior Advisor, Morgan Stanley (Thailand) Limited

* Shareholding as at 31 December 2020, including both preferred and ordinary shares, and shares held by spouse and minors.

Name / Position	Age	Education	Shareholding* (%)	Family Relationship Between Management	Work Experience
9. Mr. Bernard Charnut Chan Director	55	- Bachelor of Arts - Pomona College, California, USA (1988)	0.1983	Mt. Chai Sophonpanich's nephew	<ul style="list-style-type: none"> - President, Asia Financial Holdings Ltd. - President, Asia Insurance Co. Ltd. - Advisor, Bangkok Bank (China) Company Limited - Hong Kong Deputy, National People's Congress of the People's Republic of China - Convenor, Executive Council of Hong Kong SAR - Chairperson, The Hong Kong Council of Social Service - Chairman, Hong Kong - Thailand Business Council - Chairman, Committee on Reduction of Salt and Sugar in Food - Chairman, Steering Committee on Restored Landfill Revitalisation Funding Scheme - Chairman, The Jockey Club CPS Ltd. Advisory Committee - Member, West Kowloon Cultural District Authority Board - Member, Hong Kong Monetary Authority Exchange Fund Advisory Committee - Member, Financial Leaders Forum - Trustee, Pomona College, California, USA
10. Mr. Anon Vangvassu Director	67	- LL.B. Ramkhamhaeng University - Director Certificate Program, class 298/2020, Thai Institute of Directors	-	-	<ul style="list-style-type: none"> 2020 - present Advisor, Bangkok Insurance PCL 2012 - 2019 Executive Vice President, Bangkok Insurance PCL

* Shareholding as of 31 December 2020, including both preferred and ordinary shares, and shares held by spouse and minors.

Management

Name / Position	Age	Education	Shareholding* (%)	Family Relationship Between Management	Work Experience
1. Mrs. Linda Usahapanya Managing Director Chief Global Strategist	68	<ul style="list-style-type: none"> - Master's degree of Finance, University of Illinois, USA - Director Certification Program, class 78/2006, Thai Institute of Directors - Director Accreditation Program, class 173/2020, Thai Institute of Directors 	0.0072	Sister of Mr. Chai Sophorpanich's wife	Managing Director, Burmungrad Hospital PCL
2. Mr. Aniello Sorentino Chief Global Strategist	74	<ul style="list-style-type: none"> - Fellowship in Leadership Management, University of Southern California, Los Angeles, California - Executive Business Management Program, Stanford University, Palo Alto, California - DBA, Doctorate in Business Administration, Nova Southeastern University, Fort Lauderdale, Florida - MBA, concentration in Finance, Florida Atlantic University, Boca Raton, Florida - BA, Marketing, University of South Florida, Tampa, Florida - Director Accreditation Program, class 173/2020, Thai Institute of Directors 	-	-	<ul style="list-style-type: none"> 2017 - present Chief Strategist 2012 - 2016 Chief Strategy Advisor 2009 - 2011 International Business Development, Burmungrad Hospital PCL 2006 - 2008 International Business Development/Hospital CEO, Burmungrad International Limited 2004 - 2006 Faculty Member & Healthcare Consultant (NMS Healthcare Consultancy Inc.), University of Southern California - Los Angeles, California, USA
3. Mrs. Anirat Charukitipat Chief Executive Officer	52	<ul style="list-style-type: none"> - M.Sc. in Management (Human Resource Management), Sasin Graduate Institute of Business Administration - Graduate Diploma in Human Resource Management, Sasin Graduate Institute of Business Administration - M.Sc. in Management (Strategic Marketing Management), Assumption University - Bachelor of Science in Pharmacy, Chulalongkorn University - Director Accreditation Program, class 173/2020, Thai Institute of Directors 	-	-	<ul style="list-style-type: none"> 2011-2012 Veithani Hospital, Chief Administrative Officer 2008-2011 Samitivej Hospitals, Medical Support Division Manager 2006-2008 Bangkok Dusit Medical Services, HR Special Project Manager 2005-2006 Bangkok Hospital Pattaya, Assistant Deputy Hospital Director 2003-2005 National Healthcare Systems Co., Ltd., Central Procurement Manager 1993-2003 Bangkok Hospital Pattaya, Pharmacy Manager and MedTrak Implementer

* Shareholding as at 31 December 2020, including both preferred and ordinary shares, and shares held by spouse and minors.

Name / Position	Age	Education	Shareholding* (%)	Family Relationship Between Management	Work Experience
4. Ms. Oraphan Buamuang Chief Financial Officer	47	<ul style="list-style-type: none"> - MBA major in Finance and International business, Thammasat University - Bachelor Degree in Financial Accounting, The University of Thai Chamber of Commerce - Certificate in Strategic Investment for Optimal Return, Rangsit University - Thai - Certified Public Accountant (CPA) - Director Accreditation Program, class 173/2020, Thai Institute of Directors 	-	-	<p>Aug 2019 - present Chief Financial Officer, Bumrungrad Hospital PCL</p> <p>Mar 2016 - Aug 2019 Hospital Chief Financial Officer, Bumrungrad Hospital PCL</p> <p>Jan 2010 - Apr 2016 Financial Investment Consultant, Bumrungrad Hospital PCL</p> <p>Mar 2004 - Dec 2009 Associate Director, Planning & Investment, Bumrungrad International Limited</p> <p>Nov 1999 - Feb 2004 Financial Analyst, Bumrungrad Hospital PCL</p> <p>Sep 1996 - Aug 1999 Senior Auditor, KPMG Audit (Thailand) Co., Ltd.</p>

* Shareholding as at 31 December 2020, including both preferred and ordinary shares, and shares held by spouse and minors.

Detail of Directors of Subsidiaries and Associated Company
 (as of 31 December 2020)

Companies	Directors	Subsidiaries												Associated Companies		
		VTL	AGH	AGR	RM	LLL	BPDTC	BHN	HHE	BS	BML	SST	BM	VTLA	BSN	BIL
1. Mr. Chai Sophonpanich	X			X					X	X	X			X	X	/
2. Mrs. Linda Lisahapanya	/	X	X						X	X	X			X	X	
3. Mr. Pansak Sugkarook	/								/							
4. Mr. Bernard Charnwut Chan																/
5. Mr. Daniel Gillespie																/
6. Dr. Jennifer Lee, M.D.																
7. Mr. Yanchai Tanititapong																
8. Mr. Kitiphan Leepipatanawith	/								X							
9. Mrs. Artrirat Charukitpipat		/							/							/
10. Dr. Bodsaikhan Bündan																
11. Mr. Lim Seng Bee																
12. Mr. Mo Ye Kyaw																
13. Mrs. Munkhtuya Ganbaatar																
14. Ms. Orphan Buamuang																
15. Mr. Fritz Hermann Schäfer																
16. Mr. Etienne Bernoth																
17. Mr. Nimit Taechakrachana																
18. Mr. Puttarapong Karpukdee																
19. Mr. Ariello Sorrentino																
20. Mr. Verapan Kuangsangtham																/
21. Mr. Somsak Vivattanasinchai																/

Notes:

- / = Director X = Chairman
- 1. Vitallife Corporation Limited = VTL
- 2. Asia Global Health Limited = AGH
- 3. Asia Global Research Co., Ltd. = AGR
- 4. Ruemongkol Co., Ltd. = RM
- 5. Life and Longevity Ltd. = LLL
- 6. Bumungrad Personnel Development and Training Center Co., Ltd. = BPDTC
- 7. Bumungrad Health Network Co., Ltd. = BHN
- 8. Health Horizons Enterprises Pte. Ltd. = HHE
- 9. Bumungrad Services Co., Ltd. = BS
- 10. Bumungrad Mongolia LLC = BML
- 11. Soul Seniors Tower LLC = SST
- 12. Bumungrad Myanmar Co., Ltd. = BM
- 13. Bumungrad International Limited = BIL
- 14. Inovital International AG = II
- 15. Vitallife Allianz Co., Ltd. = VLA
- 16. Bumungrad Spine Network Co., Ltd. = BSN

Election of Directors and Management

The Nomination and Remuneration Committee has the responsibility to select and nominate candidates to replace directors and members of committees whose terms have expired or for any other reasons, including to consider candidates proposed by shareholders, and to propose to the Board of Directors to approve or to recommend to shareholders' meetings of such appointment. The Nomination and Remuneration Committee is responsible for considering qualifications of candidates, taking into account their knowledge, abilities, experience which will be beneficial to the Company, their leadership skills, visions, ethical values, and their independence in making professional decisions and for ensuring that the candidates possess the qualifications as stipulated in the Board of Directors' Charter.

The process for electing directors in a shareholders' meeting is in accordance with the following rules and principles:

1. Each shareholder has one vote for one share;
2. The election of directors may be either by voting for each individual director, or by voting for a group of directors, whichever way the shareholders' meeting deems appropriate. For each resolution, each shareholder must exercise all of his/her votes for one individual director or for one group of directors. Votes by each shareholder may not be split between any directors or any groups of directors; and
3. The election passes with the majority of the votes. If the number of votes is equal, the chairperson of the meeting has the final vote.

The process for selection of independent directors is the same as that of directors and management.

Qualifications of independent director are as follows:

1. He/she holds not more than one percent of the total shares with voting right of the Company, the parent company, the subsidiaries, the associated companies, the major shareholders or the controlling persons of the Company, inclusive of the shares held by the related persons of such independent director;
2. He/she is not, nor used to be an executive director, employee, staff, advisor with regular salary, or the controlling person of the Company, the parent company, the subsidiaries, the associated companies, the subsidiaries in the same tier, the major shareholders or the controlling person of the Company (unless the same has ceased two years prior to the appointment), except the independent director who used to be a government officer or a consultant of the government sector which is a major shareholder or the controlling person of the Company;
3. He/she is not related, whether by blood or legal registration, as father, mother, spouse, sibling and child, including spouse of children, with the other directors, executives, major shareholders, controlling persons, or those who will be nominated as a director, an executive, or controlling person of the Company or subsidiaries;
4. He/she does not have business relationship with the Company, the parent company, the subsidiaries, the associated companies, the major shareholders or the controlling person of the Company, in the manner which may interfere with his/her independent judgment, and neither is or used to be a significant shareholder or controlling person of any person having a business relationship with the Company, the parent company, the subsidiaries, the associated companies, the major shareholders or the controlling persons of the Company (unless the same has ceased two years prior to the appointment), according to the rules and regulations of the Securities and Exchange Commission;

5. He/she is not, nor used to be an auditor of the Company, the parent company, the subsidiaries, the associated companies, the major shareholders or the controlling persons of the Company, and is not a significant shareholder, a controlling person, or a partner of an audit firm which employs the auditors of the Company, the parent company, the subsidiaries, the associated company, the major shareholders or the controlling persons of the Company (unless the same has ceased two years prior to the appointment);
6. He/she is not a provider of any professional services including as legal advisor or financial advisor who receives service fees exceeding Baht two million per year from the Company, the parent company, the subsidiaries, the associated companies, the major shareholders or the controlling persons of the Company, and is not a significant shareholder, controlling person or partner of the provider of professional services (unless the same has ceased two years prior to the appointment);
7. He/she is not a director appointed as a representative of the Company's director, major shareholders, or shareholder who is related to major shareholders;
8. He/she does not undertake any business in the same nature and in competition to the business of the Company, or its subsidiaries, is not a significant partner in a partnership, nor an executive director, employee, staff, advisor with regular salary, or holds shares exceeding one percent of the total voting shares of companies which undertakes business in the same nature and in competition to the business of the Company or its subsidiaries; and
9. He/she does not possess any other characteristics that deter the ability to express independent opinions with regards to the Company's operations.

Remuneration of Directors, Committee Members and Management

Directors' and Committee Members' Remuneration

Remuneration of directors, members of the Audit Committee, and the Nomination and Remuneration Committee for the year ended on 31 December 2020 for 10 directors is as follows:

Name	Board of Directors				Audit Committee		Nomination and Remuneration Committee		Total Remuneration
	Number of Meetings	Total Annual Remuneration	Meeting Remuneration	Total	Number of Meetings	Meeting Remuneration	Number of Meetings	Meeting Remuneration	
1 Mr. Chai Sophonpanich	7/7	2,200,000	350,000	2,550,000					2,550,000
2 Dr. Chanvit Tanphiphat, M.D.	7/7	1,810,000	280,000	2,090,000			2/2	60,000	2,150,000
3 Mrs. Linda Lisahapanya	7/7	1,680,000	210,000	1,890,000					1,890,000
4 Ms. Sophavadee Uttamabol	7/7	1,680,000	210,000	1,890,000	4/4	200,000			2,090,000
5 Mr. Soradis Vinyaratn	6/7	1,680,000	180,000	1,860,000	4/4	120,000			1,980,000
6 Mr. Prin Chirathivat	7/7	1,680,000	210,000	1,890,000	4/4	120,000			2,010,000
7 Mrs. Aruni Kettratad	7/7	1,680,000	210,000	1,890,000			2/2	100,000	1,990,000
8 Mr. Chong Toh	7/7	1,680,000	210,000	1,890,000			1/2	30,000	1,920,000
9 Mr. Bernard Chanwut Chan	4/7	1,680,000	120,000	1,800,000					1,800,000
10 Mr. Anon Vangvasu	2/7	830,000	60,000	890,000					890,000
Total Remuneration		16,600,000	2,040,000	18,640,000		440,000		190,000	19,270,000

Remark: Mr. Anon Vangvasu was elected as director by the Annual General Meeting No. 27, held on 27 May 2020. His directorship was registered on 10 June 2020.

In 2020, the Investment Committee held 3 meetings. Total remuneration of Baht 0.33 million was paid to the members of the Investment Committee.

Directors' remuneration represents the monetary benefits paid to the Company's directors exclusive of salaries and related benefits payable to the management. The above remunerations has been approved by the shareholders.

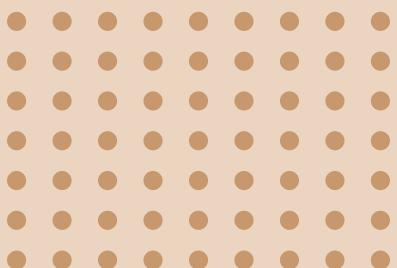
Management's Remuneration

In 2020, the total remuneration of 10 management positions of the Company and its subsidiaries amounted to Baht 79.528 million. The Company and its subsidiaries had employee benefit expense payable to their directors and management as follows:

Short-term employee benefits	Baht	75.449 million
Long-term employee benefits	Baht	0.006 million
Termination benefits	Baht	4.073 million
Total	Baht	79.528 million



Corporate Governance



Corporate Governance

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

1. The Rights of Shareholders

The Company understands the importance of all shareholders' rights, both major and minority shareholders. Shareholders' rights include basic rights as investors and as owners of the Company, such as rights to buy, sell, transfer their shares; rights to receive dividends from the Company; rights in shareholders' meetings; rights to receive comprehensive, sufficient and timely news and information through easily accessible channels; rights to express their opinions; rights to participate in making decisions on important issues, such as election of directors, approval of important transactions that affect the direction of the business and operation of the Company, amendments to the Memorandum of Association and Articles of Association of the Company.

In 2020, the Company implemented the following to encourage and facilitate the exercise of shareholders' rights in the annual general meeting of shareholders:

1. The Company provided the opportunity for shareholders to propose issues which are important and appropriate for inclusion as an agenda item in the Company's annual general meeting of shareholders (AGM), and in nominating candidates with appropriate knowledge, ability and qualifications as directors of the Company in advance of the AGM. Shareholders can find the criteria and guidelines on the Company's website.
2. The Company sent an invitation letter to the shareholders in advance of the AGM to inform them of the meeting agenda. The letter included comments of serving Directors on the agenda items, together with necessary supporting documents and information for the shareholders to make informed decisions. To protect the shareholders' right to attend and vote at the meeting, detailed information on the documentation required from the shareholders and how to register and vote were also included. The invitation letter was also published on the Company's website 21 days prior to the AGM.
3. For those shareholders who are unable to attend the meeting, they have the right to authorize a person or an independent director as their proxy to attend the meeting and vote on their behalf, using one of the proxy forms sent with the invitation letter. Shareholders can also download the proxy form from the Company's website.
4. The Company implements the barcode system for registration and the voting process, including the use of ballots. This helps accelerate and ensure the accuracy of the registration and vote counting process. In addition, shareholders are able to register after the meeting has started to exercise their rights to vote on agendas that have not been voted. Upon completion of the meeting, shareholders are able to verify the details.
5. Before going into each agenda, the Chairman of the Board of Directors, who acts as chairman of the meeting, assigned the Company Secretary to inform the meeting of the voting process for each agenda. During the meeting, the Chairman of the meeting gave all shareholders the opportunity to

comment, ask questions or give opinions and suggestions on any agenda item. The Chairman and management saw the importance of every question and give precise and clear answers.

6. The Company Secretary recorded minutes of the shareholders' meetings which are correct and complete, with details on voting results of each agenda. In addition, the minutes were sent to the Stock Exchange of Thailand and posted on the Company's website within 14 days after the meeting date, so that shareholders are promptly informed and able to verify the same.

2. The Equitable Treatment of Shareholders

The Company is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors or foreign shareholders, and has created various mechanisms, such as:

1. The Company provides the opportunity for minority shareholders to propose issues which are important and appropriate for inclusion as an agenda item in the Company's AGM and in nominating candidates with appropriate knowledge, ability and qualifications as directors of the Company. The announcement has been made through the website of the Stock Exchange of Thailand and the Company. The independent directors will consider and propose the same to the Board of Directors for incorporating such proposals/nominations as agenda items in the AGM as appropriate.
2. For shareholders who are unable to attend the shareholders' meeting, the Company provides proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the format provided by the Ministry of Commerce, are sent with the invitation letter. As an alternative for shareholders, the Company also proposes one of the independent directors to be authorized by the shareholders as their proxy.
3. The shareholders' meetings proceed according to the order of the agenda, without adding new and uninformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making decision. Moreover, there are no changes to the important information in the shareholders' meeting.
4. The Company understands the importance of very carefully considering transactions which may have conflict of interest, or may be considered connected or related transactions, and abides by good corporate governance principles, including the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. For such transactions, the directors, management and those who are considered related persons do not participate in considering and/or approving the same.
5. The Company provides oversight and control to prevent improper use of insider information. The Company has the policy regarding director and management using insider information for personal benefits as follows:
 - 5.1 According to the Company's Articles of Association, the directors shall notify the Company without delay if they have any interest in an agreement entered with the Company, or if they hold additional or fewer shares or debentures in the Company or affiliates;
 - 5.2 Directors and management must prepare and disclose the report to the Office of Securities and Exchange Commission on the holding of securities and derivatives and the amendments thereof within three business days, and on the submission date, he/she must also send a copy of the report to the Company;

- 5.3 In order to prevent unfair securities trading as a result of the use and/or disclosure of information that has an effect on the securities price, which is not usable or discloseable, or the disclosure of such information to a specific group before disclosure of the same to investors, which may result in an unfair advantage to the former, director, management and related person must not disclose insider information to other persons, whether directly or indirectly, by whatever means, while he/she knows or ought reasonably to have known that the receiver of such information may exploit such information for trading securities or entering into a derivatives contract related to such securities, either for the benefit of himself/herself or other persons.

Penalties for violation include the following:

1. Verbal warning for corrective action;
2. Report to shareholders' meeting for consideration;
3. Compensation for any damages; and
4. Disclosure to Securities and Exchange Commission and the Stock Exchange of Thailand.

3. The Role of Stakeholders

The Company recognizes its responsibilities towards each stakeholder, for sustainable mutual benefits which will lead to stability of the business operations. The Company intends to interact with each party fairly. The important stakeholders of the Company are as follows:

Policy: The Company has put in place the policy of CG Code, Code of Business Conduct which includes the non-violation of intellectual property rights, anti-corruption, human rights, trading of securities and the use of insider information, and whistleblowing. The Board of Directors has ensured the communication and implementation of such policies.

Shareholders: In addition to the basic rights, rights in accordance with the laws, and the Company's Articles of Association, such as rights to check number of shares, rights to receive share certificates, rights to attend and vote in shareholders' meetings, rights to express opinions independently at shareholders' meetings, and rights to receive fair returns, the Company also provides equal and timely information to all shareholders, and gives all shareholders the right to suggest and express their opinions independently on the Company's business and operations in shareholders' meetings, as the Company's owners.

Customers / Patients: The Company provides patient care in an ethical manner, and at the best possible quality, taking into consideration patient safety, patients' satisfaction and efficiency in providing its services. The hospital's Medical Ethics Committee protects patients' rights. In addition, the Company has a department to take customer complaints and to monitor and continuously improve the quality of the care provided to all patients, taking into consideration patients' needs and suggestions. In addition, the Company has engaged a third-party consultant to measure the hospital's customer engagement level, in order to continuously improve the hospital's services for patients and to maintain patients' long-term relationships with the hospital.

Employees: The Company believes that its employees are valuable resources and therefore gives all employees equal opportunity in their employment to be in accordance with labour law and human rights, emphasizing on the equality and equity without discriminating on the grounds of race, religion, national origin, gender, skin color, age, physical ability, sexual orientation, political opinion, social status, education or other status, as well as respecting the individuality and human dignity in accordance with the internationally proclaimed human rights, such as policies and guidelines on sustainable management of human resource that offer protection of human rights and labor rights based on the UN's "Protect, Respect and Remedy" Framework

for Business and Human Rights 2011 and the framework under the OECD Guidelines for Multinational Enterprises. The Company has complied with the relevant laws on human rights, such as equal employment and treatment of male and female personnel, no use of child labor or force labor, equal employment and treatment of male and female personnel.

The Company has the policy to provide employees with appropriate compensation which is in line with the performance of the Company, and appoints a welfare committee to oversee the well-being and safety of its employees. The Company also provides an individual development plan (IDP) for each employee, as well as continuous education and regular training programs to develop and reinforce employees' knowledge, abilities and skills in all areas including operations, management and technical expertise, in order for employees to fulfill their jobs more effectively.

In addition, the Company provides opportunities for employees to implement an Innovation Program where employees are able to propose suggestions to improve work process and services and for contest. The Company also has an employee recognition program to increase employees' morale. The Company believes that work efficiency is a result of employees' loyalty to the Company, and is therefore committed to continuously build and assess the employees' engagement with the Company, in order to improve its human resources management.

There was no material labour dispute in the past three years.

Suppliers / Contractors: The Company has a purchasing policy that is fair to all parties concerned. In addition, the Company abides by the terms and conditions of agreements and contracts with all suppliers and contractors and ensures timely payment to all suppliers and contractors.

Creditors: The Company is committed to giving information with accuracy and transparency to creditors, abides by loan agreements and loan covenants, and ensures timely payments. The Company believes that good relationships with creditors, including building credibility and trust, are a responsibility of the Company towards its creditors.

Competitors: The Company competes with competitors within the rules and regulations, and treats competitors fairly and with integrity. The Company focuses on competition in the area of quality and efficiency of service for the best benefit of customers and patients.

Community: The Company has established the Corporate Social Responsibility (CSR) Committee to oversee and guide the Company's activities undertaken to ensure the Company meets its social responsibilities in all its activities and also collaborate with Bumrungrad Hospital Foundation on the main charity projects. The Company's CSR emphasizes on two directions which are health promotion and health education. Details of company's CSR activities are available in CSR section.

Whistleblowing: The Company holds Town Hall Meetings to provide opportunities for employees to voice their opinions or complain directly to management. There are also four additional methods by which employees and customers can voice their complaints, namely through a comment box, via an online incident report, via an email to cfb@bumrungrad.com, or the hotline to Lighthouse Services. Lighthouse Services has been engaged by the Company to receive internal and external anonymous reports in multiple languages, on any misconduct, wrongdoing, unethical or inappropriate behavior.

4. Disclosure and Transparency

The Company realizes the importance of disclosing information which is significant for shareholders and investors in making their decisions. The Company has a policy to disclose information which is transparent, complete, reliable and timely, through various channels which are easily accessible, in order for shareholders

and investors to conveniently obtain the disclosures. The Company also ensures it abides by the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Information disclosed to the public includes both financial and non-financial information, such as financial statements, management discussions and analysis, the report of the accountability of the Board of Directors to the Company's financial reports, the report of the Audit Committee, connected transactions, structure, duties and responsibilities of the Board of Directors and committees, including statistics on meeting attendance, and corporate governance reports.

The Company has many channels to communicate with shareholders and investors. These include those stipulated by rules and regulations, such as the 56-1 filing form, annual reports, the website of the Stock Exchange of Thailand, and other communication channels, such as the Company's website in the Investor Relations section, which are consistently updated, in both Thai and English, quarterly analyst meetings (4 times in 2020), virtual investor conferences (55 times in 2020). In addition, the Company holds press conferences to update important events of the Company, in order to disseminate information to the public.

Furthermore, the Company has Company Secretary and Investor Relations Department to facilitate interested investors and shareholders. Information can be requested by phone at 02 011-4956 and 02 011-5929, by e-mail at ir@bumrungrad.com, or through the Company's website (www.bumrungrad.com).

5. Responsibilities of the Board of Directors

Structure of the Board of Directors

The Board of Directors is comprised of qualified directors with extensive experience in various fields. Every director participates in setting the Company's vision, mission, strategies, goals, business plans and budgets. The Board of Directors also ensures that the plans are carried out efficiently and effectively by the management, to ensure the maximization of the Company's value and stability to shareholders. The Board of Directors meets quarterly to review the management's report on the Company's operations. Details of duties and responsibilities of the Board of Directors can be found in Section of Management Structure.

As at 31 December 2020, there are 10 directors, as follows:

1. Non-executive directors: Five non-executive directors, namely Mr. Chai Sophonpanich, Dr. Chanvit Tanphiphat, M.D., Mr. Chong Toh, Mr. Bernard Charnwut Chan, and Mr. Anon Vangvasu.
2. Executive directors: One executive director, namely Mrs. Linda Lisahapanya.
3. Independent directors: Four independent directors who possess the qualifications as stipulated by the Securities and Exchange Commission, comprising Ms. Sophavadee Uttamobol, Mr. Soradis Vinyaratn, Mr. Prin Chirathivat and Mrs. Aruni Kettrataad.

At present, the four independent directors account for 40% of total Board of Directors and more than one-third of the Board of Directors, which is in accordance with the Securities and Exchange Act B.E. 2535, amended by Securities and Exchange Act (No. 4) B.E. 2551.

Segregation of Duties:

The Company clearly separates duties and responsibilities of the Board of Directors and management. The Board of Directors is responsible for endorsing strategies and supervising management's operations at the policy level, whereas management is responsible for managing the business as per such strategies. Therefore, the Chairman of the Board of Directors is not the same person as the Managing Director.

The Chairman of the Board of Directors is not an executive director and is not involved in managing the Company. Management is assigned the responsibility of implementing the business plan and strategies, and controlling expenses and investments as approved in the budget by the Board of Directors.

Directorship Positions in other Listed Companies:

The Company realizes the value of experience that directors receive from being directors in other companies. The Company therefore has the policy that directors may hold board positions in not more than five companies listed on the Stock Exchange of Thailand, in order for the directors to be able to allocate sufficient time for each company. With regards to the management, other than board positions at the Company's subsidiaries and affiliated companies, the Managing Director and the Company's management are allowed to hold director and/or independent director positions in not more than three other companies. In addition, such positions must be approved by the Board of Directors.

Annual Performance Evaluation:

The Board of Directors undertakes an annual evaluation of the performance of the Board of Directors as a whole. The Nomination and Remuneration Committee will implement an evaluation process to assess the performance of the Board of Directors and propose the Performance Evaluation Form. Evaluation will take place in the third quarter by comparing the performance of the Board with the requirements of the Board Charter. The Nomination and Remuneration Committee will propose the evaluation results with recommendation for requisite improvements to the Board for approval.

Company Secretary:

The Board of Directors appointed Ms. Pantip Chirakarnjanakorn as the Company Secretary to be responsible for administering the Board of Directors' meetings and shareholders' meetings, for preparing minutes of such meetings and annual reports, and for safekeeping documents as required by rules and regulations. In addition, the Company Secretary is responsible for advising the Board of Directors and management regarding rules and regulations related to listed companies and corporate governance policies.

Committees

The Board of Directors has set up committees to assist with specific tasks and to propose assigned issues to the Board of Directors for consideration or acknowledgement. Details of committee members and their duties and responsibilities are listed in section of Management Structure. The Company has three committees as follows:

1. Audit Committee is responsible for reviewing the financial reports, internal control system, internal audit system, and risk management system, and for selecting and coordinating with the Company's auditor. The Audit Committee consists of three independent directors. In 2020, the Audit Committee held four meetings and reported their meeting results to the Board of Directors. Details of attendance of Audit Committee members are in section of Remuneration of Directors, Committee Members, and Management.
2. Nomination and Remuneration Committee is responsible for selecting and proposing candidates for the positions of director and committee member to Board of Directors for approval, for setting appropriate compensation and for undertaking an annual Board performance evaluation. The Nomination and Remuneration Committee consists of one independent director, who is the chairperson of the Nomination and Remuneration Committee, and two non-executive directors. In 2020, the Nomination and Remuneration Committee held two meetings and reported their meeting results to the Board of Directors. Details of attendance of Nomination and Remuneration Committee members are in section of Remuneration of Directors, Committee Members and Management.
3. Investment Committee is responsible for considering investment projects before proposing to the Board of Directors for approval. The Investment Committee consists of two non-executive directors and one executive director. In 2020, the Investment Committee held three meetings.

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has responsibilities towards all shareholders, both major and minority shareholders, in ensuring that the Company conducts its business and implements corporate governance practices in accordance with its objectives and policies for the highest benefit of shareholders, with care and integrity, under business ethical values, taking into account the interests of all stakeholders and under laws and the Articles of Association of the Company. The duties and responsibilities of the Board of Directors are in section of Management Structure.

Internal Control and Internal Audit Systems:

The Company has given importance to internal controls and internal audit systems by establishing an internal audit unit, with the primary objective to support and develop effective internal control of the organization, in order to minimize operational risks, and to ensure quality of the work process and operations. Emphasis is on effectiveness and efficiency, appropriateness of expenses and costs, and operations which are in accordance with the policy and/or requirements of the management.

To ensure the independence of the internal audit unit and the balance of power, the internal audit unit reports directly to the Audit Committee.

Conflict of Interest:

To prevent any problems related to conflicts of interest, the Board of Directors considers transactions which may have conflicts of interest, or may be considered related parties transactions with caution, fairness and transparency, and strictly follows the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, with pricing and other conditions on an arms-length basis. Details of the transactions, including amount, contracting party, and reasons for entering into the transactions are disclosed in financial statements, the annual reports, and the 56-1 filing.

Board of Directors' Meetings

It is the duty of every director to attend Board of Directors' meetings regularly, in order to acknowledge and make decisions relating to the operations of the Company. The Board of Directors holds four regular meetings every year (held quarterly), of which the schedule is set in advance for the entire year, and holds extraordinary meetings as necessary to consider matters which are important and urgent. In 2020, there were seven Board of Directors' meetings. Details of the meeting attendance of each director are in the table in section of Remuneration of Directors, Committee Members, and Management.

For each meeting, agenda are clearly set in advance by the Chairman of the Board together with the Managing Director. Moreover, each director is given opportunities to propose issues as agendas. The Company Secretary prepares and distributes invitation letters, agenda items, and other supporting documents to the Board of Directors at least seven days in advance in order to allow directors sufficient time to research and study the information prior to the meeting.

Normally, each meeting lasts two hours. For the consideration of each agenda item, the Chairman of the meeting allocates sufficient time for management to present adequate details on the agenda and for directors to discuss the matter carefully, and gives directors the opportunity to express their opinions in the meeting independently. The majority vote is the passing resolution for each agenda, where one director has one vote. In case any director has a personal conflict of interest, such director will leave the meeting and/or does not vote on that particular matter. If the voting result is equal, the Chairman of the meeting casts the deciding vote. In addition, senior managements are invited to attend Board of Directors' meetings to provide useful and important information, and to directly obtain business strategies from the Board of Directors to be implemented in the Company's operations.

Upon completion of each meeting, the Company Secretary is responsible for documenting and distributing minutes for adoption at the next Board of Directors' meeting. Directors are able to comment, amend and make additions so that the minutes are as accurate as possible. The Company Secretary keeps the adopted minutes, which are signed by the Chairman of the Board of Directors, both in the form of hard copies and electronic files, along with supporting documents available for directors' and relevant persons' verification and reference.

Remuneration of the Board of Directors and Management

The Company provides appropriate remuneration for the Board of Directors and management. The remuneration of the Board of Directors in the form of annual remuneration and meeting remuneration has been approved by shareholders' meetings. Consideration of directors' remuneration takes into account that of other comparable listed companies in the same industry. Committee members only receive remuneration in the form of meeting remuneration.

Management's remuneration is in the form of salaries and bonuses, taking into consideration the responsibilities and performance of each person and performance of the Company.

Details of 2020 remuneration of each individual director, which has been approved by the shareholders' meeting, and the sum of management's remuneration, are disclosed in section of Remuneration of Directors, Committee Members and Management.

Development Programs for Directors and Management

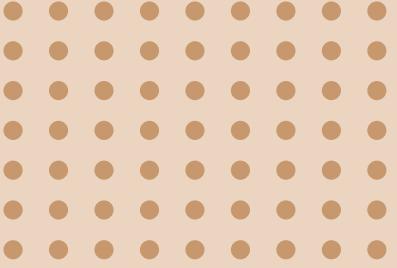
The Company has a director's manual which summarizes related laws, rules and regulations, so that directors are informed of their roles, responsibilities and guidelines for the position as a director. For newly appointed directors, the Company informs them of information which is important for fulfilling the duties of the Company's directors, which includes the Company's background information, business strategy and director's manual.

Moreover, the Company supports development programs for directors and management in various forms, such as training and seminars organized by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand, and the Securities and Exchange Commission.

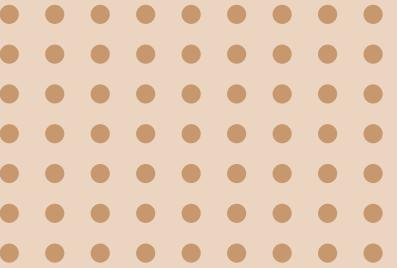
A majority of the Board of Directors, 8 directors, have passed IOD training courses, as follows:

	Chairman Program	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Role of the Compensation Committee (RCC)	Role of the Nomination and Governance Committee (RNG)	Board Matters & Trends (BMT)
Mr. Chai Sophonpanich	/	/					
Mrs. Linda Lisahapanya		/	/				
Mr. Chong Toh			/				
Ms. Sophavadee Uttamobol	/		/	/			/
Mr. Soradis Vinyaratn			/				
Mr. Prin Chirathivat	/	/	/	/			
Mrs. Aruni Kettratad			/		/	/	/
Mr. Anon Vangvasu		/					

For more detail of the Company's information, please refer to the filing report of the Company (56-1 filing) at www.sec.or.th or Company's website (www.bumrunggrad.com).



Internal Control and Risk Management





INTERNAL CONTROL AND RISK MANAGEMENT

Bumrungrad Hospital Public Company Limited continuously values the internal control system, the internal audit system, and the risk management system. As a result, the Board of Directors has governed and assigned the Audit Committee to review and ensure appropriateness and effectiveness of the Company's systems, with realizing that good systems can help mitigate business risks and operational risks to an acceptable level, and help detect existing deficiencies in a timely manner. In addition, they can help the Company to generate accurate and reliable financial reports, and help the Company's operations to achieve its defined goals.

Part 1: Control Environment

The Company set its vision, mission, and operating policy, with the emphasis on integrity, ethics, and anti-corruption and clearly defined both short-term and long-term business goals. It has also rewarded employees based on their performance on achieving those goals. In addition, the Company has the organizational structure and work procedures that help tighten its operations and prevent unauthorized asset use. Furthermore, the Company's executives continuously develop and improve the quality of management; resulting in recognitions by several third-party organizations, especially as the Asia's first hospital accredited by the US-based Joint Commission International (JCI) in 2002 and re-accredited in 2005, 2008, 2011, 2014, 2017, and 2020 and as evidenced by the Best Practice Workplace Award for Labor Relations and Labor Welfare in 'the Large Enterprise without Federation of Labor Union' category received from the Thailand's Ministry of Labor in 2009 - 2020. Based upon the aforementioned characteristics, it is deemed that the Company has a good organizational structure and environment, which is an essential foundation for an effective internal control system.

Part 2: Risk Assessment

The Company regularly assesses business risk factors, taking into account economic and political circumstances, competition, labor market, natural disaster, emerging infectious diseases and public health emergency, which are external factors. It also assesses internal factors, especially risk factors concerning medical services, which may lead to legal disputes that may have a significant impact to the Company. In addition, the Company has determined the risk management approach for the possible disruptions to operations by assigning the Management to prepare the Business Continuity Plan, and has established the Hospital Administrative Policy on Safety and Environment Risk Assessment. Consequently, it is deemed that the Company has the effective risk management process that can mitigate business risks to the acceptable level.

Part 3: Control Activities

The Company has established transaction approval authority and limits based on the nature and amount of transaction. In case of connected transactions or potential conflict of interest transactions, the Audit Committee has a duty to review the necessity and rationale of those transactions, which must be approved by the Management, the Board of Directors, or the Shareholders as the case may be. The person with conflict of interest is not allowed to vote in these transactions. Moreover, the Company regularly monitors subsidiaries' and affiliates' operations by delegating the Company's directors or management to take a position of directors in those subsidiaries or affiliates. In 2020, the Company entered into all such transactions with related

persons or parties in compliance with the principles, procedures, and conditions stipulated in laws and regulations, under the good corporate governance policy, on an arm's length basis, and for its own highest benefit.

Part 4: Information and Communication

The Company has performed financial reporting in accordance with the accounting policy as deemed appropriate for its nature of business, and with the Generally Accepted Accounting Principles (GAAP). In addition, the Company has implemented the International Financial Reporting Standards (IFRS), which was effective since 2011, by preparing data and information systems to be ready for those standards. The Company has also engaged a consulting firm to give advice and provide training sessions for all relevant executives and employees. Moreover, the Company has provided necessary and sufficient information for the Board of Directors to make a decision.

Part 5: Monitoring Activities

The Company set up the Corporate Internal Audit Division, directly reporting to the Audit Committee to ensure its independence, head of which has duties and qualifications as shown in the Appendix 3 with the audit objectives to assure that:

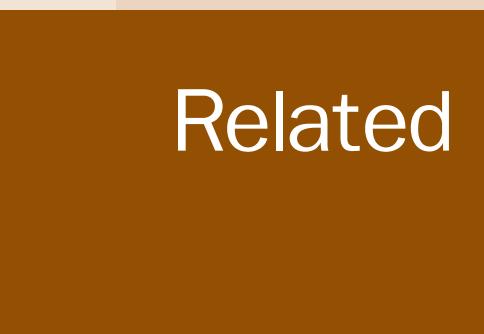
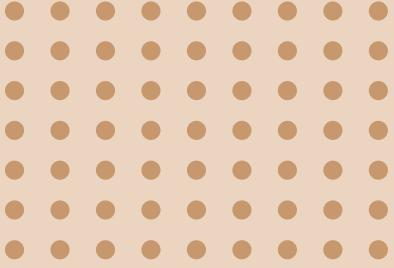
- Operations in various processes are efficient and effective enough to achieve the Company's objectives;
- The financial reporting process has adequate and proper controls to make financial data reliable;
- The management control process is effective enough to govern adherence to laws and regulations, and the Company's policies and procedures appropriately;
- The internal controls over work processes pertaining to patients' safety are effective and adequate.

In addition, the Company delegated the internal auditors to investigate immediately in the case of suspected fraud, practices that violate laws, and other irregular actions, which may affect the reputation and financial position of the company significantly, and assigned responsible persons to determine ways to develop and improve work systems according to the internal auditor's recommendations, and the independent auditor's recommendations in the Management Letter.

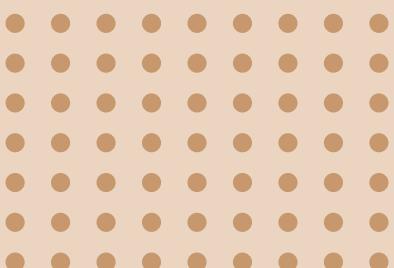
Part 6: Personal Data Protection

The Company has a policy to protect personal data of patients, counterparties, and related persons, including employees, and appropriate measures for cyber security, system audits and personal data breach alerts. The Company has strictly taken into account the provisions of the Personal Data Protection Act B.E. 2562 which will become effective on 1 June 2021.

For more detail of the Company's information, please refer to the filing report of the Company (56-1 filing) at www.sec.or.th or Company's website (www.bumrungrad.com).



Related Party Transaction



Related Party Transactions



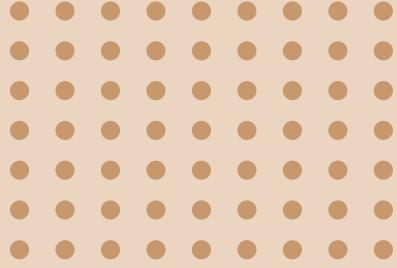
Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the Year Ended 2020	For the Year Ended 2019		
Bangkok Insurance PCL. (BKI)	BKI was the major shareholder of the Company, with 13.41% shareholding as at 31 December 2020 (31 December 2019: 14.62%) and has common director	<u>Revenues</u> - Revenues from hospital services received from BKI <u>Expenses</u> - Insurance fees which the Company and subsidiaries paid to BKI	11.5	14.0	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
Bangkok Life Assurance PCL. (BLA)	Common shareholder	<u>Borrowing of Money</u> - The Company issued and offered 755,000 units of the Debentures of Bumrungrad Hospital Public Company Limited No. 1/2011 Series 3 Due A.D. 2021 with the par value of Baht 1,000 each and interest rate of 4.97%. During the year 2018, BLA sold 300,000 units to unrelated companies and persons. <u>Revenues</u> - Revenues from hospital services received from BLA. <u>Expenses</u> - Insurance fees which the Company and subsidiaries paid to BLA	31.3	28.7	BKI was the insurance provider which the Company has always used. In addition, the insurance premium that the Company paid to BKI was at the rate which BKI offers to its customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
			455.0	455.0	The price per unit including interest rate of debentures offered to BLA was the same price that the Company offers to other third-party subscribers.	The Audit Committee has the opinion that the transaction was reasonable and it was approved by the Board of Directors and the Shareholders.
			24.7	19.3	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
			1.3	1.2	BLA was the insurance provider which the Company has always used. In addition, the insurance premium that the Company paid to BLA was at the rate which BLA offers to its customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.

Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the Year Ended 2020	For the Year Ended 2019		
		<u>Interest Payment</u> - Interest payment for 455,000 units of the Debentures of Burmungrad Hospital Public Company Limited No. 1/2011 Series 3 Due A.D. 2021 with the par value of Baht 1,000 each	22.6	22.6	The interest rate was fixed by the terms and conditions of the Debenture which is 4.97% per annual	The Audit Committee has the opinion that the transaction was reasonable and it was approved by the Board of Directors and the Shareholders.
Bangkok Bank PCL. (BBL)	Common executive	<u>Bank Deposits</u> - Fixed deposits over 3 months <u>Convertible bonds</u> - Partly secured convertible bonds, with a maturity of 12 years	3,997.9	4,188.6	The interest rates are of market rates	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
		<u>Convertible bonds</u> - Partly secured convertible bonds, with a maturity of 12 years	300.0	300.0	A coupon rate of 2.5% for years 1-4, 5% for years 5-8, and 10% for years 9-12, payable semi-annually, which to extend the tenure for additional 5 years maturing on 23 August 2017 and 10 years maturing on 23 August 2027	The Audit Committee has the opinion that the transaction was reasonable and it was approved by the Board of Directors and the Shareholders.
		<u>Revenues</u> - Revenues from hospital services received from BBL	20.0	250.0	A coupon rate of 1.0% per annum, payable semi-annually, which to extend the tenure for additional 5 years maturing on 23 August 2017 and 10 years maturing on 23 August 2027.	The Audit Committee has the opinion that the transaction was reasonable and it was approved by the Board of Directors and the Shareholders.
		- Rental income of area of BBL branch at Burmungrad Hospital	3.4	2.4	Charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
		- Interest income on bank deposits	49.8	63.1	The interest rates are of market rates	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.

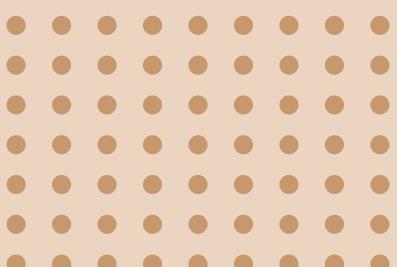
Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the Year Ended 2020	For the Year Ended 2019		
		<u>Expenses</u> - Credit cards commission fees which the Company and subsidiaries paid to BBL	75.6	109.9	BBL was the credit card service provider which the Company and subsidiaries have always used. The Company and subsidiaries invested in various infrastructures to maximize the benefits from efficient use of credit card payment system. The fees paid to BBL are at the market rate.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
		<u>- Interest on convertible bonds paid to BBL</u>	30.6	32.5	The Company paid interest on convertible bonds. Interest rates are in accordance with debt restructuring agreement.	The Audit Committee has the opinion that the transaction was reasonable and it was approved by the Board of Directors and the Shareholders.
		<u>- Mutual fund supervision custodian fee</u>	0.2	0.2	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
Bangkok Capital Asset Management Company Limited. (BCAP)	Common director	<u>Revenues</u> - Revenues from hospital services received from BCAP	0.2	0.1	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
		<u>Expenses</u> - Management fees on private fund paid to BCAP	-	0.8	Management fee was fixed by the terms and conditions of the contract which is 0.20% of Net Asset Value per annum.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.
Thai Consultant Ltd.	Common executive (Year 2019 and the first quarter of 2020)	<u>Expenses</u> - Legal advisory fees which the Company and subsidiaries paid to Thai Consultant Ltd.	0.6	12.2	The Company paid hourly fixed expenses at the normal rate which Thai Consultant Ltd. charges to its customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business of the Company.

Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy For the Year Ended 2020	Reason for the Transaction
			For the Year Ended 2019	For the Year Ended 2020		
Bumrungrad International Limited (BIL)	An associate which is currently on the process of liquidation.	<u>Interest Payment</u> - Interest paid on the loan which was fully repaid during 2019.	-	0.1	The loan carry interest at the 1-year fixed deposit rate of one of local commercial banks, and are due at call	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
The Bumrungrad Hospital Foundation (BHF)	Common director	<u>Revenues</u> - Revenues from hospital services received from BHF - Other revenue from resources used	12.9	16.1	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
		<u>Expenses</u> - Donation	1.9	3.0	The Company charges the expenses in relation to the actual cost of the resources used	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
AA Talent Recruitment Co., Ltd.	Common director	<u>Expenses</u> - Service fee for personnel recruitment services	12.0	19.0	The Company paid the donation expenses according to the policy approved by the Board of Directors.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business and it was approved by the Board of Directors.
The 1 Central Limited (The1)	Common director	<u>Expenses</u> - The1 point expenses (point-earned) which the Company and subsidiaries paid to The1	0.6	3.8	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
Bangkok Dusit Medical Services PCL. (BDMS)	BDMS was the major shareholder of the Company, on 21 December 2020, BDMS sold all of shares to other shareholder, (31 December 2019; 25.00%)	<u>Expenses</u> - Radio pharmaceuticals	31.0	-	The 1 point-earned rate was fixed rate by the terms and conditions of the contract which was normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
			12.0	14.5	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.

Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the Year Ended 2020	For the Year Ended 2019		
ANB Laboratories (Amnuay pharmacy) Co., Ltd. (ANB)	An indirect subsidiary of a major shareholder (Bangkok Dusit Medical Services PCL. or BDMS), on 21 December 2020, BDMS sold all of shares to other shareholder.	Expenses - Medicine	0.5	0.7	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
National Healthcare Systems Co., Ltd. (NHS)	Subsidiary company of a major shareholder (Bangkok Dusit Medical Services PCL. or BDMS), on 21 December 2020, BDMS sold all of shares to other shareholder.	Expenses - Laboratory Services	-	2.1	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.
N Health Pathology Co.,Ltd.	Subsidiary company of a major shareholder (Bangkok Dusit Medical Services PCL. or BDMS), on 21 December 2020, BDMS sold all of shares to other shareholder.	Expenses - Laboratory Services	0.3	-	It was the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction was reasonable and was conducted in a normal course of business.



Corporate Social **Responsibility**





Corporate Social Responsibility

The year 2020 marked Bumrungrad Hospital's 40th anniversary of operations, providing health care services for both Thai and foreigners. Definitely a difficult year with the challenges imposed by the COVID-19 pandemic from the beginning of the year, affecting people all over the world. Also disrupted, the hospital's social contribution projects had to be adjusted following the changing situations. Meanwhile, safety for people and communities takes the highest priority in strict compliance with the pandemic control measures. Major ongoing projects include the following:

"Rak Jai Thai" Project: Surgery for Underprivileged Children with Congenital Heart Disease

Each year, approximately 8,000 Thai children suffer from congenital heart disease, with one in four requiring surgery or risk premature death, physical limitations, or poor health. Most these children are from impoverished families or lack opportunities for treatment. Bumrungrad Hospital Foundation and Bumrungrad Hospital thus started the project "Rak Jai Thai" in 2003 with the support of the Cardiac Children Foundation, under the Royal Patronage of H.R.H. Princess Galayani Vadhana Krom Luang Naradhiwas Rajanagarind. To date, the project has provided surgery for 817 underprivileged children with congenital heart disease.

The project is responsible for all treatment expenses from diagnosis, surgery, hospital recuperation, travel, and accommodation for parents or guardians to ensure that even the poorest families can get complete treatment of Bumrungrad standards at no cost at all for their sick children. In 2020, the program saw 13 disadvantaged children undergo the needed surgery, made possible with the collaboration of pediatric cardiologists, surgeons, the NICU and multidisciplinary practitioners to help the underprivileged in society.

Also in 2020, the project joined the Cardiac Children Foundation, under the Royal Patronage of H.R.H. Princess Galayani Vadhana Krom Luang Naradhiwas Rajanagarind in screening cardiac children at Maharaj Hospital, Nakhon Si Thammarat Province, and found a total of 30 children in need of heart surgery. Bumrungrad Hospital Foundation then took up three of the cases for surgical treatment at Bumrungrad Hospital later on.

"ARSA Bumrungrad" Mobile Clinic in Bangkok

"ARSA Bumrungrad" Mobile Clinic has provided medical services to underprivileged people in more than 25 communities in Bangkok free of charge since 2001, as frequently as five days a week from 8.30-12.00 hrs., with the support from Thomson Fund, Bumrungrad Hospital Foundation, and Bumrungrad Hospital. Due to the COVID-19 situations, the Clinic had to be temporarily suspended for about three months from April to June.

After the situation cleared up, the unit resumed its undertaking, with strict safety measures in place. These include hand washing with alcohol before entering the medical unit booth, and requesting patients to keep their face mask on. There is also screening for people with fever and respiratory problems, and those in close contact with people infected with COVID-19 or those at risk. Meanwhile, the Clinic staff wear protective equipment, face masks and face shields. Tools and equipment are cleaned with disinfectants, partitions installed to keep the doctor and the patient safely apart, and social distancing encouraged among those waiting to see the doctor and getting their prescriptions filled.

Mukdahan Villagers' Occupational Promotion Project

To support handicrafts made by local people in Nikom Kham Soi District and Khamcha-i District, Mukdahan Province, Bumrungrad ordered plastic woven baskets to hold bathroom amenities provided in patients' rooms. This is a program of cooperation between Bumrungrad, Bangkok Insurance Foundation, and Bumrungrad Hospital Foundation to help generate income and to promote the occupation for the villagers after the rice farming season. The villagers can now offer even finer and more developed products of better quality, to attract more customers and orders.

Through this project, Bumrungrad has helped people in these remote villages to secure a way to earn a living and to have a sufficient income. The villagers enjoy a better quality of life while the craftsmanship representing local knowledge is fostered.

Wellness Community's Bangkrachao School Kitchen Project

The "School Kitchen Project" in Bangkrachao area, Tambon Bangnampheung, Phrapadaeng District, Samutprakarn Province, was set up under the concept of Wellness Community, a joint-undertaking by three leading organizations: M.K. Real Estate PCL, Minor International PCL, and the Vitallife Scientific Wellness Center at Bumrungrad Hospital. The aim is to renovate the kitchen of Wat Bang-nam-phueng Nai School, a small elementary school in Tambon Bang-nam-phueng, Phrapradaeng District, Samut Prakan Province. This is the second time the project was run to improve the quality of life in the form of safe and nutritious lunch for students. The three partner organizations took part in various activities in the development and improvement of the school kitchen. For example, the infrastructure of the kitchen was improved, cooking tools and equipment of safety standards were provided, and waste disposal sites of hygienic standards were designated. In addition, sessions were arranged for nutritionists to provide information and advice for students, teachers and school cooks regarding nutrition. It was also recommended that garden vegetables be grown on site as safe ingredients. This school kitchen renovation project was completed in December 2020.

Recognition of Continuous Social Contribution

Another proof of Bumrungrad's CSR efforts is that for the eighth consecutive year, in 2020 Bumrungrad has received the AMCHAM CSR Excellence Award - Gold Level by the American Chamber of Commerce in Thailand in recognition of Bumrungrad's continuous commitment in helping society in the form of medical services through programs such as the "Rak Jai Thai" project, providing surgery for children with congenital heart disease and the ARSA Bumrungrad mobile clinic, providing services to people both in Bangkok and upcountry.

For more detail of the Company's information, please refer to the filing report of the Company (56-1 filing) at www.sec.or.th or company's website (www.bumrungrad.com).



Bumrungrad
International
HOSPITAL

Bumrungrad Hospital Public Company Limited
33 Sukhumvit Soi 3, Bangkok 10110 Thailand Tel: +66 (0) 2066 8888
E-mail: ir@bumrunggrad.com www.bumrunggrad.com