

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Intermedical Care and Lab Hospital Public Company Limited

I have audited the consolidated financial statements of Intermedical Care and Lab Hospital Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Intermedical Care and Lab Hospital Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2023, 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 consolidated financial position of Intermedical Care and Lab Hospital Public Company Limited and its subsidiaries as at December 31, 2023, its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Intermedical Care and Lab Hospital Public Company Limited as at December 31, 2023, 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 describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated financial statements and separate 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.

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Revenue recognition from Occupational Medicine Hospital

Revenue from Occupational Medicine Hospital is a significant account to the financial statements or 26 percent of total revenues. Most revenue of Occupational Medicine Hospital is engaged in providing physical examination services, therefore the revenue is recognized when the Company issued analysis results of each physical examination by the professional. When the results of analysis has been completely summarized according to the customer's agreement, invoice and all related analysis results will be issued and sent to each customer for collection. Thus service procedure is effect to value and completeness of revenue recognition and there are a lot of items in each individual analysis service transaction and many types with differing conditions and agreements. I pay special attention to auditing.

I audited revenue recognition of Occupational Medicine Hospital by assessing and tested the effectiveness of the internal controls with respect to the revenue cycle by making enquiries of responsible persons, gaining an understanding and selecting samples to test the operation of the designed controls. Perform substantive test of the revenue account, which consists of verify terms and conditions of the physical examination service and test whether the calculation of revenue is correct or not, including checking the supported documents in accounting record of the revenue. Verify the revenue transactions from rendering services during the year and near the end of the accounting period with supporting documents. Verify credit notes issued by the Company after the end of the accounting period. I performed comparative data analysis of subdivide revenue account to detect possible irregularities in revenue transactions throughout the period, particularly for accounting entries made through journal vouchers. Assess the adequacy of disclosed information related to the Company's revenue recognition.

Estimation of accrued medical treatment income

The Group has revenues from the provision of medical services to patients under the government welfare schemes of the Social Security Office and the National Health Security Office. The amounts of such revenues are determined based on government policy, the number of insured persons registered with the Group, and statistical information on the services provided by the Group. As discussed in Note 8 to the financial statements, as at December 31, 2023, the Group had accrued medical treatment income from the above government agencies amounting to Baht 363.51 million, representing 18 percent of total assets. An estimation of accrued medical treatment income requires management to exercise significant judgement. There is thus a risk of the amount of revenue from hospital operations.

I audited the revenue recognition from hospital operations and the accrued medical treatment income by assessing and testing the Group's internal controls with respect to the revenue cycle and the estimation of accrued medical treatment income by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks. Assessing the appropriateness of the criteria, methodology and conditions applied by the Group in estimating accrued medical treatment income in accordance with government policy. Performing the reasonableness of past estimates of accrued medical treatment income by comparing those estimates with the actual amounts received. Examining cash receipt transactions relating to accrued medical treatment income subsequent to the period-end date.

Impairment of Goodwill

The Company has goodwill in the amount of Baht 966.56 million arising from investment in two companies. The Group is exposed to the risk of impairment of goodwill as the business future cash flow may not follow the expectation. From assessing the recovery value of goodwill, it requires considerable judgment in estimating future cash flow that the company expects to receive including assumptions used by management in making estimates. I pay special attention to the impairment of goodwill.

I have assessed to define the cash generating asset and financial model selected by the management by understanding the process if consistent with the nature of benefit of the asset. I tested the significant assumption used in estimating the expected future cash flow from assets prepared by the management by comparing such assumptions and internal and external information with cash flow in the past and actual operating result to assess the judgment of the management in estimating such expected future cash flow and discount rate selected by the management. Furthermore, I tested the expected recovery value of such assets in accordance with the financial model and reviewed the information disclosure relating to the impairment assessment of goodwill.

Emphasis of Matters

As discussed in Note 4 to the financial statements, the Subsidiary acquired share of Mahaesak Hospital Company Limited. The acquisition transaction completion date is on May 31, 2023 (at the acquisition date). The acquisition qualifies for treatment as a business combination in accordance with TFRS 3 Business Combinations, which requires that the assets acquired and liabilities assumed be recorded at their fair values, together with goodwill, if any. The Subsidiary has engaged an independent appraisers to determine the fair values of the assets acquired and liabilities assumed. At the present, the fair value exercise has not been completed. Accordingly, the Subsidiary recognized the provisional amount of the net assets acquired based on book values at the acquisition date and record the excess of the acquisition cost over the fair value of the net assets acquired amounted Baht 850.30 million as goodwill. However, the Subsidiary is continuing their review of the identifiable assets and liabilities, as permitted under TFRS 3 during a measurement period of not exceed 1 year from the acquisition date. If new information is obtained about facts and circumstances that existed at the acquisition date which would require further adjustment to the values initially recognized, then such adjustments would be recorded when this information becomes available.

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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company 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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai 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 consolidated financial statements and separate 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 and 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 Group's and 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 consolidated financial statements and separate 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 and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate 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 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 consolidated financial statements and separate 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 Soraya Tintasuwan.

(Miss Soraya Tintasuwan)
Certified Public Accountant
Registration No. 8658

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 27, 2024

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

		<u>ASSETS</u>			
		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Current assets					
Cash and cash equivalents	6	73,599,928.16	153,218,188.78	12,836,530.81	96,618,163.15
Trade and other current receivables	5, 7	87,925,868.49	26,611,092.24	72,484,577.75	35,264,885.55
Current contract assets	8	354,751,136.14	375,298,037.91	28,341,170.80	37,090,634.96
Short-term loans to related company	5	-	-	40,000,000.00	-
Inventories	9	20,893,872.26	14,390,639.81	2,576,690.84	2,897,869.04
Other current assets	10	4,063,048.90	4,670,535.12	2,924,203.02	4,304,096.14
Total current assets		541,233,853.95	574,188,493.86	159,163,173.22	176,175,648.84
Non-current assets					
Restricted bank deposits	28.7	9,622,261.88	10,866,050.00	3,866,050.00	6,866,050.00
Investments in subsidiaries	11	-	-	978,985,600.00	164,799,900.00
Property, plant and equipment	12	242,019,150.11	159,044,206.47	118,016,248.32	128,790,343.18
Right-of-use assets	13	156,135,031.74	165,063,609.32	8,353,709.92	12,133,592.67
Goodwill	4	966,559,551.44	116,258,349.73	-	-
Other intangible assets	14	44,890,637.16	48,725,896.43	1,601,154.40	3,743,627.51
Deferred tax assets	15	10,215,445.19	5,273,135.77	1,529,212.18	1,348,433.96
Other non-current assets	28.2	63,860,678.22	15,046,394.73	5,857,328.13	4,555,979.71
Total non-current assets		1,493,302,755.74	520,277,642.45	1,118,209,302.95	322,237,927.03
Total assets		2,034,536,609.69	1,094,466,136.31	1,277,372,476.17	498,413,575.87

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Current liabilities					
Trade and other current payables	5, 16	149,145,378.86	45,948,684.18	31,391,325.21	15,919,447.71
Short-term loans from related person and companies	5	10,000,000.00	-	40,000,000.00	-
Current portion					
Long-term loans from financial institutions	17	126,000,000.00	-	126,000,000.00	-
Leases liabilities	18	8,545,815.16	8,671,351.36	4,319,315.95	5,566,682.66
Corporate Income tax		12,838,704.21	25,768,122.09	-	-
Other current provisions		-	1,658,911.91	-	-
Other current liabilities		17,776,568.00	1,550,546.32	544,734.34	1,189,031.19
Total current liabilities		324,306,466.23	83,597,615.86	202,255,375.50	22,675,161.56
Non - current liabilities					
Long-term loans from financial institutions	17	661,500,000.00	-	661,500,000.00	-
Leases liabilities	18	161,079,693.15	163,913,279.69	1,858,713.43	5,151,361.07
Employee benefit obligations	19	17,106,089.96	6,966,147.99	6,072,874.49	5,585,970.99
Deferred tax liabilities	15	-	5,577,066.21	-	-
Other non-current provisions	20	36,801,926.77	-	-	-
Deferred subsidies		3,637,497.39	4,236,989.02	-	-
Total non-current liabilities		880,125,207.27	180,693,482.91	669,431,587.92	10,737,332.06
Total liabilities		1,204,431,673.50	264,291,098.77	871,686,963.42	33,412,493.62

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Authorized share capital					
215,000,000 ordinary shares, Baht 0.50 par value		107,500,000.00	107,500,000.00	107,500,000.00	107,500,000.00
Issued and fully paid-up					
215,000,000 ordinary shares, Baht 0.50 par value		107,500,000.00	107,500,000.00	107,500,000.00	107,500,000.00
Premium on ordinary shares		262,690,733.19	262,690,733.19	262,690,733.19	262,690,733.19
Premium on treasury shares	21	558.00	-	558.00	-
Retained earnings					
Appropriated					
Legal reserve	22	10,750,000.00	10,750,000.00	10,750,000.00	10,750,000.00
Treasury shares reserve	21	13,262,888.00	13,286,810.00	13,262,888.00	13,286,810.00
Unappropriated		440,685,950.14	449,039,408.40	24,744,221.56	84,060,349.06
Treasury shares	21	(13,262,888.00)	(13,286,810.00)	(13,262,888.00)	(13,286,810.00)
Total attributable to company's shareholders		821,627,241.33	829,980,141.59	405,685,512.75	465,001,082.25
Non-controlling interests	11	8,477,694.86	194,895.95	-	-
Total shareholders' equity		830,104,936.19	830,175,037.54	405,685,512.75	465,001,082.25
Total liabilities and shareholders' equity		2,034,536,609.69	1,094,466,136.31	1,277,372,476.17	498,413,575.87

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Revenue from service	5	183,595,139.85	188,722,954.98	185,160,845.00	192,321,015.46
Revenue from hospital operations		486,016,740.77	451,110,879.24	-	-
Other incomes	5	7,040,228.07	11,369,596.72	4,003,040.96	15,534,518.45
Total revenues		676,652,108.69	651,203,430.94	189,163,885.96	207,855,533.91
Expenses					
Cost of service	5	114,596,220.69	119,833,841.69	114,596,220.69	122,843,641.69
Cost of hospital operations		312,338,749.52	185,011,466.38	-	-
Selling expenses		17,102,552.75	20,331,825.41	9,329,956.33	10,918,283.62
Administrative expenses	5	161,646,962.63	103,976,397.65	69,425,676.20	66,600,434.61
Total expenses		605,684,485.59	429,153,531.13	193,351,853.22	200,362,359.92
Profit from operating activities		70,967,623.10	222,049,899.81	(4,187,967.26)	7,493,173.99
Finance costs		36,486,936.24	10,821,182.15	26,683,734.46	806,303.01
Profit before (income) tax expenses		34,480,686.86	211,228,717.66	(30,871,701.72)	6,686,870.98
(Income) tax expenses	25	12,726,407.21	38,123,934.36	(423,182.22)	1,567,395.92
Profit (loss) for the year		21,754,279.65	173,104,783.30	(30,448,519.50)	5,119,475.06
Other comprehensive income :					
Item that will not be reclassified subsequently to profit or loss					
Gains on re-measurements of defined benefit plans, net of tax, net of income tax		-	5,074,334.80	969,616.00	4,014,899.20
Other comprehensive income for the year, net of income tax		-	5,074,334.80	969,616.00	4,014,899.20
Total comprehensive income (loss) for the year		21,754,279.65	178,179,118.10	(29,478,903.50)	9,134,374.26
Profit (loss) attributable to:					
Shareholders of the parent company		21,483,765.74	173,109,987.35	(30,448,519.50)	5,119,475.06
Non-controlling interests		270,513.91	(5,204.05)	-	-
		21,754,279.65	173,104,783.30	(30,448,519.50)	5,119,475.06
Total other comprehensive income (loss) attributable to:					
Shareholders of the parent company		21,483,765.74	178,184,322.15	(29,478,903.50)	9,134,374.26
Non-controlling interests		270,513.91	(5,204.05)	-	-
		21,754,279.65	178,179,118.10	(29,478,903.50)	9,134,374.26
Basic earnings (loss) per share					
Attributable to owners of the parent	26	0.10	0.81	(0.14)	0.02

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

INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

		Baht									
		Consolidated financial statements									
		Equity attributable to owners of the parent							Non-controlling interests	Total shareholders' equity	
		Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Retained earnings			Treasury shares			Total share holders' equity of the parent
					Appropriated to legal reserve	Appropriated to treasury shares reserve	Unappropriated				
Notes											
		107,500,000.00	262,690,733.19	-	10,750,000.00	13,286,810.00	463,454,996.25	(13,286,810.00)	844,395,729.44	-	844,395,729.44
		-	-	-	-	-	-	-	-	200,100.00	200,100.00
	23	-	-	-	-	-	(192,599,910.00)	-	(192,599,910.00)	-	(192,599,910.00)
Total comprehensive income for the year											
		-	-	-	-	-	173,109,987.35	-	173,109,987.35	(5,204.05)	173,104,783.30
		-	-	-	-	-	5,074,334.80	-	5,074,334.80	-	5,074,334.80
		107,500,000.00	262,690,733.19	-	10,750,000.00	13,286,810.00	449,039,408.40	(13,286,810.00)	829,980,141.59	194,895.95	830,175,037.54
Non-controlling interests in the subsidiaries											
	4	-	-	-	-	-	-	-	-	8,012,285.00	8,012,285.00
	23	-	-	-	-	-	(29,861,146.00)	-	(29,861,146.00)	-	(29,861,146.00)
	21	-	-	558.00	-	-	-	23,922.00	24,480.00	-	24,480.00
	21	-	-	-	-	(23,922.00)	23,922.00	-	-	-	-
Total comprehensive income for the year											
		-	-	-	-	-	21,483,765.74	-	21,483,765.74	270,513.91	21,754,279.65
		107,500,000.00	262,690,733.19	558.00	10,750,000.00	13,262,888.00	440,685,950.14	(13,262,888.00)	821,627,241.33	8,477,694.86	830,104,936.19

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

FOR THE YEAR ENDED DECEMBER 31, 2023

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Cash flows from operating activities</u>				
Profit (loss) before tax expenses	34,480,686.86	211,228,717.66	(30,871,701.72)	6,686,870.98
Adjustments to profit before tax expenses				
to cash provided by (used in) from operations:				
Allowance for expected credit losses (reversal)	35,023,534.46	4,295,570.15	503,660.54	(103,284.35)
Allowance for decline in value of inventories	43,929.66	-	-	-
Depreciation and amortization	42,337,884.32	35,767,294.53	17,394,225.37	20,266,636.65
(Gain) loss from write-off assets	1,133,121.11	(84,946.03)	989,960.00	89,088.31
Employee benefit expenses	2,685,260.08	1,648,682.00	1,698,923.50	1,392,182.00
Interest expense	36,486,936.24	10,821,182.15	26,683,734.46	806,303.01
Interest income	(1,024,663.83)	(426,490.78)	(2,114,885.98)	(366,427.02)
Profit from operations before changes in operating assets				
and liabilities	151,166,688.90	263,250,009.68	14,283,916.17	28,771,369.58
Changes in operating assets - (Increase) Decrease				
Trade and other current receivables	(52,799,842.76)	10,863,917.60	(37,510,246.38)	(627,274.84)
Current contract assets	9,330,438.79	(109,483,126.28)	8,706,220.81	10,561,216.76
Inventories	(3,053,090.19)	1,360,888.69	321,178.20	3,709,248.66
Other current assets	1,335,870.20	4,181,696.86	1,379,893.12	4,336,402.94
Other non - current assets	(13,636,872.71)	(7,343,100.00)	(1,301,348.42)	10,000.00
Changes in operating liabilities - Increase (Decrease)				
Trade and other current payables	26,800,995.57	(10,928,115.35)	15,471,877.50	(15,296,180.02)
Other current provisions	(1,658,911.91)	-	-	-
Other current liabilities	16,226,021.68	936,462.79	(644,296.85)	635,811.74
Other non-current provisions	-	(2,133,188.85)	-	(2,033,188.85)
Employee benefit paid	(380,194.02)	(152,448.00)	-	(152,448.00)
Deferred subsidies	(599,491.63)	(599,491.63)	-	-
Cash received by operating	132,731,611.92	149,953,505.51	707,194.15	29,914,957.97
Cash paid for income tax	(38,627,135.95)	(91,698,245.22)	-	(2,013,698.39)
Net cash provided by operating activities	94,104,475.97	58,255,260.29	707,194.15	27,901,259.58

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Cash flows from investing activities</u>				
Decrease in restricted bank deposits	2,991,380.94	-	3,000,000.00	-
Cash paid for purchase of investments in subsidiaries	-	-	-	(799,900.00)
Cash received from short-term loans to related company	-	-	-	3,000,000.00
Cash paid for short-term loans to related company	-	-	(40,000,000.00)	-
Cash paid in business acquisition	(842,545,997.17)	-	-	-
Cash paid for purchase of investments	-	-	(814,185,700.00)	-
Cash paid for purchase of property, plant and equipment	(28,615,783.61)	(19,618,497.31)	(595,034.65)	(4,488,336.45)
Cash paid advance for land rental	(30,000,000.00)	-	-	-
Cash received from sale of assets	-	2,581,408.41	-	1,880,158.88
Cash paid for purchase of intangible assets	(691,713.00)	(1,374,866.60)	-	(342,400.00)
Cash received from deposits of right-of-uses assets	-	924,853.00	-	924,853.00
Cash paid for deposits of right-of-uses assets	(201,000.00)	(1,799,000.00)	-	(1,145,000.00)
Cash received from interest	1,024,663.83	426,490.78	1,945,022.97	366,427.02
Cash received from dividend	-	-	-	192,598,395.00
Net cash provided by (used in) investing activities	(898,038,449.01)	(18,859,611.72)	(849,835,711.68)	191,994,197.45
<u>Cash flows from financing activities</u>				
Cash received from short-term loans from related person and company	10,000,000.00	-	40,000,000.00	-
Cash received long-term loans from financial institutions	800,000,000.00	-	800,000,000.00	-
Cash paid for financial cost of long-term loans	(2,000,000.00)	-	(2,000,000.00)	-
Cash paid for long-term loans from financial institutions	(10,500,000.00)	(6,072,468.78)	(10,500,000.00)	(6,072,468.78)
Cash paid for lease liabilities	(6,860,985.34)	(6,999,812.72)	(5,632,714.35)	(7,325,055.47)
Cash received from reissuance of treasury shares	24,480.00	-	24,480.00	-
Cash paid for dividend	(29,861,146.00)	(192,599,910.00)	(29,861,146.00)	(192,599,910.00)
Cash paid for interest	(36,486,936.24)	(10,821,182.15)	(26,683,734.46)	(806,303.01)
Cash received from share of non-controlling interests	300.00	200,100.00	-	-
Net cash provided by (used in) financing activities	724,315,712.42	(216,293,273.65)	765,346,885.19	(206,803,737.26)
Net increase (decrease) in cash and cash equivalents	(79,618,260.62)	(176,897,625.08)	(83,781,632.34)	13,091,719.77
Cash and cash equivalents at beginning of the year	153,218,188.78	330,115,813.86	96,618,163.15	83,526,443.38
Cash and cash equivalents at end of the year	73,599,928.16	153,218,188.78	12,836,530.81	96,618,163.15
<u>Additional disclosure items to cash flows statements</u>				
Non-cash transaction :				
Increase in right-of-uses assets	3,901,862.60	10,880,831.61	1,092,700.00	3,541,321.26
Purchase of shares that have not yet been paid	34,530,444.44	-	-	-

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

**INTERMADICAL CARE AND LAB HOSPITAL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

1. GENERAL INFORMATION

Intermedical Care and Lab Hospital Public Company Limited (“the Company”) was registered as a juristic person under the Civil and Commercial Code on July 8, 1996 and registered as a public limited company on June 21, 2018. The Company had sold the capital increase ordinary shares for the public offering and the Company’s ordinary shares had started trading on the Market for Alternative Investment (MAI) on December 26, 2019.

The Company is principally engaged in specialty medical hospital, occupational medicine with the registered address as follows:

Head office : 442 Bang Waek Road Bang Waek Sub-district, Pha-si-cha-roen District, Bangkok

Branch 1 : 444 Bang Waek Road Bang Waek Sub-district, Pha-si-cha-roen District, Bangkok

Branch 2 : 126/11-13 moo.3 Nong talueeng, Phanthong, Chonburi

Branch 3 : 9/61-62 moo.19 Khlong Nueng, Klong Luang, Pathumthani

Branch 4 : 60/29-30 moo.3 Map Yang Phon, Pluak Daeng, Rayong

Branch 5 : 96/11 moo.6 Khon Hua Lo, Mueang Chonburi , Chonburi

On August 10, 2022, the Board of Directors’ Meeting had a resolution to close the branch due to the expiration of the rental contract then it had to close the office branch No. 1/194-5 moo.5 Khan-ham, Uthai, Phra Nakhon Si Ayutthaya.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

2.1 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 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.

2.2 Basis for preparation of the consolidated financial statements

- a) The consolidated financial statements include the financial statements of Intermedical Care and Lab Hospital Public Company Limited and its subsidiaries are as follows:-

Name of Subsidiaries	Type of business	Head office	Percentage of holding (% of share capital)	
			2023	2022
<u>Subsidiaries held directly</u>				
1. Accusfas Lab Center Co., Ltd.	Hospital and clinic	Bangkok	99.99	99.99
2. IMH Bearing Hospital Co., Ltd.	Hospital and clinic (Pre-operating Stage)	Bangkok	79.99	79.99
3. IMH Silom Hospital Co., Ltd.	Hospital and clinic	Bangkok	99.97	-
<u>Subsidiaries held indirectly</u>				
1. Suksawat Medical Co., Ltd.	Hospital and clinic	Bangkok	99.99	99.99
2. Mahaesak Hospital Co., Ltd.	Hospital and clinic	Bangkok	79.97	-

On August 10, 2022, the Company has invested in the ordinary shares of IMH Bearing Hospital Company Limited and held 79.99% which is a new subsidiary. The Company has included the financial statements of the aforesaid subsidiary in the preparation of the consolidated financial statements since the third quarter of 2022 onwards.

On January 31, 2023, the Company acquired 0.01 million shares of IMH Silom Hospital Company Limited at Baht 100 per share, amounting to Baht 1.00 million. As a result, from such shares acquiring, the Company held 99.97 percent of shares in such company which was considered as a new subsidiary. The Company had taken the financial statements of such subsidiary to prepare the consolidated financial statements from the first quarter of 2023 onwards.

On May 31, 2023, the subsidiary had purchased the investment in Mahaesak Hospital Co., Ltd. for 3.20 million shares, amounted Baht 879.62 million. As a result, from such shares acquiring, the subsidiary had 79.97 percent shareholding in such company that was considered as a subsidiary. The Company had taken the financial statements of such subsidiary to be prepared the consolidated financial statements from May 31, 2023, onwards.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) These consolidated financial statements are prepared by including the financial statements of its subsidiaries under control by Intermedical Care And Lab Hospital Public Company Limited after eliminating inter-company transactions between the Company and its subsidiaries. Investments in the subsidiaries and the shareholders' equity of the subsidiaries has been eliminated from the consolidated financial statements.
- e) Accounting policy for subsidiary company will utilize the same policy as the parent company.

- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately from the portion of owners of the parent.

2.3 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

2.4 Revised financial reporting standards to be applied in the future

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Company and its subsidiaries have assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

3. ACCOUNTING POLICIES

3.1 Revenue recognition

Revenues from hospital operations, mainly consisting of medical fees, hospital room charge, and medicine charge, are recognized 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.

Revenues from hospital operation derived from the Social Security Office and the National Health Security Office, are recognized as income based on several expected service fee rates. And took into account criteria, procedures, and conditions set forth by the Office, including statistics on medical services and actual payments for medical services received from the Office.

Service income will be recorded as income by considering the stage of work completion.

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

Interest income is recognized on an accrual basis based on the effective interest rate.

Other income is recognized on an accrual basis based.

3.2 Expenses recognition

Expense are recognized on an accrual basis

3.3 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 3 months or less and not subject to withdrawal restrictions.

3.4 Trade receivables and allowance for expected credit loss

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

The allowance for expected credit losses is disclosed in Note 3.18.

3.5 Contract assets

Contract assets means the right that the Company will receive compensation in exchange for services the Company has already transferred to the customer. Such right will arise according to certain conditions that are not a matter of time elapsed.

3.6 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is calculated on First-out Method.

The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete the sale.

An allowance for decline in value of inventories is provided for all deteriorated, damaged, obsolete and slow-moving inventories.

3.7 Investments

Investments in subsidiaries are accounted for in the separate financial statements using the cost method net from allowance on impairment (if any).

3.8 Property, plant and equipment and depreciation

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

Expenditure related to improvement, life renewal or improvement of assets which will cause the present replacement prices of the assets materially increased will be combined as cost prices of assets. Given repairing fee and maintenance is recognized as expense in the accounting period that occurred.

The depreciation of building and equipment are calculated from cost by the straight line method according to the estimated useful lives as follows:

	<u>Estimated useful lives (years)</u>
Land improvement	10
Buildings and Asset under improvements	5 and 20
Medical and laboratory equipment	5 and 10
Office furnishings	5
Tools and office equipment	5
Vehicles	5 and 10

The Company and its subsidiaries do not depreciate for land, construction in progress.

The Company and its subsidiaries have reviewed the residual value and useful lives of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

Gain or loss from disposal of land, plant and equipment is computed from discrepancy between net cash received and book value and recognized as other revenue or other expenses in the statement of comprehensive income.

3.9 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

3.10 Goodwill

The Company and its subsidiaries use the acquisition method to account for business combinations and measure the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the Company and its subsidiaries measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

The Company and its subsidiaries account for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is the excess of the cost of the business combination over the Company's interest in the fair value of the identifiable net assets of the subsidiary. If the Company's interest in the fair value of the identifiable net assets of the subsidiary exceeds the cost of the business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is initially measured at cost at the acquisition date and after that it will be measured at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

3.11 Intangible assets and amortization

Intangible assets are stated at cost less accumulated amortization and allowance for impairment of assets (if any).

Intangible assets acquired through business combination are initially recognized at their fair value on the date of business acquisition while other intangible assets acquired in other cases are recognized at cost.

Intangible assets with finite lives are amortized based on the straight-line method over the economic useful live and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charge to the statement of profit or loss.

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

	<u>Useful lives (years)</u>
Software license	5
Customer lists	21

No amortization is provided on software in progress.

3.12 Leases

At inception of a contract, the Company and its subsidiaries assess 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 and its subsidiaries assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases 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 exercise 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.

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 its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiaries use 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 and its subsidiaries apply 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.

3.13 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to the compensation of costs are deferred and recognized in the income statement over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

3.14 Provisions

Provisions are recognized when the Company and its subsidiaries have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company and its subsidiaries expect a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

3.15 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognize salary, wage, bonus and contributions to social security fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its subsidiaries 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 and its subsidiaries have obligation in respect of the severance payments that it must pay to the employees upon retirement under the labor law. 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.

3.16 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.17 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and its subsidiaries record income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 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.

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 expenses 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 and its subsidiaries 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 and its subsidiaries 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.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.18 Financial instruments

Classification and measurement of financial assets

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

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. Financial assets that are measured at fair value through profit or loss, transaction costs 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.

- 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 when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income 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 and its subsidiaries are 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.

Derivative

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

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.

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 and its subsidiaries use the general approach in considering the allowance for loss on impairment. For trade receivables, The Company and its subsidiaries apply a simplified approach in calculating ECLs. The Company and its subsidiaries recognize a loss 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.

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.

3.19 Fair value of financial instruments

The Company and its subsidiaries use 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.

3.20 Significant accounting judgements and estimates

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

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 prevailing economic condition.

Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales in profit or loss.

Determining the lease term of contracts with renewal and termination options

The Company and its subsidiaries determine 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 and its subsidiaries reassess 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.

Determination of the Incremental Rate

The Company and its subsidiaries are unable to determine the interest rate implicit in the lease. Therefore, management is required to exercise judgement in determining the Company and its subsidiaries' incremental rate in determining the lease liability. The incremental rate is the interest

rate of the Company and its subsidiaries' loans to acquire assets of close value to the right-of-use assets in a similar economic circumstance. The term and collateral are similar.

Depreciation of property plant and equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible assets, 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 and right-of-use assets and intangible assets 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 and intangible assets

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

Deferred tax assets

Deferred tax assets are 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 estimate 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.

4. BUSINESS ACQUISITION

On January 9, 2023, the Company signed an agreement to buy and sell shares of Mahaesak Hospital Co., Ltd., which operated the hospital business in the amount of 3.63 million shares, or 90.77 percent of shares held by existing shareholders. The total amount was Baht 998.42 million. As at the agreement date, the Company had paid a deposit of Baht 30 million for shares. Afterwards, the Company had entered into an

additional memorandum of agreement with IMH Silom Hospital Co., Ltd., a subsidiary, as the purchaser of such shares on behalf of the Company.

On May 12, 2023, the Company entered into a memorandum of agreement to amend the agreement to buy and sell shares. The Company agreed to purchase the Company's ordinary shares of Mahaesak Hospital Co., Ltd. in the amount of 3.20 million shares, or 79.97 percent of shareholding, totaling Baht 879.92 million.

Subsequently, on May 31, 2023, the subsidiary had completed the purchase of shares in such company. The subsidiary had paid for the purchase of shares amounted Baht 845.09 million. The balance was payable in cheque amounting to Baht 34.53 million.

This business acquisition was under the condition in accordance with TFRS 3: Business Combinations, which required that identifiable assets, liabilities and contingent liabilities as at the acquisition date were recorded at fair value within the measurement period which had to be not exceed 12 months from the business acquisition date. The subsidiary hired an independent appraiser to determine the fair value of the acquired assets and liabilities from the acquisition date to reflect the results of additional information obtained about the facts and circumstances that existed as at the acquisition date.

For the preparation of the consolidated financial statement for the year ended December 31, 2023, the Company used net assets value from financial statement as at May 31, 2023 (the acquisition date) of the company and other relevant factors, which may affect such information, as the consideration received from this business acquisition, and measured components of non-controlling interests by considering net assets value according to its proportionate ownership and recorded the difference amount between the purchase price and the value of consideration received in the goodwill.

Details of net assets received and goodwill incurred as at the acquisition date were as follows:

	Baht
Return used in purchase	879,615,000.00
Net assets acquired	29,313,798.29
Goodwill	850,301,201.71

Acquired assets and liabilities as at acquisition date were as follows:

	Baht
Cash and cash equivalents	2,538,558.39
Trade and other current receivables	11,026,903.18
Current contract assets	21,295,101.79
Inventories	3,494,071.92
Other current assets	728,383.98
Restricted bank deposits	1,747,592.82

	Baht
Land, buildings and equipment	79,649,878.62
Other intangible assets	621,874.39
Deferred income tax assets	1,718,229.51
Other non-current assets	1,007,246.04
Trade and other current payables	(41,865,254.67)
Employee benefit obligations	(7,834,875.91)
Other non-current liabilities	(36,801,926.77)
Net assets	37,325,783.29
<u>Less</u> Non-controlling equity of the subsidiary	(8,011,985.00)
Net assets acquired	29,313,798.29
<u>Add</u> Goodwill	850,301,201.71
Total return used in purchase	879,615,000.00
<u>Less</u> Cash and cash equivalents of the subsidiary	(2,538,558.39)
Undue cheque paid	(34,530,444.44)
Net cash used in business acquisition	842,545,997.17

The goodwill as at December 31, 2023 and 2022 in the consolidated financial statements were as follows:

	Baht	
Name of the company	2023	2022
1. Suksawat Medical Co., Ltd.		
By Accufas Lab Center Co., Ltd.	116,258,349.73	116,258,349.73
2. Mahaesak Hospital Co., Ltd.		
By IMH Silom Hospital Co., Ltd.	850,301,201.71	-
	966,559,551.44	116,258,349.73

5. RELATED PARTIES TRANSACTIONS

The Company and its subsidiaries have certain transactions with its related parties. These companies are related through common shareholdings and/or directorships. The effects of these transactions are reflected in the accompanying financial statements on the basis mutual determined by the Company and related parties.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Company/Group are as follows:

Related parties	Nature of relationships
1. Subsidiaries held directly	
1.1 Accufas Lab Center Co., Ltd.	99.99% shareholding
1.2 IMH Bearing Hospital Co., Ltd.	79.99% shareholding
1.3 IMH Silom Hospital Co., Ltd.	99.97% shareholding
2. Subsidiaries held indirectly	
2.1 Suksawat Medical Co., Ltd.	99.99% shareholding
2.2 Mahaesak Hospital Co., Ltd.	79.97% shareholding
3. Related company	
3.1 Ongkharak Hospital	Common Directors
3.2 University of the Thai Chamber of Commerce	Common Directors
3.3 Singha Estate Public Company Limited	Common Directors
3.4 Muang Thai Insurance Public Company Limited	Common Directors
3.5 Capital Plus Advisory Co., Ltd.	Common Directors
3.6 Siam City Leasing and Factoring Public Company Limited	Common Directors
3.7 Primo Trading Co., Ltd.	Common Directors
4. Related person	
4.1 Assoc. Prof. Dr.Thanavath Phonvichai	Chairman of the Board
4.2 Mr. Sittiwat Kamkatwong	Director
4.3 Miss Poramaporn Pavarojkit	Director
4.4 Mr. Thibdee Mangkali	Director

The Company had significant business transactions with subsidiary companies, related companies and related persons. Such transactions, which have been concluded on commercial terms and bases agreed upon between the Company, subsidiary companies, related companies and related persons and are in ordinary course of business are summarized below:

5.1 Inter-revenues and expenses

	Baht				Pricing Policy
	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	
Inter-transaction with subsidiaries companies					
(Eliminated from consolidate financial statements)					
Service income	-	-	1,565,705.15	588,260.48	Mutually agreed price
Office rental income	-	-	-	149,513.70	Contract price
Management income	-	-	-	700,000.00	Mutually agreed price
Interest income	-	-	1,868,493.12	57,106.88	Market price
Other income	-	-	116,227.00	11,439,929.72	Mutually agreed price
Interest expense	-	-	566,013.68	-	Market price
Other expenses	-	-	50,000.00	-	Mutually agreed price
Cost of service	-	-	-	3,009,800.00	Market price
Area rental	-	-	-	246,728.97	Contract price
Inter-transaction with related companies					
Service income	281,100.00	373,620.00	281,100.00	373,620.00	Mutually agreed price
Advisor fee	-	7,169,000.00	-	5,885,000.00	Contract price

5.2 Inter outstanding

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade and other current receivables - (Note 7)				
Subsidiaries	-	-	19,719,641.74	12,111,383.14
	-	-	19,719,641.74	12,111,383.14

Short-term loans to related company

For the year ended December 31, 2023 the movement of short-term loans to related company were as follows:

	Baht		
	Separate financial statements		
	As at December 31, 2022	Transaction during the year	As at December 31, 2023
		Increase	Settlement
IMH Bearing Hospital Co., Ltd.	-	40,000,000.00	-
Total	-		40,000,000.00

Such loan was in promissory notes at the interest rate of 5.00% per annum due at call and without collateral.

Short-term loans from related person and company

For the year ended December 31, 2023, the movement of short-term loans from related person and company were as follows:

		Baht		
		Consolidated financial statements		
	As at December	Transaction during the year		As at December
	31, 2022	Increase	Payment	31, 2023
Director	-	10,000,000.00	-	10,000,000.00
Total	-			10,000,000.00

		Baht		
		Separate financial statements		
	As at December	Transaction during the year		As at December
	31, 2022	Increase	Payment	31, 2023
Accusfas Lab Center Co., Ltd.	-	40,000,000.00	-	40,000,000.00
Total	-			40,000,000.00

Such loan was in promissory notes at the interest rate of 5.35 - 5.60% per annum due at call and without collateral.

Management remuneration

Management remuneration for the years ended December 31, 2023 and 2022, were as follows:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Short-term employee benefits		23,138,133.00	25,101,648.44	11,634,000.00	13,872,000.00
Post-employment benefits		727,718.00	535,290.00	727,718.00	535,290.00
Total		23,865,851.00	25,636,938.44	12,361,718.00	14,407,290.00

6. CASH AND CASH EQUIVALENTS

Consisted of:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash on hand		1,244,550.37	710,954.00	430,102.00	318,193.00
Cheque on hand		157,043.00	675,601.40	157,043.00	675,601.40
Bank deposits - current accounts		7,910,299.91	14,947,850.19	607,566.30	204,398.02
Bank deposits - saving accounts		64,288,034.88	136,883,783.19	11,641,819.51	95,419,970.73
Total		73,599,928.16	153,218,188.78	12,836,530.81	96,618,163.15

Bank deposits - current accounts with credit balance, the Subsidiaries has made an agreement to allow the bank to automatically transfer funds from savings account to such current account, in case of an overdraft.

7. TRADE AND OTHER CURRENT RECEIVABLES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties</u>				
Trade receivables can be classified by age analysis as follows				
Past due less than 3 months	-	-	229,811.18	296,803.24
Past due over 3 months	-	-	588,327.31	-
Total trade receivables - related parties	-	-	818,138.49	296,803.24
<u>Trade receivables - unrelated parties</u>				
Note received	-	26,160.00	-	26,160.00
Trade receivables can be classified by age analysis as follows				
Not yet due	48,154,930.66	16,184,864.89	30,002,256.16	15,954,520.59
Past due				
Less than 3 months	27,680,523.01	7,852,546.08	20,569,632.01	5,116,742.08
3 - 6 months	6,419,578.20	1,077,131.00	981,575.20	1,077,131.00
6 - 12 months	3,309,759.95	175,741.00	206,648.00	68,305.00
Over 12 months	4,336,919.00	778,462.00	910,822.00	628,462.00
Total	89,901,710.82	26,094,904.97	52,670,933.37	22,871,320.67
<u>Less Allowance for expected credit losses</u>	<u>(4,057,773.75)</u>	<u>(789,532.40)</u>	<u>(1,249,949.59)</u>	<u>(789,532.40)</u>
Total trade receivables - unrelated parties	85,843,937.07	25,305,372.57	51,420,983.78	22,081,788.27
Total trade receivables - net	85,843,937.07	25,305,372.57	52,239,122.27	22,378,591.51
<u>Other current receivable - related parties</u>				
Other receivables	-	-	18,901,503.25	11,814,579.90
Total other current receivables - related parties	-	-	18,901,503.25	11,814,579.90
<u>Other current receivables - unrelated parties</u>				
Prepaid insurance	688,576.03	396,678.46	625,078.55	337,499.03
Prepaid expenses	578,142.76	243,666.21	27,376.28	68,840.11
Employee loan receivables	595,152.00	665,030.00	591,300.00	665,030.00
Other	220,060.63	345.00	100,197.40	345.00
Total other current receivables - unrelated parties	2,081,931.42	1,305,719.67	1,343,952.23	1,071,714.14
Total other receivables	2,081,931.42	1,305,719.67	20,245,455.48	12,886,294.04
Total trade and other current receivables - net	87,925,868.49	26,611,092.24	72,484,577.75	35,264,885.55

For the years ended December 31, 2023 and 2022, the movement of allowance for expected credit losses were as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	(789,532.40)	(1,214,591.92)	(789,532.40)	(985,271.62)
Increase from business acquisition	(756,271.66)	-	-	-
(Increase) decrease during the year	(2,511,969.69)	47,414.72	(460,417.19)	(181,905.58)
Write off for the year	-	377,644.80	-	377,644.80
Ending balance	<u>(4,057,773.75)</u>	<u>(789,532.40)</u>	<u>(1,249,949.59)</u>	<u>(789,532.40)</u>

8. CURRENT CONTRACT ASSETS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Hospital				
Past due less than 12 months	118,237,999.31	282,632,951.89	-	-
Past due over 12 months but less than 24 months	245,268,462.27	60,202,625.88	-	-
Occupational Medicine Hospital				
Past due less than 12 months	28,476,869.00	37,183,089.81	28,476,869.00	37,183,089.81
Total	391,983,330.58	380,018,667.58	28,476,869.00	37,183,089.81
<u>Less</u> Allowance for expected credit losses	<u>(37,232,194.44)</u>	<u>(4,720,629.67)</u>	<u>(135,698.20)</u>	<u>(92,454.85)</u>
Current contract assets - net	<u>354,751,136.14</u>	<u>375,298,037.91</u>	<u>28,341,170.80</u>	<u>37,090,634.96</u>

For the years ended December 31, 2023 and 2022, the movement of allowance for expected credit losses were as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	(4,720,629.67)	-	(92,454.85)	-
(Add) Less during the year	<u>(32,511,564.77)</u>	<u>(4,720,629.67)</u>	<u>(43,243.35)</u>	<u>(92,454.85)</u>
Ending balance	<u>(37,232,194.44)</u>	<u>(4,720,629.67)</u>	<u>(135,698.20)</u>	<u>(92,454.85)</u>

Hospital

The current contract assets as the accrued medical treatment income. The management of the subsidiary makes an estimation of accrued income based on the amount of the latest actual collection together with the current circumstances which have the reimbursements in accordance with terms and conditions stipulated by Social Security Office and National Health Security Office Hospital. The payment for the accrued medical treatment income is subject to the medical treatment payment policy of the relevant office.

Accrued medical service income, as follows:

	Baht	
	2023	2022
<u>Social Security Office</u>		
Accrued income from medical service for patients with risk case	22,285,950.73	2,073,431.53
Accrued income from medical services for patients with high-cost diseases	21,415,442.65	1,250,085.60
Income from medical services for patients with coronavirus disease 2019	57,531,714.25	106,005,332.50
Other accrued medical service income	16,602,606.19	3,645,707.17
	<u>117,835,713.82</u>	<u>112,974,556.80</u>
<u>National Health Security Office</u>		
Accrued medical service income	183,277,064.39	151,477,480.08
Income from medical services for patients with coronavirus disease 2019	62,393,683.37	78,383,540.89
	<u>245,670,747.76</u>	<u>229,861,020.97</u>
Total	<u>363,506,461.58</u>	<u>342,835,577.77</u>

9. INVENTORIES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Medical supplies	3,863,352.00	3,716,166.65	2,336,609.25	2,640,885.65
Medicine and Medical supplies	17,074,449.92	10,674,473.16	240,081.59	256,983.39
Total	20,937,801.92	14,390,639.81	2,576,690.84	2,897,869.04
<u>Less</u> Allowance for decline in value of inventories	(43,929.66)	-	-	-
Inventories - net	<u>20,893,872.26</u>	<u>14,390,639.81</u>	<u>2,576,690.84</u>	<u>2,897,869.04</u>

10. OTHER CURRENT ASSETS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deposits	2,416,580.00	3,730,478.00	2,416,580.00	3,730,478.00
Office supplies	1,646,468.90	940,057.12	507,623.02	573,618.14
Total	<u>4,063,048.90</u>	<u>4,670,535.12</u>	<u>2,924,203.02</u>	<u>4,304,096.14</u>

11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as represented in separate financial statements, as follows:

Name of subsidiaries	Paid up share capital		Percentage of shareholding (%)		Cost method	
	(Thousand Baht)				(Thousand Baht)	
	2023	2022	2023	2022	2023	2022
1. Accufas Lab Center Co., Ltd.	164,000	164,000	99.99	99.99	164,000	164,000
2. IMH Bearing Hospital Co., Ltd.	1,000	1,000	79.99	79.99	800	800
3. IMH Silom Hospital Co., Ltd.	814,186	-	99.99	-	814,186	-
Total					978,986	164,800

Dividend from subsidiary company for the years ended December 31, 2023 and 2022 were as follows:

Name of subsidiaries	Type of Business	Relationship	Thousand Baht	
			Separate financial statements	
			2023	2022
Accufas Lab Center Co., Ltd.	Hospital	Shareholders/co-directors	-	-
IMH Bearing Hospital Co., Ltd.	Hospital	Shareholders/co-directors	-	-
IMH Silom Hospital Co., Ltd.	Hospital	Shareholders/co-directors	-	-

The subsidiaries that have material non-controlling interests

The Company has consolidated two subsidiaries that have material non-controlling interest as follows:

Name of subsidiary	Proportion of ownership		Baht			
	interests and voting rights held by		comprehensive income (loss)		Accumulated non-controlling	
	non-controlling interests (%)		allocated to non-controlling interests		interests	
	2023	2022	2023	2022	2023	2022
IMH Silom Hospital Co., Ltd.	0.01	0.01	234,421.26	-	8,787,734.08	-
IMH Bearing Hospital Co., Ltd.	20.01	20.01	(504,935.17)	(5,204.05)	(310,039.22)	194,895.95
			(270,513.91)	(5,204.05)	8,477,694.86	194,895.95

Summarized financial information in respect of the subsidiaries represents amounts before intragroup eliminations, as follows :

	Baht			
	IMH Silom Hospital Co., Ltd.		IMH Bearing Hospital Co., Ltd.	
	2023	2022	2023	2022
Current assets	108,093,823.57	-	330,007.00	1,000,202.78
Non-current assets	87,760,033.72	-	51,493,346.00	-
Current liabilities	156,363,822.59	-	53,372,774.34	26,210.00
Non-current liabilities	46,121,140.24	-	-	-
Non-Controlling interests	8,787,734.08	-	(310,039.22)	194,895.95
Revenue	150,293,246.78	-	-	-
Profit (loss) attributable to the non-controlling interests	234,421.26	-	(504,935.17)	(5,204.05)
Other comprehensive income (loss) to the non-controlling interests	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-
Net cash flows (used in) from operating activities	39,722,243.05	-	(37,089,642.06)	200.75
Net cash flows (used in) from investing activities	(879,623,619.06)	-	(16,580,600.00)	-
Net cash flows (used in) from financing activities	849,186,000.00	-	53,000,000.00	1,000,000.00
Net cash flows increase (decrease)	9,284,623.99	-	(670,242.06)	1,000,200.75

Investment in Accusfas Lab Center Co., Ltd.

At the Board of Directors' Meeting Intermedical Care and Lab Hospital Public Company Limited No.3/2022 held on August 10, 2022, it had the resolution to approve the sale of all ordinary shares of Suksawat Medical Center Co., Ltd., a subsidiary of the company, to Accusfast Lab Center, which is the subsidiary of the company at the price not over Baht 161 million (equals to the cost of the company) and approve Accus fast Lab Center Co., Ltd. to purchase related assets to the hospital business operation from Suksawat Medical Center Co., Ltd. including receiving the transfer of the hospital business operating license (Sor.Por.7) and related personnel and starting to operate the hospital in place of Suksawat Medical Center Co., Ltd. The asset purchase/selling price is not over the book value of the transaction date and set the buying/selling date not later than September 22, 2022 or other date agreed by the parties. This transaction was completed on October 1, 2022.

And at the Board of Directors' Meeting No.4/2022 held on October 25, 2022, it had the resolution to approve the registered capital increase of Accus fast Lab Center Co., Ltd. as the subsidiary of the company in the amount of Baht 161 million from former registered capital Baht 3 million to Baht 164 million by issuing capital increase ordinary shares 16,100,000 shares at Baht 10 per share (par value). Accusfast Lab Center Co., Ltd. will use the fund from this capital increase for paying the consideration on ordinary shares purchase of Suksawat Medical Center Co., Ltd. After the capital increase and purchase of shares, Suksawat Medical Center Co., Ltd. will become the direct subsidiary of Accu Fast Lab Center Co., Ltd. and an indirect subsidiary of the company. It is transaction was completed on October 1, 2022. However, such transaction does not affect the consolidated financial statements of the company as it is a business restructuring under the common control.

On October 1, 2023, Accufast Lab Center Company Limited and Suksawat Medical Center Co., Ltd. entered into a cooperation agreement to operate a medical facility business under the name of IMH Thonburi Hospital. Accufast Lab Center Company Limited agreed to share benefits from net profits according to the financial statements starting from October 1, 2023 to November 30, 2050.

Investment in IMH Bearing Hospital Co., Ltd.

On August 10, 2022, the Company invested in the ordinary shares of IMH Bearing Co., Ltd., a new established company. Such company has registered capital Baht 1 million. The Company held shares in such company at 79.99 percent of the shares issued and paid up. The shares are called for paid up 100 percent of the registered ordinary shares 10,000 shares at Baht 100 per share. Such company has been registered as company limited with Ministry of Commerce on August 10, 2022.

Investment in IMH Silom Hospital Co., Ltd.

On January 26, 2023, the Company invested in the ordinary shares of IMH Silom Co., Ltd., a new established company. Such company has registered capital Baht 1 million. The Company held shares in such company at 99.97 percent of the shares issued and paid up amounted Baht 0.25 million. The shares are called for paid up 25 percent of the registered ordinary shares 10,000 shares at Baht 100 per share. Such company has been registered as company limited with Ministry of Commerce on January 31, 2023. Later on May 31, 2023, the Company had repaid the total shares fee at 75 percent of the ordinary shares.

On May 31, 2023, the Company had invested to purchase the capital increase shares in IMH Silom Hospital Co., Ltd. for 9,999,000 shares amounted Baht 999.00 million. The Company had repaid the total shares fee amounted Baht 813.94 million. The shareholding of the Company in such company was 99.97 percent of the issued and paid-up shares of such company.

Investment in Mahaesak Hospital Co., Ltd.

On May 31, 2023, the subsidiary - IMH Silom Hospital Co., Ltd. had purchased the investment in Mahaesak Hospital Co., Ltd. for 3.20 million shares, amounted Baht 879.62 million. As a result, from such shares acquiring, the subsidiary had 79.97 percent shareholding in such company that was considered as an indirectly subsidiary.

On August 16, 2023, the subsidiary - Mahaesak Hospital Co., Ltd. entered into asset purchase/sale agreement with the subsidiary - IMH Silom Hospital Co., Ltd. which is a company under the same group according to the detail of the shareholding restructure of the company group. The asset purchase price is set to not exceed the book value on the transaction date and the completion date is August 31, 2023. After selling the assets and transferring the hospital operating license (Sor.Por.7) and the personnel of such business from Mahaesak Hospital Co., Ltd. IMH Silom Hospital Co., Ltd. will begin operating the hospital in place of Mahaesak Hospital Co., Ltd. and the management of the subsidiary - Mahaesak Hospital Co., Ltd. is under selection of appropriate business for further operation of the business.

12. PROPERTY, PLANT AND EQUIPMENT

Consisted of:

	Baht				
	Consolidated financial statements				
	Balance as at	Transactions during the year			Balance as at
	December 31, 2022	Increase	Decrease	Transfer in (Transfer out)	December 31, 2023
				Increase from Business Acquisition (Note 4)	
<u>Cost</u>					
Land and land improvement	35,319,713.34	-	-	-	28,671,870.45
Building and building improvements	131,482,616.32	662,007.80	-	5,696,898.23	75,408,052.85
Medical and laboratory equipment	157,720,382.89	3,578,901.12	(19,203,561.47)	90,251.56	101,632,934.68
Office tools	18,055,927.80	1,788,401.93	(4,571,427.36)	3,838.00	58,108,512.78
Office furnishings	14,996,183.62	1,873,725.09	(1,326,276.42)	347,070.00	32,757,446.33
Vehicle	11,938,304.18	-	(843,925.23)	-	5,106,650.00
Asset under construction	4,781,605.06	20,712,747.67	-	(6,138,057.79)	3,839,406.05
Total cost	374,294,733.21	28,615,783.61	(25,945,190.48)	-	305,524,873.14
<u>Less Accumulated depreciation</u>					
Land improvement	-	-	-	-	(319,166.00)
Building and improvements building	(39,939,430.11)	(8,036,557.47)	-	-	(63,203,546.87)
Medical and laboratory equipment	(137,301,154.41)	(9,192,514.29)	19,066,296.19	-	(89,788,154.43)
Office tools	(12,842,220.25)	(3,024,919.06)	4,565,413.53	-	(55,063,397.99)
Office furnishings	(13,464,410.59)	(4,499,056.75)	1,326,185.42	-	(13,509,589.59)
Vehicle	(11,703,311.38)	(394,299.91)	843,924.23	-	(3,991,139.64)
Total accumulated depreciation	(215,250,526.74)	(25,147,347.48)	25,801,819.37	-	(225,874,994.52)
Property, plant and equipment - net	159,044,206.47				242,019,150.11

	Baht				
	Consolidated financial statements				
	Balance as at	Transactions during the year			Balance as at
	December 31, 2021	Increase	Decrease	Transfer in (Transfer out)	December 31, 2022
<u>Cost</u>					
Land	35,319,713.34	-	-	-	35,319,713.34
Building and building improvements	119,021,009.60	1,231,669.82	-	11,229,936.90	131,482,616.32
Medical and laboratory equipment	174,315,009.84	2,769,612.04	(21,659,568.13)	2,295,329.14	157,720,382.89
Office tools	15,861,547.80	1,822,607.69	(262,967.69)	634,740.00	18,055,927.80
Office furnishings	14,937,799.61	530,695.00	(663,310.99)	191,000.00	14,996,183.62
Vehicle	15,768,304.18	-	(3,830,000.00)	-	11,938,304.18
Asset under construction	6,485,698.34	13,263,912.76	(617,000.00)	(14,351,006.04)	4,781,605.06
Total cost	381,709,082.71	19,618,497.31	(27,032,846.81)	-	374,294,733.21
<u>Less Accumulated depreciation</u>					
Building and building improvements	(33,939,460.71)	(5,999,969.40)	-	-	(39,939,430.11)
Medical and laboratory equipment	(148,291,454.81)	(10,152,840.70)	21,143,141.10	-	(137,301,154.41)
Office tools	(10,780,203.49)	(2,315,116.47)	253,099.71	-	(12,842,220.25)
Office furnishings	(13,588,192.28)	(533,687.03)	657,468.72	-	(13,464,410.59)
Vehicle	(13,469,480.20)	(716,506.08)	2,482,674.90	-	(11,703,311.38)
Total accumulated depreciation	(220,068,791.49)	(19,718,119.68)	24,536,384.43	-	(215,250,526.74)
Property, plant and equipment - net	161,640,291.22				159,044,206.47

	Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		
	December 31, 2022	Increase	Decrease	Transfer in (Transfer out) December 31, 2023
<u>Cost</u>				
Land	35,319,713.34	-	-	-
Building and building improvements	107,172,875.67	-	-	-
Medical and laboratory equipment	110,031,818.66	204,910.00	(14,068,269.54)	-
Office tools	10,658,210.35	365,424.65	(1,966,264.06)	-
Office furnishings	10,268,005.69	24,700.00	(1,017,661.42)	-
Vehicle	8,029,596.03	-	-	-
Asset under construction	783,240.00	-	-	-
Total cost	282,263,459.74	595,034.65	(17,052,195.02)	-
<u>Less Accumulated depreciation</u>				
Building and building improvements	(27,458,865.81)	(5,358,640.11)	-	-
Medical and laboratory equipment	(100,840,195.02)	(4,383,394.10)	14,068,224.54	-
Office tools	(7,475,929.46)	(1,357,402.30)	1,966,181.06	-
Office furnishings	(9,668,541.24)	(269,483.00)	1,017,579.42	-
Vehicle	(8,029,585.03)	-	-	-
Total accumulated depreciation	(153,473,116.56)	(11,368,919.51)	17,051,985.02	-
Property, plant and equipment - net	128,790,343.18			118,016,248.32

	Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		
	December 31, 2021	Increase	Decrease	Transfer in (Transfer out) December 31, 2022
<u>Cost</u>				
Land	35,319,713.34	-	-	-
Building and building improvements	102,572,367.57	163,142.90	-	4,437,365.20
Medical and laboratory equipment	108,638,544.89	38,000.00	-	1,355,273.77
Office tools	9,323,642.43	885,167.92	-	449,400.00
Office furnishings	10,621,776.68	185,445.00	(539,215.99)	-
Vehicle	11,859,596.03	-	(3,830,000.00)	-
Asset under construction	4,425,698.34	3,216,580.63	(617,000.00)	(6,242,038.97)
Total cost	282,761,339.28	4,488,336.45	(4,986,215.99)	-
<u>Less Accumulated depreciation</u>				
Building and building improvements	(22,140,717.79)	(5,318,148.02)	-	-
Medical and laboratory equipment	(95,291,098.94)	(5,549,096.08)	-	-
Office tools	(6,082,736.98)	(1,393,192.48)	-	-
Office furnishings	(9,909,224.28)	(293,610.86)	534,293.90	-
Vehicle	(10,044,353.68)	(467,906.25)	2,482,674.90	-
Total accumulated depreciation	(143,468,131.67)	(13,021,953.69)	3,016,968.80	-
Property, plant and equipment - net	139,293,207.61			128,790,343.18

As at December 31, 2023 and 2022, the Company and its subsidiaries had assets with the depreciation fully calculated but still in use which had a cost value of Baht 333.51 million and Baht 156.47 million, respectively. (Separate: Baht 99.00 million and Baht 106.68 million, respectively).

As at December 31, 2023 and 2022, the Company and its subsidiaries have mortgaged their land and structures thereon with the net book value, amounting to Baht 91.92 million and Baht 66.35 million, respectively as collateral long-term loans from financial institutions.

13. RIGHT-OF-USE ASSETS

13.1 Right-of-use assets consists of:

	Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	December	Addition	Change in	December
	31, 2022		conditions/written-off	31, 2023
At cost				
Land	5,335,823.22	-	-	5,335,823.22
Building	163,997,460.13	2,066,812.60	-	166,064,272.73
Vehicles	13,357,873.06	-	(1,201,008.06)	12,156,865.00
Office supplies	333,161.25	1,092,700.00	(55,639.99)	1,370,221.26
The medical instruments	-	943,350.00	-	943,350.00
Total	183,024,317.66	4,102,862.60	(1,256,648.05)	185,870,532.21
Less Accumulated depreciation				
Land	(2,382,233.85)	(1,631,158.03)	-	(4,013,391.88)
Building	(11,446,575.65)	(7,996,881.33)	-	(19,443,456.98)
Vehicles	(4,001,347.26)	(3,124,810.33)	1,201,008.06	(5,925,149.53)
Office supplies	(130,551.58)	(203,397.43)	55,639.99	(278,309.02)
The medical instruments	-	(75,193.06)	-	(75,193.06)
Total	(17,960,708.34)	(13,031,440.18)	1,256,648.05	(29,735,500.47)
Right-of-use assets - net	165,063,609.32			156,135,031.74

	Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	December	Addition	Change in	December
	31, 2021		conditions/written-off	31, 2022
At cost				
Land	8,829,565.86	-	(3,493,742.64)	5,335,823.22
Building	160,538,262.97	7,993,510.35	(4,534,313.19)	163,997,460.13
Vehicles	11,694,697.70	4,580,000.00	(2,916,824.64)	13,357,873.06
Office supplies	553,719.08	106,321.26	(326,879.09)	333,161.25
Total	181,616,245.61	12,679,831.61	(11,271,759.56)	183,024,317.66
Less Accumulated depreciation				
Land	(3,649,970.14)	(2,226,006.35)	3,493,742.64	(2,382,233.85)
Building	(8,522,899.62)	(6,562,989.22)	3,639,313.19	(11,446,575.65)
Vehicles	(3,844,456.23)	(3,073,715.67)	2,916,824.64	(4,001,347.26)
Office supplies	(273,362.50)	(154,215.17)	297,026.09	(130,551.58)
Total	(16,290,688.49)	(12,016,926.41)	10,346,906.56	(17,960,708.34)
Right-of-use assets - net	165,325,557.12			165,063,609.32

	Baht		
	Separate financial statements		
	Balance as at	Transactions during the year	Balance as at
	December 31, 2022	Addition Change in conditions/written-off	December 31, 2023
<u>At cost</u>			
Land	4,783,125.00	-	4,783,125.00
Vehicles	13,357,873.06	-	12,156,865.00
Office supplies	333,161.25	1,092,700.00	1,370,221.26
Total	18,474,159.31	1,092,700.00	18,310,211.26
<u>Less Accumulated depreciation</u>			
Land	(2,208,667.80)	(1,544,374.99)	(3,753,042.79)
Vehicles	(4,001,347.26)	(3,124,810.33)	(5,925,149.53)
Office supplies	(130,551.58)	(203,397.43)	(278,309.02)
Total	(6,340,566.64)	(4,872,582.75)	(9,956,501.34)
Right-of-use assets - net	12,133,592.67		8,353,709.92

	Baht		
	Separate financial statements		
	Balance as at	Transactions during the year	Balance as at
	December 31, 2021	Addition Change in conditions/written-off	December 31, 2022
<u>At cost</u>			
Land	8,276,867.64	-	4,783,125.00
Building	4,534,313.19	-	-
Vehicles	11,694,697.70	4,580,000.00	13,357,873.06
Office supplies	553,719.08	106,321.26	333,161.25
Total	25,059,597.61	4,686,321.26	18,474,159.31
<u>Less Accumulated depreciation</u>			
Land	(3,563,187.10)	(2,139,223.34)	(2,208,667.80)
Building	(3,019,679.84)	(619,633.35)	-
Vehicles	(3,844,456.23)	(3,073,715.67)	(4,001,347.26)
Office supplies	(273,362.50)	(154,215.17)	(130,551.58)
Total	(10,700,685.67)	(5,986,787.53)	(6,340,566.64)
Right-of-use assets - net	14,358,911.94		12,133,592.67

13.2 Expenses related to lease for the years ended December 31, 2023 and 2022 the amounts recognized in profit or loss:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation of right-of-use assets	13,031,440.18	12,016,926.41	4,872,582.75	5,986,787.53
Interest expense on lease liabilities	10,802,983.46	10,726,656.58	458,720.04	711,777.44
Expense relating to short-term lease	247,170.00	2,226,669.99	247,170.00	2,226,669.99
Total	24,081,593.64	24,970,252.98	5,578,472.79	8,925,234.96

- 13.3 For the years ended December 31, 2023 and 2022, the total cash outflow for leases in consolidated financial statements amount to Baht 17.91 million and Baht 19.96 million, respectively and in separate financial statements amount to Baht 6.34 million and Baht 10.27 million, respectively.

14. OTHER INTANGIBLE ASSETS

Consisted of :

	Baht				
	Consolidates financial statements				
	Balance as at	Transactions during the year			Balance as at
	December 31, 2022	Increase	Decrease	Transfer in (Transfer out)	December 31, 2023
				Increase from Business Acquisition (Note 4)	
<u>Cost</u>					
Computer software	12,755,664.03	357,872.50	-	500,463.40	21,657,659.03
Customer relationship	43,580,000.00	-	-	-	43,580,000.00
Computersystem under development	1,653,013.40	333,840.50	(989,750.00)	(500,463.40)	496,640.50
Total	57,988,677.43	691,713.00	(989,750.00)	-	65,734,299.53
<u>Less: Accumulated amortization</u>	<u>(9,262,781.00)</u>	<u>(4,159,096.66)</u>	<u>-</u>	<u>-</u>	<u>(20,843,662.37)</u>
Intangible assets - net	<u>48,725,896.43</u>				<u>44,890,637.16</u>

	Baht				
	Consolidates financial statements				
	Balance as at	Transactions during the year			Balance as at
	December 31, 2021	Increase	Decrease	Transfer in (Transfer out)	December 31, 2022
<u>Cost</u>					
Computer software	12,010,430.83	197,843.00	-	547,390.20	12,755,664.03
Customer relationship	43,580,000.00	-	-	-	43,580,000.00
Computersystem under development	1,023,380.00	1,177,023.60	-	(547,390.20)	1,653,013.40
Total	56,613,810.83	1,374,866.60	-	-	57,988,677.43
<u>Less: Accumulated amortization</u>	<u>(5,230,532.56)</u>	<u>(4,032,248.44)</u>	<u>-</u>	<u>-</u>	<u>(9,262,781.00)</u>
Intangible assets - net	<u>51,383,278.27</u>				<u>48,725,896.43</u>

	Baht				
	Separate financial statements				
	Balance as at	Transactions during the year			Balance as at
	December 31, 2022	Increase	Decrease	Transfer in (Transfer out)	December 31, 2023
<u>Cost</u>					
Computer software	6,885,340.65	-	-	-	6,885,340.65
Computersystem under development	1,332,150.00	-	(989,750.00)	-	342,400.00
Total	8,217,490.65	-	(989,750.00)	-	7,227,740.65
<u>Less: Accumulated amortization</u>	<u>(4,473,863.14)</u>	<u>(1,152,723.11)</u>	<u>-</u>	<u>-</u>	<u>(5,626,586.25)</u>
Intangible assets - net	<u>3,743,627.51</u>				<u>1,601,154.40</u>

	Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		
	December 31, 2021	Increase	Decrease	Transfer in (Transfer out) December 31, 2022
<u>Cost</u>				
Computer software	6,885,340.65	-	-	-
Computersystem under development	989,750.00	342,400.00	-	-
Total	7,875,090.65	342,400.00	-	-
<u>Less: Accumulated amortization</u>	<u>(3,215,967.71)</u>	<u>(1,257,895.43)</u>	<u>-</u>	<u>-</u>
Intangible assets - net	<u>4,659,122.94</u>			<u>3,743,627.51</u>

15. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets	10,215,445.19	5,273,135.77	1,529,212.18	1,348,433.96
Deferred tax liabilities	-	(5,577,066.21)	-	-
Deferred tax assets (liabilities) - net	<u>10,215,445.19</u>	<u>(303,930.44)</u>	<u>1,529,212.18</u>	<u>1,348,433.96</u>

Changes in deferred tax assets and liabilities for the years ended December 31, 2023 and 2022 are summarized as follows:

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		
	December 31, 2022	Increase from Business Acquisition (Note 4)	In profit or loss	In other comprehensive income
Deferred tax assets :				
Allowance for the expected credit losses	1,102,032.41	151,254.33	7,004,706.89	-
Allowance for decline in value of inventories	-	-	8,785.93	-
Lease liabilities	4,021,243.80	-	1,363,082.70	-
Employee benefit obligations	1,393,229.60	1,566,975.18	461,013.21	-
Provisions	331,782.39	-	(331,782.39)	-
Deferred subsidies	847,397.80	-	(119,898.32)	-
Total	<u>7,695,686.00</u>	<u>1,718,229.51</u>	<u>8,385,908.02</u>	<u>-</u>
Deferred tax liabilities :				
Effect of the business acquisition adjustment	<u>(7,999,616.44)</u>	<u>-</u>	<u>415,238.10</u>	<u>-</u>
Total	<u>(7,999,616.44)</u>	<u>-</u>	<u>415,238.10</u>	<u>(7,584,378.34)</u>

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December	In profit or loss	In other	December
	31, 2021		comprehensive	31, 2022
			income	
Deferred tax assets :				
Allowance for the expected credit losses	197,054.32	904,978.09	-	1,102,032.41
Lease liabilities	491,376.90	3,529,866.90	-	4,021,243.80
Employee benefit obligations	1,562,699.00	299,246.80	(468,716.20)	1,393,229.60
Provisions	758,420.15	(426,637.76)	-	331,782.39
Deferred subsidies	967,296.13	(119,898.33)	-	847,397.80
Total	3,976,846.50	4,187,555.70	(468,716.20)	7,695,686.00
Deferred tax liabilities :				
Effect of the business acquisition adjustment	(8,418,525.77)	418,909.33	-	(7,999,616.44)
Lease liabilities	(570,808.00)	570,808.00	-	-
Total	(8,989,333.77)	989,717.33	-	(7,999,616.44)
	Baht			
	Separate financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December	In profit or loss	In other	December
	31, 2022		comprehensive	31, 2023
			income	
Deferred tax assets :				
Allowance for the expected credit losses	176,397.45	100,732.11	-	277,129.56
Lease liabilities	54,842.31	(17,334.59)	-	37,507.72
Employee benefit obligations	1,117,194.20	339,784.70	(242,404.00)	1,214,574.90
Total	1,348,433.96	423,182.22	(242,404.00)	1,529,212.18
	Baht			
	Separate financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December	In profit or loss	In other	December
	31, 2021		comprehensive	31, 2022
			income	
Deferred tax assets :				
Allowance for the expected credit losses	197,054.32	(20,656.87)	-	176,397.45
Lease liabilities	-	54,842.31	-	54,842.31
Employee benefit obligations	1,114,179.20	247,946.80	(244,931.80)	1,117,194.20
Provisions	406,637.77	(406,637.77)	-	-
Total	1,717,871.29	(124,505.53)	(244,931.80)	1,348,433.96
Deferred tax liabilities :				
Lease liabilities	(570,808.00)	570,808.00	-	-
Total	(570,808.00)	570,808.00	-	-

16. TRADE AND OTHER CURRENT PAYABLES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - unrelated parties	82,191,313.61	32,539,654.70	16,735,599.76	10,180,806.30
Other current payables				
Outstanding cheque - shares payable	23,454,361.10	-	-	-
Accrued expenses	40,978,546.31	11,751,039.31	13,243,377.11	4,559,746.24
Advance payment	36,980.00	293,886.50	-	136,291.50
Other	2,484,177.84	1,364,103.67	1,412,348.34	1,042,603.67
Total other current payables	66,954,065.25	13,409,029.48	14,655,725.45	5,738,641.41
Total trade and other current payables	149,145,378.86	45,948,684.18	31,391,325.21	15,919,447.71

17. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Ending balance	800,000,000.00	6,072,468.78	800,000,000.00	6,072,468.78
<u>Less</u> : Payments	(10,500,000.00)	(6,072,468.78)	(10,500,000.00)	(6,072,468.78)
<u>Less</u> : Deferred financial cost	(3,114,075.32)	-	(3,114,075.32)	-
<u>Add</u> : Accrued interest	1,114,075.32	-	1,114,075.32	-
	787,500,000.00	-	787,500,000.00	-
<u>Less</u> : Current portion due within 1 year	(126,000,000.00)	-	(126,000,000.00)	-
Long-term loans from financial institutions, net	661,500,000.00	-	661,500,000.00	-

On May 16, 2023, the Company entered into a loan agreement with a local bank amounted Baht 800.00 million to increase capital in IMH Silom Hospital Co., Ltd. (subsidiary). The interest rate in the month No. 1 - 36, charged MLR-1.5 percent per annum and from the month No. 37, charged MLR-1 percent per annum. The repayment was due in 84 monthly installments. The principal was repayable in installments at Baht 10.50 million each. The first installment was started upon the maturity of 7 months from the first drawdown date. The mortgage of 21 title deeds of land and buildings of the Company and its subsidiaries and certain of the Company's ordinary shares were as collateral for loans.

The loan agreement contained certain covenants and restrictions such as maintaining direct and/or indirect shareholding in the Mahaesak Hospital Co., Ltd. and IMH Silom Hospital Co., Ltd. and maintaining certain financial ratios, etc.

18. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the years ended December 31, 2023 and 2022 are presented below

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Lease liabilities as at beginning balance	172,584,631.05	168,703,612.16	10,718,043.73	14,501,777.94
Increase	3,901,862.60	10,880,831.61	1,092,700.00	3,541,321.26
Accretion of interest	10,802,983.43	10,726,656.58	458,720.04	711,777.44
Payments	(17,663,968.77)	(17,726,469.30)	(6,091,434.39)	(8,036,832.91)
Lease liabilities as at ending balance	169,625,508.31	172,584,631.05	6,178,029.38	10,718,043.73
Less current portion	(8,545,815.16)	(8,671,351.36)	(4,319,315.95)	(5,566,682.66)
Lease liabilities - net	161,079,693.15	163,913,279.69	1,858,713.43	5,151,361.07

As at December 31, 2023 and 2022, the Company and subsidiaries have lease liabilities to be paid as follows:

	Baht					
	Consolidated financial statements					
	2023			2022		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due						
within one year	8,545,815.16	8,097,285.95	16,643,101.11	8,671,351.36	8,455,716.08	17,127,067.44
Current portion due after one						
year not over five years	7,659,657.57	37,594,318.77	45,253,976.34	12,906,351.35	35,317,703.40	48,224,054.75
Current portion due after						
five years	153,420,035.58	170,618,154.41	324,038,189.99	151,006,928.34	182,960,820.12	333,967,748.46
Total	169,625,508.31	216,309,759.13	385,935,267.44	172,584,631.05	226,734,239.60	399,318,870.65

	Baht					
	Separate financial statements					
	2023			2022		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due within						
one year	4,319,315.95	189,998.27	4,509,314.22	5,566,682.66	438,262.93	6,004,945.59
Current portion due after one						
year not over five years	1,858,713.43	94,298.57	1,953,012.00	5,151,361.07	171,207.57	5,322,568.64
Total	6,178,029.38	284,296.84	6,462,326.22	10,718,043.73	609,470.50	11,327,514.23

19. EMPLOYEE BENEFIT OBLIGATIONS

Statement of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Employee benefit obligations at beginning balance	6,966,147.99	11,012,964.99	5,585,970.99	8,606,067.99
Gain (loss) on re-measurements of defined benefit plans				
From demographic assumption changes	-	(752,586.00)	-	(752,586.00)
From changes in financial assumptions	-	193,247.00	-	193,247.00
From improving the experience	-	(4,983,712.00)	-	(3,700,492.00)
Transfer employee to subsidiary company	-	-	(1,212,020.00)	-
Benefits paid by the plans	(380,194.02)	(152,448.00)	-	(152,448.00)
Increase from business acquisition (Note 4)	7,834,875.91	-	-	-
Current service costs and interest	2,685,260.08	1,648,682.00	1,698,923.50	1,392,182.00
Employee benefit obligations at ending balance	17,106,089.96	6,966,147.99	6,072,874.49	5,585,970.99

Expense recognized in the statements of comprehensive income for the years ended December 31, 2023 and 2022

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current service cost	2,370,531.96	1,542,092.00	1,573,823.50	1,298,242.00
Interest cost	314,728.12	106,590.00	125,100.00	93,940.00
Total	2,685,260.08	1,648,682.00	1,698,923.50	1,392,182.00

Principal actuarial assumptions in the estimates based on the actuarial principles

	Percentage			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	1.16 - 2.24	1.16 - 2.24	2.24	2.24
Salary increase rate	3.00 - 5.00	3.00 - 5.00	3.00	3.00
Employee turnover rate	0 - 41	0 - 41	0 - 34	0 - 34
Mortality rate	Thai mortality table	Thai mortality table	Thai mortality table	Thai mortality table
	2017, improving with the rate of 3% p.a.	2017, improving with the rate of 3% p.a.	2017, improving with the rate of 3% p.a.	2017, improving with the rate of 3% p.a.

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, 2023 and 2022, are summarized below:

	Baht			
	2023			
	Consolidate financial statements		Separate financial statements	
	increase	decrease	increase	decrease
Discount rate (1% movement)	(1,310,736.00)	1,499,456.00	(714,052.00)	823,585.00
Salary increase rete (1% movement)	1,873,729.00	(1,647,303.00)	946,446.00	(825,051.00)
Employee turnover rate (1% movement)	(1,165,819.00)	607,436.00	(778,426.00)	258,120.00
Mortality rate (1 year)	46,615.00	(46,280.00)	42,067.00	(41,755.00)

	Baht			
	2022			
	Consolidate financial statements		Separate financial statements	
	increase	decrease	increase	decrease
Discount rate (1% movement)	(640,763.00)	742,507.00	(562,684.00)	652,066.00
Salary increase rete (1% movement)	788,188.00	(689,912.00)	684,864.00	(598,741.00)
Employee turnover rate (1% movement)	(704,649.00)	265,368.00	(616,720.00)	277,466.00
Mortality rate (1 year)	35,845.00	(35,593.00)	32,534.00	(32,293.00)

20. OTHER NON-CURRENT PROVISIONS

In 2021, the subsidiaries - Mahaesak Hospital Co., Ltd. had been notified the results of the examination of the use of medical services in the case of high-cost diseases in 2015 and 2016 by the random data checking for medical services from the Social Security Office. The Social Security Office had found the incorrect percentage of AdjRW from the amount that the hospital should receive. But the subsidiaries were able to proceed with the dispute according to the period specified by the Social Security Office. However, the subsidiaries expected that the medical service fees would be refunded from the Social Security Office from information and past experience in the total amount of Baht 4.55 million.

In 2022, the subsidiaries - Mahaesak Hospital Co., Ltd. had been notified the results of the examination of the use of medical services in the case of high-cost diseases in 2019 by the random data checking for medical services from the Social Security Office. The Social Security Office had found the incorrect percentage of AdjRW from the amount that the hospital should receive. But the subsidiaries were able to proceed with the dispute according to the period specified by the Social Security Office. However, the subsidiaries expected that the medical service fees would be refunded from the Social Security Office from information and past experience in the total amount of Baht 12.59 million.

The Social Security Office had notified by the letter informing the results of the examination of the use of medical services in the case of high-cost diseases in 2018 and 2020 - 2021 by the random data checking for medical services. The Social Security Office had found the incorrect percentage of AdjRW from the amount that the hospital should receive. But the subsidiaries - Mahaesak Hospital Co., Ltd. were able to proceed with the dispute according to the period specified by the Social Security Office. However, the Company and its subsidiaries expected that the medical service fees would be refunded from the Social Security Office from information and past experience in total Baht 19.66 million.

As at December 31, 2023, the Subsidiaries had other non-current provisions in the amount of Baht 36.80 million in the statements of financial position.

21. TREASURY SHARES

At the Board of Directors' Meeting No. 5/2021 held on August 30, 2021, it had the resolution to approve the Treasury Stock Project to manage excess liquidity of the Company, within the limit of not more than 50 million baht, the number of shares to be repurchased not more than 3 million shares, or equivalent to not more than 1.4 percent of the total issued shares. The repurchasing period in the Stock Exchange of Thailand is between September 14, 2021 to March 11, 2022, which have to be resold the shares held in treasury within 3 years after the completion date, which is the day the company has completely purchased shares as stated in the project or 6 months after the implementation, whichever is the earlier. If the company cannot sell off all repurchased shares at the time, then it should write off the remaining repurchased amount. The treasury stock held by the Company will not be counted as a quorum of shareholders and will not have the right to vote and the right to receive dividends.

When the share capital is repurchased, the amount of consideration paid including directly attributable costs, is classified as treasury stock and presented as a deduction in shareholders' equity and the same amount is allocated from retained earnings to treasury stock reserve under shareholders' equity. When reselling treasury stock, the amount is recognized as an increase in shareholders' equity by debit the treasury stock the cost of treasury stock sold calculated by the weighted average method, and transferring the same amount from the treasury shares reserve account to retained earnings. The surplus on the resale of treasury stock is presented as a separate item in shareholders' equity. Net loss on sale or cancellation of treasury stock is deducted from retained earnings after deducting all surplus on treasury share.

As at March 11, 2022 (date of completion of the share repurchase period), the Company had purchased back 1,000,000 ordinary shares (par value of Baht 0.50 each), or 0.47% of total number of issued and fully shares, for a total of Baht 13,286,810 (excluded cost of repurchase treasury shares).

At the Board of Directors' Meeting No. 3/2022 held on August 10, 2022 had a resolution to approve the sale of repurchased shares by offering on the Stock Exchange of Thailand between September 12, 2022 and February 13, 2023 at the offering repurchased price not less than the average closing price of IMH shares over the last five trading days less 15 percent of such average closing price.

The movement of treasury shares for the year ended December 31, 2023 is as follows:

	Consolidated / Separate financial statements	
	Number of shares	Amount of treasury shares (Baht)
Balance as at January 1, 2023	1,000,000	13,286,810.00
Reissuance during the year (Baht 13.60 per share)	(1,800)	(23,922.00)
Balance as at December 31, 2023	998,200	13,262,888.00

During the year 2023, the Company reissuance 1,800 treasury shares at the price of Baht 13.60 per share, totalling Baht 24,480.00 and resulted in a surplus on treasury stock of Baht 558.00

On January 22, 2023, the Board of Directors' Meeting had a resolution to cancel the sale of shares during that period and would inform again three days in advance before proceeding the sale.

As at December 31, 2023, all the repurchased shares have not been registered for capital reduction and are still held as treasury shares waiting for reissuance.

22. LEGAL RESERVE

In compliance with the Public Company Act, B.E.2535 (1992), the Company has to set aside a portion of annual net profit for legal reserve not less than 5% of annual net profit until this reserve is not less than 10% of authorized capital. Such reserve is not allowed to pay for dividend.

23. DIVIDEND

According to the Annual General Shareholders' Meeting of the Company for the year 2023 dated April 29, 2023, it had a resolution to approve the dividend payment from the annual retained earnings to 213,293,900 ordinary shares (or equal to the number of ordinary shares of the Company issued and paid-up for 215,000,000 shares less by all repurchase shares and shares that are not entitled to receive dividend of 1,706,100 shares from the project due date on March 11, 2022) at Baht 0.14 each, amounted Baht 29.86 million. The dividend had been paid on May 25, 2023.

According to the Annual General Shareholders' Meeting of the Company for the year 2022 dated April 30, 2022, it had a resolution to approve the dividend payment from the profit performance for the year 2021 at the total amount of Baht 90 million to 214,000,000 ordinary shares (or equal to the number of ordinary shares of the Company issued and paid-up for 215,000,000 shares less by all repurchase shares of 1,000,000 shares from the project due date on March 11, 2022) at Baht 0.90 each, amounted Baht 192.60 million. The dividend had been paid on May 27, 2022.

24. EXPENSES BY NATURE

Significant expenses classified by nature are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Salaries, wages and other employee benefits	113,295,837.70	121,033,320.41	52,176,796.37	57,612,306.18
Physicians' fee	59,800,045.86	68,072,243.50	24,394,473.80	23,482,118.00
Medicine, medicine supplies and supplies	66,252,460.27	83,639,956.83	35,897,269.23	47,462,704.95
Refer costs	30,529,779.69	2,328,881.21	-	-
Consulting fee	16,828,648.44	12,487,680.53	16,216,400.00	10,403,500.00
Depreciation and amortization	30,197,249.44	35,767,294.53	17,394,225.37	20,266,636.65
Utilities costs	13,291,441.39	7,976,079.22	3,429,897.75	3,557,648.79
Expected credit losses	32,414,867.87	4,773,360.90	503,660.54	406,707.93

25. (INCOME) TAX EXPENSES

25.1 Major components of (income) tax expenses for the years ended December 31, 2023 and 2022 consisted of:

	Baht			
	Consolidated financial statement		Separate financial statement	
	2023	2022	2023	2022
(Income) tax expenses shown in profit or loss:				
Current tax expense:				
Income tax expenses for the year	21,527,553.33	43,301,207.38	-	2,013,698.39
Deferred (income) tax expenses:				
Changes in temporary differences relating				
to the original recognition and reversal	(8,801,146.12)	(5,177,273.02)	(423,182.22)	(446,302.47)
Total	12,726,407.21	38,123,934.36	(423,182.22)	1,567,395.92
Income tax relating to components of other comprehensive income:				
Deferred tax relation to:				
Gains on re-measurements of defined				
benefit plans	-	468,716.20	242,404.00	244,931.80
Total	-	468,716.20	242,404.00	244,931.80

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, 2023 and 2022 which are summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit (loss) for the year	34,480,686.86	211,428,717.66	(30,871,701.72)	6,686,870.98
The applicable tax rate (%)	20	20	20	20
Income tax expense at the applicable tax rate	6,896,137.37	42,285,743.53	(6,174,340.34)	1,337,374.20
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	400,264.81	260,921.68	514,757.63	230,021.72
Tax effect to income or profit that are not required in determining taxable profit:				
- Expenses deducted as additional taxable income	(70,793.00)	-	-	-
Unrecorded tax losses	5,741,083.31	-	5,236,400.49	-
Unrecorded tax losses in previous periods but were used to reduce the current year of tax expenses	(240,285.28)	(2,218,117.50)	-	-
Other	-	(2,204,613.35)	-	-
Total reconciliation items	5,830,269.84	(4,161,809.17)	5,751,158.12	230,021.72
Total (income) tax expenses	12,726,407.21	38,123,934.36	(423,182.22)	1,567,395.92

25.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2023 and 2022 are summarized as follows:

	Consolidated financial statements			
	2023		2022	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before tax expense for the year	34,480,686.86		211,428,717.66	
Income tax expenses at the applicable tax rate	6,896,137.37	20.00	42,285,743.53	20.00
Reconciliation items	5,830,269.84	16.91	(4,161,809.17)	(1.97)
Income tax expenses at the average effective tax rate	12,726,407.21	36.91	38,123,934.36	18.03

	Separate financial statements			
	2023		2022	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(30,871,701.72)		6,686,870.98	
Tax expenses at the applicable tax rate	(6,174,340.34)	(20.00)	1,337,374.20	20.00
Reconciliation items	5,751,158.12	18.63	230,021.72	3.44
(Income) tax expenses at the average effective tax rate	(423,182.22)	(1.37)	1,567,395.92	23.44

26. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the years attributable to shareholders of the Company (excluded other comprehensive income) by the weighted average number of ordinary shares which are issued and paid-up during the years.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) attributable to ordinary				
Owners of the company (Baht)	21,483,765.74	173,109,987.35	(30,448,519.50)	5,119,475.06
Issued and paid-up share capital (Shares)				
Number of ordinary shares at beginning of the year	215,000,000	215,000,000	215,000,000	215,000,000
<u>Less</u> Treasury shares	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
<u>Add</u> Reissuance treasury shares	1,800	-	1,800	-
Number of ordinary shares at end of the year	<u>214,001,800</u>	<u>214,000,000</u>	<u>214,001,800</u>	<u>214,000,000</u>
Weighted average number of ordinary shares (Shares)	<u>214,001,716</u>	<u>214,000,000</u>	<u>214,001,716</u>	<u>214,000,000</u>
Basic earnings (loss) per share (Baht per shares)	0.10	0.81	(0.14)	0.02

27. OPERATING SEGMENT

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

The Company and its subsidiaries's main businesses were specialized occupational medicine hospital, medical services, analyzed samples and sent for medical diagnosis. Its operations are carried on only in 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.

From October 2022 onwards, the management of the Company and its subsidiaries have an opinion to stop the environmental analysis operations under the management of Accusfas Lab Center Co., Ltd. in order for the Company to fully focus on operating the hospital business.

[illegible]

Thousand Baht							
Consolidated statements of comprehensive income (partial) for the year ended December 31,							
	Hospital		Occupational Medicine		Environmental analysis		Total
			Hospital				
	2023	2022	2023	2022	2023	2022	2023 2022
<u>Segment revenues from service</u>							
Point in time	486,017	451,110	183,595	188,634	-	89	669,612 639,833
Total	486,017	451,110	183,595	188,634	-	89	669,612 639,833
<u>Assets as at December 31,</u>							
Fixed assets	124,003	30,254	118,016	128,790	-	-	242,019 159,044
Other assets	1,599,721	565,915	192,797	369,507	-	-	1,792,518 935,422
Total	1,723,724	596,169	310,813	498,297	-	-	2,034,537 1,094,466

Information about major customers

In the years 2023, the Company and its subsidiaries had revenue from 5 major customers, total amount Baht 690.47 million equivalent to 43.80 of total revenue.

In the years 2022, the Company and its subsidiaries had revenue from 2 major customers, total amount Baht 411.20 million equivalent to 59.03% of total revenue.

28. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2023 and 2022, the Company and its subsidiaries have commitments and contingent liabilities as follows:

28.1 Capital commitments

The Company and its subsidiaries had capital commitments relating to be paid as follows:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Construction of buildings	34.30	1.29	-	-
The medical instruments	0.78	0.78	0.78	0.78
Installation of the information system	0.51	0.67	0.51	0.51

28.2 Commitment related to land lease agreement

On September 28, 2022, the subsidiary (lessee) entered into the land lease agreement for 30 years with third parties to use for operating the main business related to hospitals and other businesses. according to the purpose of the lessee. It had determined the start date of the rental was the lease registration date at the Land Office by registering the right to lease the property at the Land Office on January 31, 2023. It had a period from January 31, 2023 to January 31, 2053, with the following details of payment of rent:

1. Land leasing fee totaled Baht 133,961,316.75 the lessee agreed to pay the land leasing fee to the lessee under the periods as follows:

Installment	Land leasing fee in Bangkok area (Baht)	Land leasing fee in Samutprakarn area (Baht)	Total land leasing fee (Baht)	Due date
1	27,934,714.38	2,065,285.62	30,000,000.00	Lease registration date
2	13,644,964.74	1,008,807.51	14,653,772.25	Lease registration due date for 1 year or within 30 days from the first day that IMH received the capital from IPO and/ or private placement whichever the date was due.
3	41,579,679.12	3,074,093.13	44,653,772.25	Lease registration due date for 2 years
4	41,579,679.12	3,074,093.13	44,653,772.25	Lease registration due date for 3 years

2. The lessee agreed to pay the rent annually starting in Year 4 of the rent at starting price Baht 10,080,000.00 per annum and had to adjust the rental for 5 percent every 5 years from the Year 6 throughout the 30 years agreement according to the land rental rate as follows:

Year	Rental rate per year in Bangkok area (Baht)	Rental rate per year in Samutprakarn area (Baht)	Total rental rate per year (Baht)
1 - 3	None		
4 - 5	9,386,064.03	693,935.97	10,080,000.00
6 - 10	9,855,367.23	728,632.77	10,584,000.00
11 - 15	10,348,135.59	765,064.41	11,113,200.00
16 - 20	10,865,542.37	803,317.63	11,668,860.00
21 - 25	11,408,819.49	843,483.51	12,252,303.00
26 - 30	11,979,260.47	885,657.68	12,864,918.15
Total	291,057,753.81	21,518,651.94	312,576,405.75

Subsequently, on March 1, 2023, the subsidiaries and the lessor entered into a memorandum attached to the land lease agreement for 30 years dated September 28, 2022, as part of the land lease agreement by making an agreement that the lessee intended to begin to occupy and made use to build the buildings in the leased property according to the land lease agreement from January 1, 2024, onwards. The lessor agreed to cooperate and facilitating the issuance of a consent letter allowed to the lessee which the parties agreed as January 1, 2024 as the start date of the lease and the end date of the lease is January 31, 2053. Other terms and conditions were adhered to and complied with the land lease agreement and the registered lease agreement in all respects.

During the year 2023, the Company had repaid the first installment of the land leasing fee amounted Baht 30 million. The remaining obligation to pay the land leasing fee amounted Baht 103.96 million and the obligation to pay the rent amounted Baht 312.58 million. The obligations related to land lease agreements totaled Baht 416.54 million.

28.3 Commitment related to investment in subsidiaries

The Company had the commitments in investment in two subsidiaries totaled Baht 1,998.42 million and paid the share fees totaled Baht 1,694.11 million. As at December 31, 2023, the Company had the commitment for the unpaid share fees totaled Baht 304.31 million.

28.4 Commitments related to operating agreements

The Company and its subsidiaries have entered into several operating lease agreements in respect of the lease of vehicle, and equipment for operations. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease payments required under these agreements were as follows.

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable:				
In up to one year	1.41	0.15	0.20	0.12
In over one year and up to five years	1.20	0.08	-	-

28.5 Lawsuit

Subsidiaries

On December 23, 2020, Suksawat Medical Co., Ltd. was sued in a civil lawsuit against service user for breach of medical treatment contract, claim for damages. The amount Baht 21.28 million with interest at the rate of 7.5 percent per annum from the day after of filing day until the payment is completed to the plaintiff. On February 21, 2023, both parties can agree by agreeing to compensate the plaintiff in the amount of Baht 1.20 million, divided into a subsidiary in the amount of Baht 0.20 million and the 2nd and 3rd defendants in the amount of Baht 1.00 million. The subsidiary has already recorded expenses and provisions of Baht 0.20 million in the financial statements and in 2023, the subsidiary had fully repaid.

On September 16, 2023, Suksawat Medical Co., Ltd. was sued as a civil case by a service user for breach of medical treatment contract, violation, and demanding damages. The amount of capital is 2.60 million baht with interest at the rate of 5 percent per year on the principal from the day following the filing date onwards until payment is made to the plaintiff. Currently, the case is in the process of mediation and witness examination.

28.6 Contingent liabilities

As at December 31, 2023 and 2022, the subsidiary has contingent liabilities from the NHSO in connection with the examination of documents and evidence of expense collection, the total amount is Baht 1.70 million with collateral being accrued income from the NHSO.

28.7 Guarantees

As at December 31, 2023 and 2022, there were outstanding bank guarantees issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. The details of the letters of bank guarantee are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Social Security Office	14,630,000.00	10,250,000.00	-	-
National Health Security Office	3,416,800.00	3,206,800.00	3,206,800.00	3,206,800.00
Guarantees for Influenza vaccine	-	3,000,000.00	-	3,000,000.00
Utility guarantees	1,758,850.00	649,350.00	159,250.00	159,250.00
Others	800,000.00	800,000.00	500,000.00	500,000.00
Total	<u>20,605,650.00</u>	<u>17,906,150.00</u>	<u>3,866,050.00</u>	<u>6,866,050.00</u>

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2023 and 2022 are as follows:

	Baht			
	Consolidated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	December	Increase	Increase	December
	31, 2022	(decrease)*	(decrease)	31, 2023
Short-term loans from related person and company	-	10,000,000.00	-	10,000,000.00
Long-term loans from financial institutions	-	787,500,000.00	-	787,500,000.00
Leases liabilities	172,584,631.05	(6,860,985.34)	3,901,862.60	169,625,508.31
Treasury shares	(13,286,810.00)	24,480.00	(558.00)	(13,262,888.00)
Total	<u>159,297,821.05</u>	<u>790,663,494.66</u>	<u>3,901,304.60</u>	<u>953,862,620.31</u>

	Baht			
	Consolidated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	December	Increase	Increase	December
	31, 2021	(decrease)*	(decrease)	31, 2022
Long-term loans from financial institutions	6,072,468.78	(6,072,468.78)	-	-
Leases liabilities	168,703,612.16	(6,999,812.72)	10,880,831.61	172,584,631.05
Treasury shares	(13,286,810.00)	-	-	(13,286,810.00)
Total	<u>161,489,270.94</u>	<u>(13,072,281.50)</u>	<u>10,880,831.61</u>	<u>159,297,821.05</u>

	Baht			
	Separated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	December	Increase	Increase	December
	31, 2022	(decrease)*	(decrease)	31, 2023
Short-term loans from related person and company	-	40,000,000.00	-	40,000,000.00
Long-term loans from financial institutions	-	787,500,000.00	-	787,500,000.00
Leases liabilities	10,718,043.73	(5,632,714.35)	1,092,700.00	6,178,029.38
Treasury shares	(13,286,810.00)	24,480.00	(558.00)	(13,262,888.00)
Total	(2,568,766.27)	821,891,765.65	1,092,142.00	820,415,141.38

	Baht			
	Separated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	December	Increase	Increase	December
	31, 2021	(decrease)*	(decrease)	31, 2022
Long-term loans from financial institutions	6,072,468.78	(6,072,468.78)	-	-
Leases liabilities	14,501,777.94	(7,325,055.47)	3,541,321.26	10,718,043.73
Treasury shares	(13,286,810.00)	-	-	(13,286,810.00)
Total	7,287,436.72	(13,397,524.25)	3,541,321.26	(2,568,766.27)

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

30. FINANCIAL INSTRUMENTS

30.1 Risk management

The Company and its subsidiaries manage their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company and its subsidiary do not hold or issue any derivative financial instruments.

30.2 Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term loans and long-term loan. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at December 31, 2023 and 2022, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				Effective
	Consolidated financial statements as at December 31, 2023				interest rate
	Floating interest rate	interest rate interest rate	Non-interest bearing	Total	Per annum (%)
<u>Financial assets</u>					
Cash and cash equivalents	64,445,077.88	-	9,154,850.28	73,599,928.16	0.125 - 0.250
Trade and other current receivables	-	-	87,925,868.49	87,925,868.49	-
Restricted bank deposits	9,622,261.88	-	-	9,622,261.88	0.125 - 0.250
	<u>74,067,339.76</u>	<u>-</u>	<u>97,080,718.77</u>	<u>171,148,058.53</u>	
<u>Financial liabilities</u>					
Trade and other current payables	-	-	149,145,378.86	149,145,378.86	-
Short-term loans from related person and company	-	10,000,000.00	-	10,000,000.00	1.60
Long-term loans from financial institutions	787,500,000.00	-	-	787,500,000.00	MLR - 1 to 1.5
Lease liabilities	-	169,625,508.31	-	169,625,508.31	3.61 - 11.27
	<u>787,500,000.00</u>	<u>179,625,508.31</u>	<u>149,145,378.86</u>	<u>1,116,270,887.17</u>	
	Baht				Effective
	Consolidated financial statements as at December 31, 2022				interest rate
	Floating interest rate	interest rate interest rate	Non-interest bearing	Total	Per annum (%)
<u>Financial assets</u>					
Cash and cash equivalents	136,883,783.19	-	16,334,405.59	153,218,188.78	0.125 - 0.250
Trade and other current receivables	-	-	26,611,092.24	26,611,092.24	-
Restricted bank deposits	10,866,050.00	-	-	10,866,050.00	0.125 - 0.250
	<u>147,749,833.19</u>	<u>-</u>	<u>42,945,497.83</u>	<u>190,695,331.02</u>	
<u>Financial liabilities</u>					
Trade and other current payables	-	-	45,948,684.18	45,948,684.18	-
Lease liabilities	-	172,584,631.05	-	172,584,631.05	3.61 - 11.27
	<u>-</u>	<u>172,584,631.05</u>	<u>45,948,684.18</u>	<u>218,533,315.23</u>	

	Baht				Effective
	Separate financial statements as at December 31, 2023				interest rate
	Floating	interest rate	Non-interest	Total	Per annum
	interest rate	interest rate	bearing		(%)
<u>Financial assets</u>					
Cash and cash equivalents	11,641,819.51	-	1,194,711.30	12,836,530.81	0.125 - 0.550
Trade and other current receivables	-	-	72,484,577.75	72,484,577.75	-
Short-term loans to related company	-	40,000,000.00	-	40,000,000.00	5.00
Restricted bank deposits	3,866,050.00	-	-	3,866,050.00	0.125 - 0.550
	<u>15,507,869.51</u>	<u>40,000,000.00</u>	<u>73,679,289.05</u>	<u>129,187,158.56</u>	
<u>Financial liabilities</u>					
Trade and other current payables	-	-	31,391,325.21	31,391,325.21	-
Short-term loans from related person and company	-	40,000,000.00	-	40,000,000.00	5.35 - 5.60
Long-term loans from financial institutions	787,500,000.00	-	-	787,500,000.00	MLR - 1 to 1.5
Lease liabilities	-	6,178,029.38	-	6,178,029.38	3.61 - 11.27
	<u>787,500,000.00</u>	<u>46,178,029.38</u>	<u>31,391,325.21</u>	<u>865,069,354.59</u>	
	Baht				Effective
	Separate financial statements as at December 31, 2022				interest rate
	Floating	interest rate	Non-interest	Total	Per annum
	interest rate	interest rate	bearing		(%)
<u>Financial assets</u>					
Cash and cash equivalents	95,419,970.73	-	1,198,192.42	96,618,163.15	0.125 - 0.450
Trade and other current receivables	-	-	35,264,885.55	35,264,885.55	-
Restricted bank deposits	6,866,050.00	-	-	6,866,050.00	0.125 - 0.450
	<u>102,286,020.73</u>	<u>-</u>	<u>36,463,077.97</u>	<u>138,749,098.70</u>	
<u>Financial liabilities</u>					
Trade and other current payables	-	-	15,919,447.71	15,919,447.71	-
Lease liabilities	-	10,718,043.73	-	10,718,043.73	3.61 - 11.27
	<u>-</u>	<u>10,718,043.73</u>	<u>15,919,447.71</u>	<u>26,637,491.44</u>	

30.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily relating to trade accounts receivable and short-term / long-term loans to related parties. The management of the Company and its subsidiaries manage this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

30.4 Foreign currency risk

The Company and its subsidiaries do not hold risk from fluctuation of exchange rate in the oversea currencies since the trading activity of the Company and its subsidiaries are performed with domestic business.

30.5 Liquidity risk

The Company and its subsidiaries manage its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company and its subsidiaries' operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

30.6 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2023 and 2022 are presented below.

	Baht			
	Consolidated financial statements			
	2023		2022	
	Book value	Fair value	Book value	Fair value
	Amortized cost		Amortized cost	
Financial assets				
Cash and cash equivalents	73,599,928.16	73,599,928.16	153,218,188.78	153,218,188.78
Trade and other current receivables	87,925,868.49	87,925,868.49	26,611,092.24	26,611,092.24
Restricted bank deposits	9,622,261.88	9,622,261.88	10,866,050.00	10,866,050.00
Total Financial assets	<u>171,148,058.53</u>	<u>171,148,058.53</u>	<u>190,695,331.02</u>	<u>190,695,331.02</u>
Financial liabilities				
Trade and other current payables	149,145,378.86	149,145,378.86	45,948,684.18	45,948,684.18
Short-term loans from related person and company	10,000,000.00	10,000,000.00	-	-
Long-term loans from financial institutions	787,500,000.00	787,500,000.00	-	-
Leases liabilities	<u>169,625,508.31</u>	<u>169,625,508.31</u>	<u>172,584,631.05</u>	<u>172,584,631.05</u>
Total Financial liabilities	<u>1,116,270,887.17</u>	<u>1,116,270,887.17</u>	<u>218,533,315.23</u>	<u>218,533,315.23</u>

	Baht			
	Separate financial statements			
	2023		2022	
	Book value	Fair value	Book value	Fair value
	Amortized cost		Amortized cost	
Financial assets				
Cash and cash equivalents	12,836,530.81	12,836,530.81	96,618,163.15	96,618,163.15
Trade and other current receivables	72,484,577.75	72,484,577.75	35,264,885.55	35,264,885.55
Short-term loans to related company	40,000,000.00	40,000,000.00	-	-
Restricted bank deposits	3,866,050.00	3,866,050.00	6,866,050.00	6,866,050.00
Total Financial assets	<u>129,187,158.56</u>	<u>129,187,158.56</u>	<u>138,749,098.70</u>	<u>138,749,098.70</u>
Financial liabilities				
Trade and other current payables	31,391,325.21	31,391,325.21	15,919,447.71	15,919,447.71
Short-term loans from related person and company	40,000,000.00	40,000,000.00	-	-
Long-term loans from financial institutions	787,500,000.00	787,500,000.00	-	-
Leases liabilities	6,178,029.38	6,178,029.38	10,718,043.73	10,718,043.73
Total Financial liabilities	<u>865,069,354.59</u>	<u>865,069,354.59</u>	<u>26,637,491.44</u>	<u>26,637,491.44</u>

31. CAPITAL MANAGEMENT

The primary objective of capital management of the Company and its subsidiaries 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, 2023 and 2022, the Company and its subsidiaries debt-to-equity ratio was 1.45 : 1 and 0.32 : 1, respectively and the Company's was 2.15 : 1 and 0.07 : 1, respectively.

32. RECLASSIFICATION

Certain accounts in the 2022 financial statements have been reclassified to conform to the current year's classification, without any effect to the previously reported profit (loss) or shareholder's equity. The reclassifications are as follow:

	Baht		
	Consolidated financial statements		
	Before	Reclassification	After
	Reclassification	Increase (decrease)	Reclassification
<u>Statement of financial position</u>			
As at December 31, 2022			
Inventories	15,330,696.93	(940,057.12)	14,390,639.81
Other current assets	9,582,007.73	(4,911,472.61)	4,670,535.12
Other non-current assets	9,194,865.00	5,851,529.73	15,046,394.73

	Baht		
	Separate financial statements		
	Before Reclassification	Reclassification Increase (decrease)	After Reclassification
<u>Statement of financial position</u>			
As at December 31, 2022			
Inventories	3,471,487.18	(573,618.14)	2,897,869.04
Other current assets	8,217,492.71	(3,913,396.57)	4,304,096.14
Other non-current assets	68,965.00	4,487,014.71	4,555,979.71

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of directors on February 27, 2024.