

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**

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**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

## **INDEPENDENT AUDITOR'S REPORT**

To The Shareholders and Board of Directors of  
Aikchol Hospital Public Company Limited

### **Opinion**

I have audited the financial statements of Aikchol Hospital Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Aikchol Hospital Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

#### Revenue recognition from general medical treatment

The revenue from medical service is the core transaction that affects the operation and has material value, representing 79% of total revenues. The revenue from hospital operations has several components such as revenues from sales of medicine and medical supplies, revenues from medical services, revenues from patient rooms, etc. Therefore, I have paid special attention with respect to the amount, value and timing of the Company's revenue recognition.

I audited the revenue recognition from medical treatment by assessing the appropriateness and testing the effectiveness of the internal control system with respect to the revenue cycle by making enquiries of the responsible persons, gaining an understanding and selecting samples to test the operation of the designed controls. In addition, I random audited the supporting documents for medical fee transactions that occurred during the year and near the end of the reporting period. I also audited credit notes that the Company issued after the end of the period. In addition, I performed comparative data analysis of subdivide revenue account to detect possible irregularities in medical fee transactions throughout the period, particularly for accounting entries made through journal vouchers.

#### Revenue recognition of medical treatment from Social Security

The Company has medical treatment revenue from the Social Security Office on the part of the insured who select medical treatment at the hospital and in-patient cases burden with high-cost diseases as presented in the financial statements, representing 21% of total revenues. Receiving money from such revenue in each time has to be approved from the Social Security Office and the consideration process by the Social Security Office takes long time. Regarding the measuring process of the revenue amount to be recognized, it requires significant judgment of the management due to the uncertainty related to the amount to be received which depends on the allocation of the Social Security Office in each year. The Company will receive cash income from the Social Security Office according to the method of calculation and rate determined by the announcement of the Medical Board issued under the Social Security Act, B.E. 2533. To ensure that the medical service fee revenue from social security is recognized in the accounts correctly and appropriately. Accordingly, I have paid special attention to the revenue recognition of medical service fee from social security because the transaction is a risk to the financial statements.

I made an understanding for the process of estimating the medical service revenue for inpatient cases with burden of high-cost disease by investigating the sources and reliability of the insured persons' information used in calculating the revenue estimate, assessing the appropriateness of the severity rate of the disease by comparing with the rules, method and conditions as announced by the Social Security Office, testing the completeness of the recording of the use of Social Security service against the recording system of the Social Security, testing the accuracy of the estimates of the management by comparing between the basis of the management and the basis, procedures and conditions announced by the Social Security Office and testing the items in the journal entries prepared by the management with respect to the recognition of revenue estimate. This also includes comparing of receipts during the period and analyzing the difference cause compared to the estimated medical service revenue and reviewing the receiving of medical service fee for the cases with burden of high-cost disease after the end of the accounting period.

### **Other Information**

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

My opinion on the financial statements does not cover the other information and I will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

Those charged with governance are responsible for overseeing the Company'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 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 Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company 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.

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 we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Roongnapha Saengchan.

(Miss Roongnapha Saengchan)

Certified Public Accountant

Registration No. 10142

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 17, 2022

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2021**

	Note	Baht	
		2021	2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	360,389,308	135,910,330
Trade and other current receivables	8	78,349,091	65,303,730
Accrued medical service income	9	149,645,840	46,569,611
Inventories	10	51,362,961	52,043,273
Other current financial assets	11	768,440,628	671,715,490
<b>Total current assets</b>		<b>1,408,187,828</b>	<b>971,542,434</b>
<b>Non-current assets</b>			
Fixed deposit pledge as collateral	11	13,587,200	13,587,200
Other non-current financial assets	11	153,333,180	137,999,862
Property, plant and equipment	12	718,676,151	740,053,145
Right-of-use assets	13	7,056,533	4,025,543
Intangible assets	14	28,211,022	33,542,411
Other non-current assets		168,490	168,490
<b>Total non-current assets</b>		<b>921,032,576</b>	<b>929,376,651</b>
<b>Total assets</b>		<b>2,329,220,404</b>	<b>1,900,919,085</b>

Notes to financial statements form an integral part of these statements.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2021**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Note	Baht	
		2021	2020
<b>Current liabilities</b>			
Trade and other current payables	16	117,483,665	95,804,088
Accrued expenses	17	196,522,969	83,739,743
Current portion of lease liabilities	19	3,150,272	3,165,526
Corporate income tax payables		41,932,103	9,246,115
Advance received from medical service	18	20,177,819	-
Other current provisions		-	15,000,000
Other current liabilities		14,870,301	11,087,957
<b>Total current liabilities</b>		<b>394,137,129</b>	<b>218,043,429</b>
<b>Non-current liabilities</b>			
Lease liabilities	19	3,955,994	922,859
Deferred tax liabilities	15	17,760,102	8,884,737
Employee benefit obligation	20	59,187,171	75,341,247
<b>Total non-current liabilities</b>		<b>80,903,267</b>	<b>85,148,843</b>
<b>Total liabilities</b>		<b>475,040,396</b>	<b>303,192,272</b>

Notes to financial statements form an integral part of these statements.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2021**

**LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)**

		Baht	
	Note	2021	2020
<b>Shareholders' equity</b>			
Share capital			
Authorised share capital			
150,000,000 ordinary shares of Baht 1 each		150,000,000	150,000,000
Issued and paid-up share capital			
149,909,264 ordinary shares of Baht 1 each		149,909,264	149,909,264
Share premium		74,000,000	74,000,000
Retained earnings			
Appropriated to			
Legal reserve	21	14,990,926	14,990,926
Unappropriated		1,471,251,433	1,250,186,731
Other components of shareholders' equity		144,028,385	108,639,892
<b>Total shareholders' equity</b>		<b>1,854,180,008</b>	<b>1,597,726,813</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,329,220,404</b>	<b>1,900,919,085</b>

Notes to financial statements form an integral part of these statements.



**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Note	Baht	
		2021	2020
<b>Revenues</b>			
Medical service income		1,811,882,624	1,405,474,475
Other income	23	37,649,567	35,058,824
<b>Total revenues</b>		<b>1,849,532,191</b>	<b>1,440,533,299</b>
<b>Expenses</b>			
Cost of medical services		1,407,582,178	1,244,517,813
Administrative expenses		120,334,766	106,363,708
<b>Total expenses</b>		<b>1,527,916,944</b>	<b>1,350,881,521</b>
<b>Profit from operating activities</b>		<b>321,615,247</b>	<b>89,651,778</b>
Finance costs		124,465	195,280
<b>Profit before income tax expenses</b>		<b>321,490,782</b>	<b>89,456,498</b>
Income tax expenses	25	63,053,346	17,258,248
<b>Profit for the year</b>		<b>258,437,436</b>	<b>72,198,250</b>
<b>Other comprehensive income (loss)</b>			
<b>Component of other comprehensive income (loss)</b>			
<b>that will not be reclassified to profit or loss</b>			
Gain on re-measurements of defined benefit plans		28,902,298	-
Gain (loss) on investment in equity designed at fair value through other comprehensive income		15,333,318	(33,666,634)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	25	(8,847,123)	6,733,327
<b>Total component of other comprehensive income (loss) that will not be reclassified to profit or loss</b>		<b>35,388,493</b>	<b>(26,933,307)</b>
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b>35,388,493</b>	<b>(26,933,307)</b>
<b>Total comprehensive income for the year</b>		<b>293,825,929</b>	<b>45,264,943</b>
<b>Basic earnings per share (Baht per share)</b>	29	<b>1.72</b>	<b>0.48</b>

Notes to financial statements form an integral part of these statements.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

		Baht					
	Note	Issued and paid-up share capital	Share premium	Retained earnings Appropriated to legal reserve	Unappropriated	Other components of shareholder's equity Gain (loss) on measuring financial assets	Total shareholders' equity
<b>Beginning balance as at January 1, 2021</b>		<b>149,909,264</b>	<b>74,000,000</b>	<b>14,990,926</b>	<b>1,250,186,731</b>	<b>108,639,892</b>	<b>1,597,726,813</b>
Dividend	22	-	-	-	(37,372,734)	-	(37,372,734)
Profit for the year		-	-	-	258,437,436	-	258,437,436
Other comprehensive income for the year, net of income tax							
Gain on re-measurements of defined benefit plans		-	-	-	-	23,121,839	23,121,839
Gain on measuring financial assets		-	-	-	-	12,266,654	12,266,654
<b>Balance at December 31, 2021</b>		<b>149,909,264</b>	<b>74,000,000</b>	<b>14,990,926</b>	<b>1,471,251,433</b>	<b>144,028,385</b>	<b>1,854,180,008</b>
<b>Beginning balance as at January 1, 2020</b>		<b>149,909,264</b>	<b>74,000,000</b>	<b>14,990,926</b>	<b>1,245,259,401</b>	<b>135,573,199</b>	<b>1,619,732,790</b>
Dividend	22	-	-	-	(67,270,920)	-	(67,270,920)
Profit for the year		-	-	-	72,198,250	-	72,198,250
Other comprehensive income (loss) for the year, net of income tax							
Loss on measuring financial assets		-	-	-	-	(26,933,307)	(26,933,307)
<b>Balance at December 31, 2020</b>		<b>149,909,264</b>	<b>74,000,000</b>	<b>14,990,926</b>	<b>1,250,186,731</b>	<b>108,639,892</b>	<b>1,597,726,813</b>

Notes to interim financial statements form an integral part of these statements.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Baht	
	2021	2020
<b>Cash flows from operating activities</b>		
Profit for the year	258,437,436	72,198,250
Reconciliations of profit for the year to net cash received (paid)		
from operating activities :		
Depreciation and amortization	68,716,311	68,732,172
Interest income	(1,864,976)	(3,261,667)
Dividend income	(5,333,328)	(1,999,998)
Bad debt written off and allowance for expected credit losses	3,287,791	691,577
Gain on sale of fixed assets	(148,635)	(124,920)
Loss on disposal of fixed assets	487,777	268,210
Employee benefits expenses	16,318,926	13,075,978
Finance costs	124,465	195,280
Income tax expenses	63,053,346	17,258,248
Profit provided by operating activities before changes in operating assets and liabilities	403,079,113	167,033,130
(Increase) decrease in operational assets		
Trade and other current receivables	(15,561,600)	6,889,880
Accrued medical service income	(103,848,275)	33,257,740
Inventories	680,312	1,796,731
Other non-current assets	-	20,700
Increase (decrease) in operational liabilities		
Trade and other current payables	22,565,457	(446,776)
Accrued expenses	112,783,226	(2,025,847)
Advance received from medical service	20,177,819	-
Other current provisions	(15,000,000)	15,000,000
Other current liabilities	3,782,344	1,778,753
Cash flows received operating activities	428,658,396	223,304,311
Employee benefits paid	(3,570,704)	(3,776,657)
Income tax paid	(30,339,118)	(19,689,613)
<b>Net cash provided by operating activities</b>	<b>394,748,574</b>	<b>199,838,041</b>

Notes to financial statement from an intergral part of these statements

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Baht	
	2021	2020
<b>Cash flows from investing activities</b>		
Interest received	1,865,472	3,294,678
Dividend received	5,333,328	1,999,998
Increase in other current financial assets	(96,725,138)	(205,841,312)
Decrease in fixed deposit pledge as collateral	-	8,840,000
Purchase of property, plant and equipment	(39,565,245)	(44,472,112)
Purchase of intangible assets	(27,961)	(140,000)
Sale of equipment	148,635	152,505
<b>Net cash used in investing activities</b>	<b>(128,970,909)</b>	<b>(236,166,243)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(124,465)	(195,280)
Lease liabilities paid	(3,801,488)	(3,951,447)
Dividend paid	(37,372,734)	(67,270,920)
<b>Net cash used in financing activities</b>	<b>(41,298,687)</b>	<b>(71,417,647)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>224,478,978</b>	<b>(107,745,849)</b>
Cash and cash equivalents at beginning of the year	135,910,330	708,143,626
<u>Less</u> Current investments classified under the new financial reporting standards	-	(464,487,447)
<b>Cash and cash equivalents at end of the year</b>	<b>360,389,308</b>	<b>135,910,330</b>
<b><u>Supplement disclosures of cash flows information</u></b>		
Reconciliation of proceed from purchase of property, plant and equipment		
Purchase of property, plant and equipment	(38,679,365)	(43,131,585)
Increase (decrease) in other payable from acquisition of fixed assets	(885,880)	(1,340,527)
Cash paid from purchase of property, plant and equipment	<b>(39,565,245)</b>	<b>(44,472,112)</b>

Notes to financial statement from an intergral part of these statements

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**1. GENERAL INFORMATION**

1.1 Legal status and address of the Company

Aikchol Hospital Public Company Limited, “the Company”, is incorporated in Thailand. A registered office is at 68/3 Moo 2, Phrayasatja Road, Amphoe Muang, Cholburi and a branch is at 31/2 Moo 3, Tambol Samed, Amphoe Muang, Cholburi. The Company operates in Cholburi Province. And it is well known in medical and nursing care services under the trademark namely, “Aikchol Hospital”.

The Company was listed on the Stock Exchange of Thailand on January 10, 1992.

The principal activities of the Company are providing full hospital services including diseases protection, medical treatment, health strengthening and health rehabilitation services with 310 beds in service.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting businesses and industries as a whole. This situation may affect the results of operations of business. Nevertheless, the management of the Company has continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

**2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the Thai financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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 such financial statements in Thai language.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2021**

**3. FINANCIAL REPORTING STANDARDS THAT BECAME EFFECTIVE IN THE CURRENT YEAR**

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 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 adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

**4. FINANCIAL REPORTING STANDARDS THAT WILL BECOME EFFECTIVE IN THE FUTRUE**

The Federation of Accounting Professions has issued several revised financial reporting standards and has been published in the Government Gazette, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and for some financial reporting standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company has assessed that these revised standards will not have any significant impact on the financial statements in the year when they are adopted.

**5. SIGNIFICANT ACCOUNTING POLICIES**

**5.1 Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, savings accounts and current accounts and highly liquid short-term investments that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2021**

**5.2 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

**5.3 Financial instruments**

**Classification and valuation of financial assets**

Classification depends on the business model of the company in managing financial assets and nature of cash flow under the agreement of financial assets. The Company classified the financial assets by the nature of value measurement as follows:

- Item measured at amortized cost
- Item subsequently measured at fair value through other comprehensive income
- Item subsequently measured at fair value through profit or loss

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance of those financial assets, transaction costs of financial assets are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2021**

- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

**Classification and valuation of financial liabilities**

The Company is recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

**Derecognition of financial instruments**

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.



**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2021**

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

**Impairment of financial assets**

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company uses the general approach in considering the allowance for loss on impairment with the exception on trade receivables that the Company uses the simplified approach in considering the allowance for loss on impairment.

**Offset of financial instruments**

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company and its subsidiaries intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

**5.4 Property, plant and equipment**

Land is stated as cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on decline in value (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

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Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:-

Buildings and building improvements	5 - 50	Years
Medical equipment	5 - 10	Years
Furniture and fixtures	5 - 10	Years
Office equipment	2 - 10	Years
Vehicles	8 - 10	Years

The Company has reviewed the residual value and useful life of the assets on a regular basis.

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

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

#### **5.5 Intangible assets**

Computer software with finite useful lives are stated at cost less accumulated amortization and allowance on impairment (if any).

Amortization is charged to the statement of comprehensive income on a straight-line basis over the period for which the computer software are expected to generate economic benefit from 5 - 10 years.

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

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognized directly in equity is recognized in the statement of comprehensive income even though the financial asset has not been derecognized. The amount of the cumulative loss that is recognized in the statement of comprehensive income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in the statement of comprehensive income.

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**5.7 Provision**

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**5.8 Employee benefits**

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

**5.9 Revenue**

Revenues from medical service

Revenue from medical service is exempt from value added taxes and is arrived at after deduction of trade discounts.

Revenues from medical service, mainly consisted of medicine and medical supplies, patient room service charge, medical profession charge and other service are recognized as income when the services are delivered, based on an accrual basic.

Revenues from social security is recognized on an accrual basic.

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Interest and dividend income

Interest income is recognized in the statement of comprehensive income as it accrues. Dividend income is recognized in the statement of comprehensive income on the date the Company's right to receive payments established. In the case of quoted securities is usually the ex-dividend date.

Others income

Others income is recognized on an accrual basis.

**5.10 Expenses**

Expenses are recognized on an accrual basis.

**5.11 Leases**

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

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

**Right-of-use assets-as a lessee**

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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**Lease liabilities**

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, 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**

The Company applies the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

**5.12 Income tax**

**Current tax**

The Company records income tax expenses, if any, based on the amount currently payable under the Revenue Code at the income tax rates at 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

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**Deferred tax**

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

**5.13 Significant accounting judgements and estimates**

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

**Allowance for expected credit losses**

In determining an allowance for expected credit losses, the management needs to make judgement and estimates based upon past collection history, aging profile of outstanding debts.

**Accrued medical service income**

In determining the certain amount of receivable from the social security office provided to patients with severe diseases and of chronic diseases. In this regard, the amount of such income are set, adjusted and accrued based on the latest actual collection within current relative circumstances.

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**Determining the lease term of contracts with renewal and termination options**

The Company determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination.

After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**Property, plant and equipment and right-of-use assets/Depreciation**

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

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

**Intangible assets**

In recording the initial recognition and measurement of intangible assets as at the acquired date and subsequent impairment testing, the management is required 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.

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**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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**Deferred tax assets**

Deferred tax assets are recognized 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 utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

**Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan 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.

**Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Company is used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

**6. SEASONAL OPERATION**

The company's business is not affected significantly by seasonal or cyclical factor during the year.

**7. CASH AND CASH EQUIVALENTS**

Consisted of :-

	Baht	
	2021	2020
Cash on hand	2,117,045	1,989,668
Cash at bank - savings accounts and current accounts	358,272,263	133,920,662
<b>Total</b>	<b>360,389,308</b>	<b>135,910,330</b>

As at December 31, 2021 and 2020, cash at bank-savings accounts have interest at the floating rates at 0.13% per annum and 0.13% per annum, respectively.



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**DECEMBER 31, 2021**

**8. TRADE AND OTHER CURRENT RECEIVABLES**

Consisted of :-

	Baht	
	2021	2020
<b>Trade receivables</b>		
Within credit terms	34,378,352	44,698,984
Overdue:		
Less than 3 months	18,185,626	14,261,354
3-6 months	3,558,464	614,175
6-12 months	973,040	605,428
Over 12 months	190,939	882,824
	57,286,421	61,062,765
<u>Less allowance for expected credit losses</u>	(2,323,726)	(972,095)
<b>Net</b>	<b>54,962,695</b>	<b>60,090,670</b>
<b>Other current receivables</b>		
Prepaid expenses	2,465,536	1,760,784
Advance payment for vaccine	5,236,000	-
Other accrued income	11,834,347	2,511,652
Other receivables	2,765,671	313,311
Others	1,084,842	627,313
	23,386,396	5,213,060
<b>Total trade and other current receivables</b>	<b>78,349,091</b>	<b>65,303,730</b>

The normal credit term granted by the Company ranges from 30 days to 120 days.

**9. ACCRUED MEDICAL SERVICE INCOME**

Consisted of :-

	Baht	
	2021	2020
Social Security Office		
Chronic diseases	11,776,551	10,823,623
Patients with severe diseases	25,871,520	24,824,757
Others	17,257,254	10,921,231
	54,905,325	46,569,611
National Health Security Office		
Coronavirus 2019 infected patient	95,512,561	-
<u>Less allowance for expected credit losses</u>	(772,046)	-
	94,740,515	-
<b>Total</b>	<b>149,645,840</b>	<b>46,569,611</b>

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
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The Company is unable to determine the certain amount of medical income for treatment provided to patients with severe diseases and medical income for treatment of chronic diseases that have not been received from the Social Security Office and National Health Security Office for COVID-19. Therefore, the management of the Company has estimated the accrued income based on the latest actual amount received along with the current circumstances. The management of the Company believes that the actual results will not be significantly different from the estimated amount.

**10. INVENTORIES**

Consisted of :-

	Baht	
	2021	2020
Medicine and medical supplies	43,519,772	44,591,587
Supplies	7,843,189	7,451,686
<b>Total</b>	<b>51,362,961</b>	<b>52,043,273</b>

**11. FINANCIAL ASSETS**

Consisted of :-

	Baht	
	2021	2020
<b>Other current financial assets</b>		
Debt instruments at amortised cost		
Fixed deposit	10,580,621	10,436,993
Equity security designed at fair value through profit or loss		
Mutual funds - fixed income	757,860,007	661,278,497
<b>Total</b>	<b>768,440,628</b>	<b>671,715,490</b>
<b>Fixed deposit pledge as collateral</b>		
Fixed deposit pledge as collateral	13,587,200	13,587,200
<b>Total</b>	<b>13,587,200</b>	<b>13,587,200</b>
<b>Other non-current financial assets</b>		
Equity security designed at fair value through other comprehensive income	153,333,180	137,999,862
<b>Total</b>	<b>153,333,180</b>	<b>137,999,862</b>

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As at December 31, 2021 and 2020, fixed deposits have interest rate at 0.38% per annum and 1.00% per annum, respectively, and investment in mutual funds - fixed income which the Company intends to hold to maturity within 1 year and has return at the rate of 0.29% per annum and 0.12% per annum, respectively.

As at December 31, 2021 and 2020, fixed deposits in the amount of Baht 13.59 million and 13.59 million, are pledged as collateral for the letters of guarantee issued by a commercial bank.

As at December 31, 2021 and 2020, other non-current financial assets in marketable equity are stated at fair value through other comprehensive income, consisted of :-

	Holding of interest (%)		Million Baht			
	2021	2020	2021		2020	
			Cost	Market value	Cost	Market value
Bangkok Dusit Medical Services Plc.	0.06	0.06	2.20	153.33	2.20	138.00
<u>Add Gain on measuring financial assets</u>			<u>151.13</u>		<u>135.80</u>	
<b>Total</b>			<b><u>153.33</u></b>		<b><u>138.00</u></b>	

**12. PROPERTY, PLANT AND EQUIPMENT**

Consisted of :-

	Baht				
	Balance per book as at Dec. 31, 2020	Additions	Transfer in (Transfer out)	Deductions	Balance per book as at Dec. 31, 2021
	<u>Cost</u>				
Land	108,160,300	-	-	-	108,160,300
Buildings and building improvement	988,660,695	1,559,413	9,809,522	(751,474)	999,278,156
Medical equipment	299,233,461	21,437,703	-	(21,048,827)	299,622,337
Furniture and fixture	35,830,754	872,963	560,339	(165,125)	37,098,931
Office equipment	71,988,092	2,868,080	148,730	(725,850)	74,279,052
Vehicles	22,638,924	68,000	-	-	22,706,924
Assets under construction and installation	15,947,460	11,873,206	(10,518,591)	-	17,302,075
<b>Total</b>	<b><u>1,542,459,686</u></b>	<b><u>38,679,365</u></b>	<b><u>-</u></b>	<b><u>(22,691,276)</u></b>	<b><u>1,558,447,775</u></b>
<u>Less accumulated depreciation</u>					
Buildings and building improvement	459,282,341	36,410,522	-	(751,403)	494,941,460
Medical equipment	236,785,839	17,870,863	-	(20,877,023)	233,779,679
Furniture and fixture	32,219,899	776,841	-	(161,315)	32,835,425
Office equipment	55,873,231	3,935,890	-	(696,057)	59,113,064
Vehicles	18,245,231	856,765	-	-	19,101,996
<b>Total</b>	<b><u>802,406,541</u></b>	<b><u>59,850,881</u></b>	<b><u>-</u></b>	<b><u>(22,485,798)</u></b>	<b><u>839,771,624</u></b>
<b>Net</b>	<b><u>740,053,145</u></b>				<b><u>718,676,151</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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	Baht				Balance per book as at Dec. 31, 2020
	Balance per book as at Dec. 31, 2019	Additions	Transfer in (Transfer out)	Deductions	
<u>Cost</u>					
Land	108,160,300	-	-	-	108,160,300
Buildings and building improvement	938,923,897	4,846,892	45,146,866	(256,960)	988,660,695
Medical equipment	301,051,430	5,636,991	24,825	(7,479,785)	299,233,461
Furniture and fixture	34,458,246	938,294	451,652	(17,438)	35,830,754
Office equipment	69,621,811	2,555,380	1,348,120	(1,537,219)	71,988,092
Vehicles	22,638,924	-	-	-	22,638,924
Assets under construction and installation	33,767,295	29,154,028	(46,973,863)	-	15,947,460
Total	<u>1,508,621,903</u>	<u>43,131,585</u>	<u>(2,400)</u>	<u>(9,291,402)</u>	<u>1,542,459,686</u>
<u>Less accumulated depreciation</u>					
Buildings and building improvement	425,320,969	34,217,526	-	(256,154)	459,282,341
Medical equipment	225,858,269	18,142,054	(906)	(7,213,578)	236,785,839
Furniture and fixture	31,038,727	1,198,603	-	(17,431)	32,219,899
Office equipment	52,642,044	4,741,124	-	(1,509,937)	55,873,231
Vehicles	17,173,176	1,072,055	-	-	18,245,231
Total	<u>752,033,185</u>	<u>59,371,362</u>	<u>(906)</u>	<u>(8,997,100)</u>	<u>802,406,541</u>
<b>Net</b>	<b><u>756,588,718</u></b>				<b><u>740,053,145</u></b>

Depreciation of the plant and equipment for the years ended December 31, 2021 and 2020 which were included in cost of medical services and administrative expenses, consisted of :-

	Baht	
	2021	2020
Cost of medical services	53,270,074	52,563,358
Administrative expenses	6,580,807	6,808,004
<b>Total</b>	<b><u>59,850,881</u></b>	<b><u>59,371,362</u></b>

As at December 31, 2021 and 2020, certain equipment and vehicle items of the Company have been fully depreciated but are still in use of cost in amount of Baht 319.61 million and Baht 309.59 million, respectively.

A portion of land, building and construction in progress, including future construction were pledged as collateral security for the long-term loan and a bank overdraft with a net book value as at December 31, 2021 and 2020 of approximately amounted of Baht 559.12 million and Baht 582.58 million, respectively.

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**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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As at December 31, 2021 and 2020, the Company covered All Risks Insurance Policy (ARIP) with an insurer. The sum insured has already been covered the value of the assets. The ARIP is renewed on an annual basis and a portion of proceeds from insurance claims under the ARIP.

**13. RIGHT-OF-USE ASSETS**

Consists of :

	Baht			Balance as at December 31, 2021
	Balance as at December 31, 2020	Transactions during the year		
		Additions	Deductions	
<u>At cost</u>				
Medical equipment	509,287	861,880	(509,287)	861,880
Office equipment	7,530,545	4,703,281	(3,568,356)	8,665,470
Vehicle	-	1,254,208	-	1,254,208
Total	<u>8,039,832</u>	<u>6,819,369</u>	<u>(4,077,643)</u>	<u>10,781,558</u>
<u>Less Accumulated depreciation</u>				
Medical equipment	339,525	313,409	(509,287)	143,647
Office equipment	3,674,764	3,091,740	(3,568,356)	3,198,148
Vehicle	-	383,230	-	383,230
Total	<u>4,014,289</u>	<u>3,788,379</u>	<u>(4,077,643)</u>	<u>3,725,025</u>
<b>Right-of-use assets - net</b>	<b><u>4,025,543</u></b>			<b><u>7,056,533</u></b>

	Baht			Balance as at December 31, 2020
	Balance as at December 31, 2019	Transactions during the year		
		Impact of the adoption of TFRS 16	Deductions	
<u>At cost</u>				
Medical equipment	-	509,287	-	509,287
Office equipment	-	7,530,545	-	7,530,545
Total	<u>-</u>	<u>8,039,832</u>	<u>-</u>	<u>8,039,832</u>
<u>Less Accumulated depreciation</u>				
Medical equipment	-	339,525	-	339,525
Office equipment	-	3,674,764	-	3,674,764
Total	<u>-</u>	<u>4,014,289</u>	<u>-</u>	<u>4,014,289</u>
<b>Right-of-use assets - net</b>	<b><u>-</u></b>			<b><u>4,025,543</u></b>

The Company and its subsidiary lease several assets including medical equipment, office equipment and vehicle of which average lease term during 1 - 3 years.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
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**DECEMBER 31, 2021**

**14. INTANGIBLE ASSETS**

Consisted of :-

	Baht			
	Balance per book as at Dec. 31, 2020	Additions	Transfer in (Transfer out)	Balance per book as at Dec. 31, 2021
<u>Cost</u>				
Computer software	72,260,926	27,961	(6,337,402)	65,951,485
<u>Less</u> accumulated amortization	38,718,515	5,077,051	(6,055,103)	37,740,463
<b>Net</b>	<b>33,542,411</b>			<b>28,211,022</b>

	Baht			
	Balance per book as at Dec. 31, 2019	Additions	Transfer in (Transfer out)	Balance per book as at Dec. 31, 2020
<u>Cost</u>				
Computer software	72,120,926	140,000	-	72,260,926
<u>Less</u> accumulated amortization	33,371,994	5,346,521	-	38,718,515
<b>Net</b>	<b>38,748,932</b>			<b>33,542,411</b>

Amortization of intangible assets for the years ended December 31, 2021 and 2020, which were included in cost of medical services and administrative expenses, consisted of :-

	Baht	
	2021	2020
Cost of medical services	4,815,046	4,990,140
Administrative expenses	262,005	356,381
<b>Total</b>	<b>5,077,051</b>	<b>5,346,521</b>

As at December 31, 2021 and 2020, certain intangible assets items of the Company have been fully amortized but they are still in use of cost in the amount of Baht 16.93 million and Baht 20.91 million, respectively.

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**15. DEFERRED TAX ASSETS AND TAX LIABILITIES**

Changes in deferred tax assets (liabilities) for the years ended December 31, 2021 and 2020 are summarized as follows:

	Baht			Balance as at Dec. 31, 2021
	Balance as at Dec. 31, 2020	Revenue (expenses) during the year		
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Trade receivables	194,419	424,736	-	619,155
Right-of-use assets	12,568	(2,622)	-	9,946
Other current provisions	3,000,000	(3,000,000)	-	-
Employee benefit obligation	15,068,249	2,549,644	(5,780,459)	11,837,434
Total	<u>18,275,236</u>	<u>(28,242)</u>	<u>(5,780,459)</u>	<u>12,466,535</u>
Deferred tax liabilities:				
Other non-current financial assets	(27,159,973)	-	(3,066,664)	(30,226,637)
Total	<u>(27,159,973)</u>	<u>-</u>	<u>(3,066,664)</u>	<u>(30,226,637)</u>
<b>Deferred tax assets (liabilities)-net</b>	<b><u>(8,884,737)</u></b>			<b><u>(17,760,102)</u></b>

	Baht			Balance as at Dec. 31, 2020
	Balance as at Dec. 31, 2019	Revenue (expenses) during the year		
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Trade receivables	274,141	(79,722)	-	194,419
Right-of-use assets	-	12,568	-	12,568
Other current provisions	-	3,000,000	-	3,000,000
Employee benefit obligation	13,208,386	1,859,863	-	15,068,249
Total	<u>13,482,527</u>	<u>4,792,709</u>	<u>-</u>	<u>18,275,236</u>
Deferred tax liabilities:				
Other non-current financial assets	(33,893,300)	-	6,733,327	(27,159,973)
Total	<u>(33,893,300)</u>	<u>-</u>	<u>6,733,327</u>	<u>(27,159,973)</u>
<b>Deferred tax assets (liabilities)-net</b>	<b><u>(20,410,773)</u></b>			<b><u>(8,884,737)</u></b>

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**16. TRADE AND OTHER CURRENT PAYABLES**

Consisted of :-

	Baht	
	2021	2020
<b>Trade payables</b>	91,780,111	72,662,845
<b>Other current payables</b>		
Asset payables	3,810,994	4,696,874
Expired cheque payables	4,473,060	4,413,015
Retention payables	2,223,869	3,240,392
Revenue department payables	1,945,954	1,408,444
Advance received for vaccine	7,283,100	-
Others	5,966,577	9,382,518
	25,703,554	23,141,243
<b>Total trade and other current payables</b>	<b>117,483,665</b>	<b>95,804,088</b>

**17. ACCRUED EXPENSES**

Consisted of :-

	Baht	
	2021	2020
Accrued doctor fee	48,895,578	38,817,525
Accrued director's remuneration	3,600,000	-
Accrued wages	9,098,224	5,788,101
Accrued bonus	83,320,876	12,153,226
Accrued electricity	1,037,562	993,841
Accrued medical referral expenses	26,623,718	15,170,906
Accrued other expenses	23,947,011	10,816,144
<b>Total</b>	<b>196,522,969</b>	<b>83,739,743</b>



**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
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**18. ADVANCE RECEIVED FROM MEDICAL SERVICE**

On April 8, 2021, the Social Security Office had notified the results of the consideration of claiming for medical service fees in excess of the amount that the hospital should receive the refund from the hospital in the percentage of Adj RW that found the error detected from the amount received the refund for medical service fee in the year 2018 amounted Baht 9.30 million.

On June 2, 2021, the Company had received the notification of the results of the consideration of the refund of medical services in case of high cost diseases (Adj RW  $\geq 2$ ) in the year 2018 by deducting from the medical service fee in type of in-patients with high-cost diseases (Adj RW  $\geq 2$ ) that the hospital should receive from the Social Security Office for 6 installments, No. 1 - 5 amounted Baht 1.60 million each and No. 6 amounted Baht 1.30 million from the month approved to pay in installments.

On August 18, 2021, the Social Security office had notified the results of the consideration of claiming for medical service fee in excess of the amount that the hospital should receive the refund from the hospital in the percentage of Adj RW that found the error detected from the amount received the refund for medical service fee in the year 2016 amounted Baht 10.18 million by deducting from the medical services in case of high cost diseases (Adj RW  $\geq 2$ ) that the hospital should receive from the social security office.

During the year, the Social Security office had notified the results of the consideration of claiming for medical service fee in excess of the amount that the hospital should receive the refund from the hospital in the percentage of Adj RW that found the error detected from the amount received the refund for medical service fee in the year 2019 amounted Baht 8.70 million. The company has submitted a letter requesting the Social Security Office to re-examine the use of medical services for the year 2019 and is awaiting the results of the review of new information reviewed by the Social Security Office.

From the result of the Social Security Office's consideration above, it arises from the registration inspection by the Social Security Office using random sampling not less than 10 percent of the number of existing information to consider the completeness of the registration record in order to retrieve and calculate the reimbursement for such medical service fee. The sampling method is effective from July 1, 2014 onwards. The Company's management had a resolution to record the amount to be claimed back from the Social Security Office of the total amount by reducing revenue from medical treatment for the year ended December 31, 2021 in the amount of Baht 28.18 million, in the statement of comprehensive income and record advance received from medical service in the statement of financial position.

During the year 2021, the Social Security Office had deducted the medical services in case of high-cost diseases Adj RW  $\geq 2$  for 6 installments amounted Baht 8.00 million. Therefore, as at December 31, 2021, the advance received from medical service had the outstanding balance of Baht 20.18 million.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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**19. LEASE LIABILITIES**

The carrying amounts of lease liabilities and the movement for the years ended December 31, 2021 and 2020 are presented below :

	Baht	
	2021	2020
As at January 1,	4,088,385	8,039,832
Addition	6,819,369	-
Accretion of interest	124,465	195,280
Payments	(3,925,953)	(4,146,727)
As at December 31,	7,106,266	4,088,385
Less: current portion	3,150,272	3,165,526
<b>Lease liabilities - net of current portion</b>	<b>3,955,994</b>	<b>922,859</b>

Amounts recognized in the statement of comprehensive income for the years ended December 31, 2021 and 2020 are comprised :

	Baht	
	2021	2020
Depreciation - Right-of-use assets	3,788,379	4,014,289
Interest expenses	124,465	195,280
<b>Total</b>	<b>3,912,844</b>	<b>4,209,569</b>

For the years ended December 31, 2021 and 2020, the total cash outflow for leases on consolidated and separated financial statements amount to Baht 3.80 million and Baht 3.95 million, respectively.

**20. EMPLOYEE BENEFIT OBLIGATION**

**The statements of financial position**

	Baht	
	2021	2020
Beginning employee benefit obligation	75,341,247	66,041,927
Benefits paid by the plan	(3,570,704)	(3,776,658)
Gain from changing actuarial estimates	(28,902,298)	-
Current service and interest costs	16,318,926	13,075,978
	<b>59,187,171</b>	<b>75,341,247</b>

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2021**

**Expenses recognized in statements of comprehensive income**

For the year ended December 31,

	Baht	
	2021	2020
Current service cost	14,526,684	11,525,699
Interest on obligation	1,792,242	1,550,279
<b>Total</b>	<b>16,318,926</b>	<b>13,075,978</b>

**Actuarial gain on defined employee benefits plans**

	Baht	
	2021	2020
Actuarial gain arising from		
Changes in demographic assumptions	(12,994,105)	-
Changes in financial assumptions	4,639,617	-
Experience adjustments	(20,547,810)	-
<b>Total</b>	<b>(28,902,298)</b>	<b>-</b>

**Principal actuarial assumptions at the reporting date**

	%	
	2021	2020
Discount rate	1.54	2.44
Salary increase rate	6	6
Employee turnover rate	11 - 22	8 - 22
Disability rate	5*	5*

\* reference to mortality rate in B.E. 2017

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT.)**  
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**Sensitivity analysis**

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2021 and 2020, are summarized below:

	Baht	
	2021	2020
Discount rate		
1% increase	(4,346,731)	(5,667,089)
1% decrease	4,983,952	6,523,922
Salary increase rate		
1% increase	4,702,695	7,640,452
1% decrease	(4,192,009)	(6,702,134)
Employee turnover rate		
1% increase	(4,920,069)	(6,331,344)
1% decrease	5,016,795	6,518,665

**21. RESERVES AND LEGAL RESERVES**

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

**22. DIVIDENDS**

Year 2021

At the ordinary shareholders’ meeting held on April 23, 2021, the shareholders approved the appropriation of dividend from operating results of 2020 of Baht 0.25 per share, 149.91 million shares, amounting to Baht 37.37 million. The dividend will be proposed to pay to shareholders on May 21, 2021.

Year 2020

At the ordinary shareholders’ meeting held on April 23, 2020, the shareholders approved the appropriation of dividend from operating results of 2019 of Baht 0.45 per share, 149.91 million shares, amounting to Baht 67.27 million. The dividend will be proposed to pay to shareholders on May 18, 2020.

**AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED**  
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**23. OTHER INCOME**

Consisted of :-

	Baht	
	2021	2020
Revenue from sharing of kidney hemodialysis	13,375,505	13,414,949
Rental space income	8,377,249	8,797,924
Interest income	1,864,976	3,261,667
Others	14,031,837	9,584,284
<b>Total</b>	<b>37,649,567</b>	<b>35,058,824</b>

**24. EXPENSES BY NATURE**

Significant expenses by nature for the years ended December 31, 2021 and 2020 are a follow:-

	Baht	
	2021	2020
Staff costs	562,746,368	479,658,446
Directors and management's remuneration	29,795,695	25,268,794
Doctor fee	347,745,192	334,092,294
Medicine, medical supplies and supplies	290,525,316	238,337,978
Depreciation and amortization	68,716,311	68,732,172
Others	228,388,062	204,791,837
<b>Total</b>	<b>1,527,916,944</b>	<b>1,350,881,521</b>

**25. INCOME TAX EXPENSES**

25.1 Major components of tax expenses

For the years ended December 31, 2021 and 2020 consisted of:

	Baht	
	2021	2020
Income tax expenses shown in profit or loss :		
Current tax expense :		
Income tax expense for the year	63,025,104	22,050,957
Deferred tax expense :		
Changes in temporary differences relating to the original recognition and reversal	28,242	(4,792,709)
<b>Total</b>	<b>63,053,346</b>	<b>17,258,248</b>
Income tax relating to components of other comprehensive income :		
Deferred tax relating to :		
Remeasuring other non-current financial assets	3,066,664	(6,733,327)
Gain from changing actuarial estimates	5,780,459	-
<b>Total</b>	<b>8,847,123</b>	<b>(6,733,327)</b>

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25.2 A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2021 and 2020 which are summarized as follows:

	Baht	
	2021	2020
Accounting profit for the year	321,490,782	89,456,498
The applicable tax rate (%)	20	20
Tax expense at the applicable tax rate	64,298,157	17,891,299
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	141,867	130,364
Tax effect of income or profit that are not required in determining taxable profit:		
- Exemption of non - taxable dividend income	(1,066,666)	(400,000)
- Other	(320,012)	(363,415)
Total reconciliation items	(1,244,811)	(633,051)
<b>Total tax expense</b>	<b>63,053,346</b>	<b>17,258,248</b>

25.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2021 and 2020 are summarized as follows:

	Baht			
	2021		2020	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before tax expense for the year	321,490,782		89,456,498	
Tax expense at the applicable tax rate	64,298,157	20.00	17,891,299	20.00
Reconciliation items	(1,244,811)	(0.39)	(633,051)	(0.64)
<b>Tax expense at the average effective tax rate</b>	<b>63,053,346</b>	<b>19.61</b>	<b>17,258,248</b>	<b>19.36</b>

**26. PROVIDENT FUND**

The defined contribution plans comprise provident funds established by companies in the Company for their employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates 3% of their basic salaries and by the Company at rates 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager. The Company's contributions for the years ended December 31, 2021 and 2020 in the amount of to Baht 4.47 million and Baht 4.81 million, respectively.

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**27. DIRECTORS AND MANAGEMENT’S REMUNERATION**

Directors and management’s remuneration represent the benefits paid to the Company’s directors and management such as salaries and related benefit including the benefit paid by other means. The Company’s directors and management are the persons who are defined under the Securities and Exchange Act.

Directors of the Company is consisted of board of directors, audit committee and nomination and remuneration committee.

Management of the Company is consisted of executive board, chief medical officer and hospital administrator.

**28. 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 and assess its performance to the company’s operating segment.

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

Information about major customers

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

**29. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares which are issued and paid-up during the year.

	2021	2020
Profit for the year (Baht)	258,437,436	72,198,250
Weighted average number of ordinary share (Shares)	149,909,264	149,909,264
Earnings per share (Baht per share)	1.72	0.48

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**30. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the statement of financial position as at December 31, 2021 and 2020, the Company's debt-to-equity ratio was 0.26 : 1 and 0.19 : 1, respectively.

**31. FINANCIAL INSTRUMENTS**

**31.1 Financial risk management policies**

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

**31.2 Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates, which may affect the interest earnings and expenses in the present and future years. The Company is primarily exposed to interest rate risk that relates primarily to deposit at financial institution and financial assets due to changes in interest rates. The Company has no policy to use any derivative financial instruments to reduce this risk.

	Baht				Effective interest rate (% per annum)	
	As at December 31, 2021					
	Fixed interest		Floating	Non - interest		Total
Within 1 year	1 - 5 years	interest rate	bearing			
<b>Financial assets</b>						
Cash and cash equivalents	-	-	358,272,263	2,117,045	360,389,308	0.13
Trade and other current receivables	-	-	-	78,349,091	78,349,091	-
Accrued medical service income	-	-	-	149,645,840	149,645,840	-
Other current financial assets	10,580,621	-	757,860,007	-	768,440,628	0.29-0.38
Fixed deposit pledge as collateral	13,587,200	-	-	-	13,587,200	0.38
	<u>24,167,821</u>	<u>-</u>	<u>1,116,132,270</u>	<u>230,111,976</u>	<u>1,370,412,067</u>	
<b>Financial liabilities</b>						
Trade and other current payables	-	-	-	117,483,665	117,483,665	-
Lease liabilities	-	-	7,106,266	-	7,106,266	2.83-3.13
	<u>-</u>	<u>-</u>	<u>7,106,266</u>	<u>117,483,665</u>	<u>124,589,931</u>	



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	Baht					Effective interest rate (% per annum)	
	As at December 31, 2020						
	Fixed interest		Floating	Non - interest	Total		
	Within 1 year	1 - 5 years	interest rate	bearing			
<b>Financial assets</b>							
Cash and cash equivalents	-	-	133,920,662	1,989,668	135,910,330	0.13	
Trade and other current receivables	-	-	-	65,303,730	65,303,730	-	
Accrued medical service income	-	-	-	46,569,611	46,569,611	-	
Other current financial assets	10,436,993	-	661,278,497	-	671,715,490	0.12-1.00	
Fixed deposit pledge as collateral	13,587,200	-	-	-	13,587,200	1.00	
	<u>24,024,193</u>	<u>-</u>	<u>795,199,159</u>	<u>113,863,009</u>	<u>933,086,361</u>		
<b>Financial liabilities</b>							
Trade and other current payables	-	-	-	95,804,088	95,804,088	-	
Lease liabilities	-	-	4,088,385	-	4,088,385	3.13	
	<u>-</u>	<u>-</u>	<u>4,088,385</u>	<u>95,804,088</u>	<u>99,892,473</u>		

### 31.3 Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations of the financial condition of its counterparties, to provide a term of payment, and to require partial payment of deposit, or call for collateral as other security. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for expected credit losses.

### 31.4 Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

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**31.5 Fair value of financial instruments**

Fair value

The Company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

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

As of December 31, 2021, the Company had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	Baht			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Other current financial assets				
- Mutual funds - fixed income (hold to maturity within 1 year)	-	768,440,628	-	768,440,628
Other non-current financial assets				
- Equity security	153,333,180	-	-	153,333,180
<b>Total</b>	<b>153,333,180</b>	<b>768,440,628</b>	<b>-</b>	<b>921,773,808</b>

Fair valuation techniques and inputs to Level 2 fair valuation

The fair value of investments in investment units that are not listed on the Stock Exchange of Thailand is determined by using the net asset value per unit as announced by the fund managers.

During the year, there were no transfers within the fair value hierarchy.

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**32. FINANCIAL ASSET AND FINANCIAL LIABILITIES**

As at December 31, 2021 and 2020, the Company's management has assessed which business models applied to the financial assets and liabilities and have classified the financial assets and liabilities as follow :

	Baht			
	As at December 31, 2021			
	FVPL	FVOCI	Amortized cost	Total
<b>Financial assets</b>				
Cash and cash equivalents	-	-	360,389,308	360,389,308
Trade and other current receivables	-	-	78,349,091	78,349,091
Accrued medical service income	-	-	149,645,840	149,645,840
Other current financial assets	757,860,007	-	10,580,621	768,440,628
Fixed deposit pledge as collateral	-	-	13,587,200	13,587,200
Other-non current financial assets	-	153,333,180	-	153,333,180
	<u>757,860,007</u>	<u>153,333,180</u>	<u>612,552,060</u>	<u>1,523,745,247</u>
<b>Financial liabilities</b>				
Trade and other current payables	-	-	117,483,665	117,483,665
Lease liabilities	-	-	7,106,266	7,106,266
	<u>-</u>	<u>-</u>	<u>124,589,931</u>	<u>124,589,931</u>

	Baht			
	As at December 31, 2020			
	FVPL	FVOCI	Amortized cost	Total
<b>Financial assets</b>				
Cash and cash equivalents	-	-	135,910,330	135,910,330
Trade and other current receivables	-	-	65,303,730	65,303,730
Accrued medical service income	-	-	46,569,611	46,569,611
Other current financial assets	661,278,497	-	10,436,993	671,715,490
Fixed deposit pledge as collateral	-	-	13,587,200	13,587,200
Other-non current financial assets	-	137,999,892	-	137,999,892
	<u>661,278,497</u>	<u>137,999,892</u>	<u>271,807,864</u>	<u>1,071,086,253</u>
<b>Financial liabilities</b>				
Trade and other current payables	-	-	95,804,088	95,804,088
Lease liabilities	-	-	4,088,385	4,088,385
	<u>-</u>	<u>-</u>	<u>99,892,473</u>	<u>99,892,473</u>

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**33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCIAL ACTIVITIES**

Changes in the liabilities arising from financing activities for the year ended December 31, 2021 and 2020 are as follows:

	Baht			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2021	Increase (decrease)	Increase	December 31, 2021
Lease liabilities	4,088,385	2,893,416	124,465	7,106,266
	<b>4,088,385</b>	<b>2,893,416</b>	<b>124,465</b>	<b>7,106,266</b>

	Baht			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2020*	Increase (decrease)	Increase	December 31, 2020
Lease liabilities	8,039,832	(4,146,727)	195,280	4,088,385
	<b>8,039,832</b>	<b>(4,146,727)</b>	<b>195,280</b>	<b>4,088,385</b>

\* Lease liabilities arising from the adoption of TFRS16.

**34. COMMITMENTS WITH NON-RELATED PARTIES**

As at December 31, 2021 and 2020, the Company has commitments as follow :-

	Baht	
	2021	2020
34.1 Letters of guarantee issued by a commercial bank to the government unit and the state enterprise.	24,247,200	24,247,200
34.2 Construction and equipment installation agreements	6,597,789	7,858,797

**35. TO APPROVED THE FINANCIAL STATEMENTS**

The financial statements were authorized for issue by the Company's board of directors on February 17, 2022.