Joint Commission International (USA)

โรงพยาบาลรามคำแหง
Ramkhamhaeng Hospital

Annual Report 2020

โรงพยาบาลรามคำแหง
Ramkhamhaeng Hospital

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โรงพยาบาลรามคำแหง
Ramkhamhaeng Hospital

Message from the Chairman

DR.AURCHART KANJANAPITAK, M.D.
Chairman

The Ramkhamhaeng Hospital Public Company Limited, under the policy of "Warm and Professional", focuses on providing treatment to patients by specialist doctors, with continuous support of modern technology to enhance the treatment and service for over 32 years to ensure the quality of life of the hospital's customers who have given us their trust.

In the year 2020 that has recently passed, it was the year when all sectors, both at the national and global level, faced a common problem, namely COVID-19. The hospital has tried its best to ensure the safety of all its customers including our personnel and has gathered various information that would help in the management of COVID-19 for hospitals and relevant government agencies to help with the disease control. We were the first hospital to launch a Drive-Thru center in Thailand to reduce exposure and restrict the risk of infections, that is those at risk did not have to leave their vehicle and thus, reduce the risk of infection in people who were not infected. Aside from strict screening measures on the customers and separation of patients who would be admitted to the hospital to give confidence to other customers, the hospital later developed the service to the next level by opening a Drive-In Fever, Cough and Sore Throat Clinic with measures to reduce exposure, isolate those at risk and disinfect the examination room with UV rays after every use. This gives customers a choice and confidence in safety standards while visiting the hospital for service as the Clinic is situated away from the hospital building according to the criteria in order to isolate those who may be at risk from the hospital.

Even when faced with the effects of COVID-19 that have caused the number of patients to reduce compared to common diseases, however, the Ramkhamhaeng Hospital has been able to strongly maintain its base of complex disease and chronic disease patients. This further emphasizes the capabilities of the medical team and the trust of the customers. Furthermore, the hospital has opened a Cardiac Rehabilitation Department which is supervised by professional Sport Physiologists under the Faculty of Sports Medicine Specialists who will allow patients to return to live a healthy life according to their suitability and their physical condition. In addition to helping to restore the health of the elderly or the sick, the Department can also help to increase the fitness level of those who are already physically strong and help in the planning in order for you to reach your desired strength goals.

Despite the Thai economic outlook for 2020 wherein the growth is expected to decline by 6.0 percent, private consumption to decline by 0.9 percent and the average inflation rate is expected to be at -0.9 percent, Ramkhamhaeng Hospital continues to move forward with the "Ramkhamhaeng Hospital 2" project with due diligence and caution to the fullest extent possible to increase service capability and support more patients in the future, with the goal to become a network of quality hospitals in the Eastern Bangkok Zone. In addition, the Ramkhamhaeng Hospital Group has increased investment in Vibharam Hospital by holding 50 percent of the shares and converted to a subsidiary to reflect the Ramkhamhaeng Hospital Group's potential in providing care to patients of all levels. With regard to investment projects to expand to other areas, Ramkhamhaeng Hospital continues to consider carefully and appropriately to the situation to ensure that every project is in accordance with the growth and stability of the business.

The hospital has continuously developed and applied information technology to assist in various operations, both in patient care and to facilitate the needs of customers and hospital personnel, in order to provide precise, accurate and rapid information for more than 10 years. The results can be seen through Smart OPD Program and Smart Ward Program which enable doctors and nurses to be able to monitor and view patient's information quickly and accurately, leading to the patients feeling more secure in receiving treatments and personal information is filed more efficiently. Infrastructure Data Center has also been developed on the cloud system of Dell, a global computing company, which is being used in the operations of the Ramkhamhaeng Hospital network. The Hospital has also partnered with Apple Inc in bringing devices such as the iPad and iPad mini in providing services to the customers. In addition, the hospital also received a plaque of honor - the Muang Thai Life Assurance Hospital Award 2019 from Muang Thai Life Assurance with a full score of 100 from a customer satisfaction survey conducted by Nielsen. The hospital has continuously developed and

applied information technology to assist in various operations, both in patient care and to facilitate the needs of customers and hospital personnel, in order to provide precise, accurate and rapid information for more than 10 years. The results can be seen through Smart OPD Program and Smart Ward Program which enable doctors and nurses to be able to monitor and view patient's information quickly and accurately, leading to the patients feeling more secure in receiving treatments and personal information is filed more efficiently. Infrastructure Data Center has also been developed on the cloud system of Dell, a global computing company, which is being used in the operations of the Ramkhamhaeng Hospital network. The Hospital has also partnered with Apple Inc in bringing devices such as the iPad and iPad mini in providing services to the customers. In addition, the hospital also received a plaque of honor - the Muang Thai Life Assurance Hospital Award 2019 from Muang Thai Life Assurance with a full score of 100 from a customer satisfaction survey conducted by Nielsen.

As a Thai company, the importance of being a good contributor to society is a value that the hospital has always been aware of, therefore, the hospital has encouraged activities to give back to society such as organizing blood donation activity together with Thai Red Cross Society in which in 2020, the donation event took place 4 times at the meeting room on 10th floor, Building 3 of Ramkhamhaeng Hospital. Another activity was "Unrak...I-Ram" project, which has been organized for the 9 th time and the 10 th year. The recent project was a collection of school supplies, sports equipment, blankets, toys and support money in the amount of 146,584 baht, which were donated to Ban Sao Aey School, Khu Mueang District, Buriram Province, under the project name "Go to Buriram, invitation to share...sharing with the young." Moreover, in order to conserve the forest as a heritage for Thai children, the hospitals in the Ramkhamhaeng group consisting of Ramkhamhaeng Hospital, Chiang Mai Ram Hospital and Lanna Hospital jointly donated to the "Forest Guardian Fund" the amount of 600,000 baht. At the same time, Ramkhamhaeng Hospital has issued an emergency medical unit and a first aid unit for the 3rd time in the international cycling event "Pedal to Explore Doi Inthanon National Park," with emergency medical teams and ambulances equipped with resuscitation equipment on site to provide care for the 4,000 cyclists who gathered together for the event. The hospital collaborated with Thai Samut Life Assurance Public Company Limited where Ramkhamhaeng Hospital provided sports equipment, school supplies and home medicine cabinets to promote the health of the nation's youth through the Ocean Life & Ram Hospital project to weave the dreams for the children at Ban Phutoey School, Sai Yok District, Kanchanaburi Province.

The Board of Directors view that 2021 should be the beginning of better years to come, from the commencement of vaccination for COVID-19 and sees a gradual improvement in the global economy as well as Thailand's economy. The Board of Directors and the team will proceed with due

diligence, taking into account the interests of the shareholders who have given us the trust and with consideration to the impact on all sectors the best we can for the sustainable and stable growth of Ramkhamhaeng Hospital and to improve the quality of life of the Thai people.

On behalf of the Board of Directors, I would like to thank all shareholders for their continued trust and support in the work of the Board of Directors. We will continue to operate under the principles of good governance and ethics, including adhering to the principles of transparency in management and operations for the benefit of shareholders, customers, all employees and the Thai society, in the same way that it has always been practiced before.

Dr. Aurchat Kanjanapitak, M.D.
Chairman of the Board of Director

Director and Management Profile

Dr. Aurchat Kanjanapitak, M.D.

Chairman* and Executive Director

Age : 77 years old

Shareholding in the Company 0.94 %

Relationships with family of director and executive director : -

Education

1967	Bachelor of Medicine, Chiang Mai University
1971	Certificate of Otolaryngology, Ramathibodi Hospital
1978	Certificate of Otolaryngology, University of Essen German, Germany
1978	Phd. Doctor of Medicine, University of Essen German, Germany

Working Experience :

1981 – Present	Director and Managing Director, F & S 79 Company Limited (EENT Hospital)
1988 – Present	Director and Executive Director, Ramkhamhaeng Hospital Public Company Limited
1997 – Present	Director and Executive Director, Synphaet Company Limited (Synphaet Hospital)
2000 – Present	First Vice President of Vajiravej-Vitayalai Chalermprakiert Foundation
2001 – Present	Honorary Advisor to the Senate Public Health Committee
2003 – Present	Director and Executive Director, Vibharam Hospital Company Limited
2004 – Present	Executive Director, Vibhavadi Hospital Public Company Limited
2005 – Present	Director and Executive Director, Chao Phraya Hospital Public Company Limited
2005 – Present	Director and Executive Director, Piyasiri Company Limited (Sukhumvit Hospital)
2006 – Present	Director and Executive Director, Serirak Hospital Company Limited
2007 – Present	Director and Managing Director, Kidney Institute Foundation Bhumirajanakarin
2007 – Present	Executive Director, Chiang Mai Ram Medical Business Public Company Limited (Lanna Hospital)
2018 – Present	Chairman, Muang Loei Ram Hospital
2018 – Present	Chairman and Executive Director, Burirum Ram Company Limited
2019 – Present	Chairman and Executive Director, Rajthanee Hospital Public Company Limited
2019 – Present	Chairman and Executive Director, Nan Ram Hospital Company Limited

Remarks: * Appointed as Chairman of the Board of Directors on January 8, 2021.

Dr. Virat Chuen-im, M.D.

Director and Hospital Director

Age : 84 years old

Shareholding in the Company : -

Relationships with family of director and executive director : -

Education

1965	Bachelor of Medicine, Chulalongkon University
	Diploma of Orthopedics, Ramathibodi Hospital
1974 – 1976	Fellowship Orthopedics Training, Hospital of Special Surgery, N. Y.

Working Experience :

1972 – 1981	Lecturer of Orthopedic Department, Ramathibodi Hospital
1982 – 1987	Orthopedic Doctor, Samitivej Hospital
1988 – Present	Director and Hospital Director, Ramkhamhaeng Hospital Public Company Limited
1997 – Present	Director and Hospital Director, Synphaet Co.,Ltd. (Synphaet Hospital)

Dr. Chamnan Chanapai, DDS.

Director and Managing Director

Age : 77 years old

Shareholding in the Company 1.06 %

Relationships with family of director and executive director : -

Education

1968	Bachelor of Dentistry, Mahidol University
1977	Cosmetic Restoration N.Y. , U.S.A.

Working Experience :

1971 – 1987	Full Time Dentist at Ramathibodi Hospital
1981 – Present	Director and Executive Director, F & S 79 Company Limited (EENT Hospital)
1988 – Present	Director and Managing Director, Ramkhamhaeng Hospital Public Company Limited
1997 – Present	Director and Executive Director, Synphaet Co.,Ltd. (Synphaet Hospital)
2003 – Present	Director and Executive Director, Vibharam Hospital Company Limited
2004 – Present	Director and Executive Director, Vibhavadi Hospital Public Company Limited
2005 – Present	Director and Executive Director, Piyasiri Company Limited (Sukhumvit Hospital)
2006 – Present	Director and Executive Director, Chaiyaphum Ram Hospital Company Limited
2008 – Present	Director and Executive Director, Chiang Mai Ram Medical Business Public Company Limited (Lanna Hospital)
2018 – Present	Director and Executive Director, Muang Loei Ram Hospital Company Limited
2019 – Present	Director and Executive Director, Nan Ram Hospital Company Limited

Dr. Suthee Leelasetakul, M.D.

Director and Medical Director

Age : 64 years old

Shareholding in the Company 0.01 %

Relationships with family of director and executive director : -

Education

1981	Bachelor or Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
1989	Internal Medicine Specialist, Ramathibodi Hospital, Mahidol University

Working Experience :

1982 – 1983	Lecturer, Department of Pharmacy Faculty of Medicine, Siriraj Hospital, Mahidol University
1983 – 1986	National Cancer Institute, Department of Medicine, Ministry of Public Health
1986 – 1989	Internal Medicine Physician, Faculty of Medicine, Ramathibodi Hospital
1989 – 1991	National Cancer Institute, Department of Medicine, Ministry of Public Health
1991 – Present	Medical Doctor, Ramkhamhaeng Hospital
1997 – Present	Director and Medical Director, Ramkhamhaeng Hospital Public Company Limited

Dr. Siripong Luengvarinkul, M.D.

Director and Executive Director

Age : 61 years old

Shareholding in the Company 2.37 %

Relationships with family of director and executive director : -

Education

1983	Bachelor or Medicine, Khon Kaen University
1987	Diploma of the Thai Board of Medicine, Otolaryngology, Larynx, Chulalongkorn University
1990	Master's degree in Business Administration National, Institute of Development Administration
2003	Senior Executive Program, Sasin
2006	Advanced Senior Executive Program (ASEP, Sasin), Kellogg School of Management Western University

Working Experience :

1987 – 1989	Lecturer, Department of Otolaryngology, Larynx, Faculty of Medical, Khon Kaen University
1990 - Present	Doctor of Ear, Nose and Throat Department, Ramkhamhaeng Hospital Public Company Limited
1995 – Present	Director and Executive Director, Ramkhamhaeng Hospital
2002 – Present	Deputy Managing Director, Ramkhamhaeng Hospital
2003 – Present	Executive Director, Chiang Mai Ram Hospital
2007 – Present	Executive Director, Chiang Mai Ram Medical Business Public Company Limited (Lanna Hospital)
2019 - Present	Director and Executive Director, Buriram Ruam Phaet Company Limited
2019 - Present	Executive Director, Thonburi Healthcare Group Public Company
2020 – Present	Medical Director, Thonburi Healthcare Group Public Company

Dr. Jermpol Bhumitrakul, DDS.

Director and Executive Director

Age : 60 years old

Shareholding in the Company 0.16 %

Relationships with family of director and executive director : -

Education

1985	Bachelor of Dentistry, Chulalongkorn University, Higher Diploma Prosthodontics Specialist, Chulalongkorn University
1994	Master's degree in Business Administration National, Institute of Development Administration (Nida)
2007	Bachelor of Laws, Ramkhamhaeng University
2012	Advanced Audit Committee Program (I.O.D.)
2016	Advanced Senior Executive Program (ASEP, Sasin), Kellogg School of Management Western University

Working Experience :

1994 - Present	Director and Executive Director, Ramkhamhaeng Hospital Public Company Limited
2008 – Present	Executive Committee, Sukhumvit Hospital
2012 - 2013	State Enterprise Director Specialization in Medicine and Public Health
2017 - Present	Advisor to the Executive Committee of the Private Hospital Association
2018 - Present	Director and Executive Director, Vibharam Hospital Company Limited

Miss Tassawan Sirivongs

Director and Executive Director

Age : 46 years old

Shareholding in the Company 0.83 %

Relationships with family of director and executive director :

Daughter of Mrs. Anchana Sirivongs

Education

1996	Bachelor of Economics, Thammasat University
2002	Master of Business Administration (MBA), INSEAD, France

Working Experience :

1996 – 2001	Export Executive, Siam Yamato Steel Co.,Ltd.
2003 – 2006	Advisory Member to the Minister of Transport
2005 – Present	Director and Managing Director of Babybite Co,.Ltd.
2018 – Present	Director and Executive Director, Ramkhamhaeng Hospital Public Company Limited

Dr. Pitchaya Somburanasin, M.D.

Director and Executive Director

Age : 48 years old

Shareholding in the Company 2.78 %

Relationships with family of director and executive director : -

Education

1996	Bachelor of Medicine, Chiang Mai University

Working Experience :

1996 – 1999	Dermatologist at Government Hospital in Rural Areas, Chiang Mai Province
2003 – Present	Dermatologist and laser Surgeon, Ramkhamhaeng Hospital Public Company Limited
2010 – 2020	General Consultants of Ramkhamhaeng Hospital
2021 – Present	Director and Executive Director, Ramkhamhaeng Hospital Public Company Limited (Appointed on June 8, 2021)

Mr. Young-Taeg Park

Director

Age 62 years

Shareholding in the Company -

Relationship among other management -

Education

1982	Bachelor's Degree in Economics, Sungkyunkwan University
1998	MBA, The Wharton School, University of Pennsylvanla

Work Experience

1998 – 2000	General Manager, Samsung Electronics
2000 – 2004	Partner/Head of Korea, UBS Capital Asia Pacific
2004 – Present	Chairman and Managing Director, Affinity Equity Partners
2018 – Present	Member of the Board of Director, Lock & Lock
2019 – Present	Member of the Board of Directors, Hyundai Commercial
2019 – Present	Director of Ramkhamhaeng Hospital Public Company Limited
2020 – Present	Member of the Board of Commissioners, PT Industri Jamu dan Farmasi Sido Muncul Tbk

Other position that may cause conflict of interest

none

Mr. Benny Lim

Director

Age 49 years

Shareholding in the Company -

Relationship among other management -

Education

1995	Bachelor of Commerce, Monash University, Australia

Work Experience

2000 – 2009	Vice President DBS Bank
2009 – 2011	Executive Director, UOB Bank
2011 – Present	Managing Director, Affinity Equity Partners
2011 – Present	Member of the Board of Directors, Leoung Hup International Bhd.
2012 – Present	Member of the Board of Directors, Island Hospital Sdn. Bhd.
2019 – Present	Director of Ramkhamhaeng Hospital Public Company Limited
2020 – Present	Member of the Board of Directors, Affinity Equity Partners (S) Pte. Ltd.

Other position that may cause conflict of interest

Member of the Board of Director, Island Hospital Sdn. Bhd.

Mr. Eric Marnandus

Director*

Age 42 years

Shareholding in the Company -

Relationship among other management -

Education

1997 - 2000	Bachelor of Science, Operations Research, Cornell University, USA
2003 - 2006	Master of Business Administration, University of California, USA

Work Experience

2000 – 2004	Associate, Asset Management Division, J.P. Morgan (New York)
2007 – 2010	Engagement Manager, McKinsey & Company
2011 – 2013	Associate, Affinity Equity Partners (S) Pte Ltd
2013 – Present	Executive Director, PT Affinity Equity Partners Indonesia
2018 – Present	Member of the Board of Commissioners, PT Industri Jamu dan Farmasi Sido Muncul Tbk
2020 – Present	Director of Ramkhamhaeng Hospital Public Company Limited

Other position that may cause conflict of interest

none

Remarks: * Appointed on 19 June 2020, replacing the resignation of Mr. Phoom Vayakornvichit

Dr. Pinit Hirunyachote

Director and Independent Director

Age : 73 years old

Shareholding in the Company -

Relationships with family of director and executive director : -

Education

1972	Bachelor of Medicine, Faculty of Medicine, Siriraj Hospital
1976	Diploma of Orthopedic Surgery, Faculty of Medicine, Siriraj Hospital
1988	Bachelor of Laws, Sukhothai Thammathirat Open University
1994	Master of Political Science (Public Administration), Thammasat University
2008	Bachelor of Business Administration (Accounting), Sukhothai Thammathirat University
2011	Bachelor of Business Administration (Finance and Banking), Sukhothai Thammathirat University

Working Experience :

1976 – 1989	Head of Orthopedic Surgery Group, Nakhon Pathom Hospital
1989 – 1996	Deputy Director of Medical Affairs, Nakhon Pathom Hospital
1996 – 2002	Director of Samut Sakhon Hospital
2002 – 2009	Director of Nakhon Pathom Hospital
2003 – 2018	Standards and Public Health Service Control Committee (Act. National Health Insurance,B.E. 2545)
2009 – Present	Advisor to the Senate Public Health Commission
2009 – Present	Central Director of the Medical Association
2001 – Present	Member of the Medical Council
2015 – Present	Director and Independent Director, Ramkhamhaeng Hospital Public Company Limited
2019 – Present	Chairman of the Board of Directors, Naresuan University

Mr. Kajit Habanananda

Director, Independent Director, and Audit Committee Member

Age : 83 years old

Shareholding in the Company 0.25 %

Relationships with family of director and executive director : -

Education

1960	Bachelor of Business Administration, Ball State University, U.S.A.
1962	Master of Business Administration Management, Ball State University, U.S.A.

Working Experience :

1965 – 1971	Public Relations Manager, Thai Oil Company Limited.
1967 – 1974	Special Lecturer, Faculty of Communication Arts, Chulalongkorn University
1972 – 1975	Senior Manager, Thai Oil Company Limited
1975 – 1976	Governor of Lions International Thailand
1979 – Present	Director of K.J. Company Limited
1982 – 1984	Thailand's First Lions International Director
1992 – Present	Director of Ramkhamhaeng Hospital Public Company Limited
2001 - 2547	Advisor to the Governor of Bangkok
2007 – Present	Director and Independent Director, Ramkhamhaeng Hospital Public Company Limited
2009 – Present	Audit Committee, Ramkhamhaeng Hospital Public Company Limited

Mr. Pramol Apirat

Director, Head of Audit Committee and Independent Director

Age : 54 years old

Shareholding in the Company 0.12 %

Relationships with family of director and executive director : -

Education

1993	Bachelor of Arts, Governors Program from Northeastern Illinois University, Chicago, Illinois, U.S.A.
2000	Master of Business Administration from Kasetsart University, Bangkok, Thailand

Working Experience :

1999 – Present	Trade Officer, International Trade Service Center, Siam Commercial Bank Public Company Limited
2000 – Present	Director and Independent Director, Ramkhamhaeng Hospital Public Company Limited
2000 – Present	Head of Audit Committee, Ramkhamhaeng Hospital Public Company Limited

Miss Kittiyarat Jirojdamrongchai

Director, Audit Committee, and Independent Director

Age : 67 years old

Shareholding in the Company : -

Relationships with family of director and executive director : -

Education

1972 – 1976	Higher Diploma (Accounting), Chetuphon College Commerce
1994 – 1996	Bachelor of Arts (Human Resources), Phranakon Rajabhat University
1996	Mini MBA Kasetsart University

Working Experience :

1979 – 2012	Deputy Director of Business Systems Division, Business Development Department, Provincial Electricity Authority
2007 – Present	Director and Independent Director
2009 – Present	Audit Committee

Other position that may cause conflict of interest :

None

Mr. Disapong Jaipakdeemun

Director and Independent Director

Age 44 years

Shareholding in the Company -

Relationship among other management -

Education

1996	Bachelor of Business Administration, Finance and Banking, Thammasat University
2002	MBA in Finance, University of Wisconsin-Madison, USA

Work Experience

1996 – 1999	Analyst, Merrill Lynch Phatra Securities
2003 – 2007	Associate Director, Barclays Capital (Thailand) Co., Ltd.
2007 – 2008	Vice President – Debt Capital Markets, JP Morgan Chase Bank Bangkok Branch
2009 – 2012	Head – Investment Banking, Kasikornbank Plc.
2012 – 2014	First Vice President, Global Business Development Department, Kasikornbank Plc.
2014 – 2018	Executive Vice President, Investment Banking, CIMB Thai Bank Plc.
2018 – 2020	Executive Advisor of IV Global Securities Plc.
2019 – Present	Director and independent director of Ramkhamhaeng Hospital Plc.
2020 - Present	Managing Director of D Capital Advisory Co., Ltd.

Other position that may cause conflict of interest

none

Professional service to the Company, subsidiaries, associates, or major shareholder in the past 2 years

Professional service (Financial Advisor)

Mrs. Anchana Sirivongs

Deputy Director for management

Age : 74 years old

Shareholding in the Company 0.95 %

Relationships with family of director and executive director :

Mother of Miss Tassawan Sirivongs

Education

- Diploma of Nursing and Midwifery, Mahidol University

Working Experience :

1988 – Present Deputy Director for Management, Ramkhamhaeng Hospital Public Company Limited

Mrs. Vanna Prugmahachaikul

Accounting and Finance Manager

Age : 64 years old

Shareholding in the Company 0.01 %

Relationships with family of director and executive director : -

Education

1979	Bachelor of Accounting, Thammasat University, Bangkok
1987	Master's Degree MBA, Thammasat University, Bangkok

Working Experience :

1988 – Present	Accounting and Finance Manager, Ramkhamhaeng Hospital Public Company Limited

Mrs. Waradda Tuntanatewintara

Company Secretary

Age : 59 years old

Shareholding in the Company -

Relationships with family of director and executive director : -

Education

1981 – 1986	Bachelor of Arts (English and Mass Communication), Faculty of Humanities Ramkhamhaeng University

Working Experience :

1993 - Present	Administrative Officer, Ramkhamhaeng Hospital Public Company Limited
2008 – Present	Company Secretary, Ramkhamhaeng Hospital Public Company Limited

Other Important Information

Information

Company Name	:	Ramkhamheang Hospital Pcl.
Business Type	:	Medical Service Business
Business Registration	:	No. Plc 28
Head Quarter	:	436 Ramkhamheag Rd., Huamark, Bangkapi, Bangkok 10240
Telephone	:	+662-7439999, +662-3740200-16 +662-7322000, +662-7320478-87
Fax	:	+662-3740804
Home Page	:	www.ram-hosp.co.th
E-mail	:	ramhospital@hotmail.com
Registered Capital	:	150 million baht Paid up capital of 120 million baht, 240 million shares at par 0.50 baht per share (On 28 May 2019, the Company has a stock split from 12 million shares to 240 million shares and par value change from 10 baht per share to 0.50 baht per share)
Other Information		
Share Registrar	:	Securities Depositary (Thailand) Co., Ltd. 4th floor, Stock Exchange of Thailand Building 62 Ratchada Rd., Klongtoei, Klongtoei, Bangkok 10110 Telephone : +662-2292800, +662-6545599 Fax : +662-3591259
Auditor	:	Miss Soraya Tintasuwan Certified Public Accountant Registration No. 8658 Dharmniti Auditing Co., Ltd. 267/1 Pracharat Sai 1, Bang Sue, Bang Sue, Bangkok 10800 Telephone : +662-5878080 Fax : +662-5860301

Policy and Business Oerview

The Ramkhamhaeng Hospital Public Company Limited (the "Company") was founded by a group of doctors, namely, Dr. Ratcha Somburanasin M.D., Dr. Aurchat Kanjanapitak, M.D., Dr. Virat Chuen-im M.D., Dr. Boonpridi Sirivongs, Dr. Chamnarn Chanapai DDS., Dr. Kasem Sirikolkarn M.D., and Dr. Udom Erjongmanee M.D., under the name of "Preehatai Company Limited " and later the name was changed to "Ramkhamhaeng Hospital Company Limited"

On February 28, 1988, the hospital opened for service in the form of a General Hospital, providing general medical treatment for all types of diseases by specialized doctors in all fields. The hospital was equipped with modern and highly effective treatment and diagnosis instruments and was opened for treatments for both outpatients and inpatients 24 hours a day with ambulance service on standby at all times and a total of 115 registered beds for inpatients.

On May 13, 1993, the Company was listed on the Stock Exchange of Thailand under the name of Ramkhamhaeng Hospital Public Company Limited. At present, it has a total of 486 registered beds for inpatients, located on an area covering 59,132 sqm. Since 2010, the hospital has received the JCI (Joint Commission International Accreditation Standards for Hospitals) certification, which demonstrates that Ramkhamhaeng Hospital is a hospital with recognized standards of medical care and patient care and has an equal safety level with hospitals of international standards.

From 1991 onward, the Company has invested in expanding the hospital business through joint investments in several subsidiaries and associates. On January 15, 2020, the Company purchased additional investment in Vibharam Hospital Company Limited, making the Company's shareholding proportion to be 50 percent, thus changing the status of Vibharam Hospital to become a subsidiary. The Company and its subsidiaries (hereinafter referred to as "the Group") was able to provide medical services covering all types of patients in Thailand. Additionally, Vibharam Hospital has received the HA Level 3 Quality System Certification from the Ministry of Public Health.

At present, there are a total of 11 hospitals under the management of the Company and its subsidiaries and has a total of 16 hospitals under the management of its affiliates, totaling 27 hospitals with more than 4,500 registered beds that can accommodate general patients and patients who exercise their rights under the state health welfare scheme, such as those under the Social Security Scheme (SSS) and patients under the project of the National Health Security Office (NHSO).

Vision Mission and Core Values

With the expertise from doctors and medical staff, Ramkhamhaeng Hospital Plc. focuses on providing high quality medical care services to meet international standards and customer expectation with an affordable service.

The Group aims to expand its private hospital business in Bangkok and provincial areas while offering the quality and standard at the international level. This is to become the biggest leader in hospital network that serves the demand throughout the country.

Core Values for the group are as followed

Hospital Group expansion

To grow our network of hospitals in Thailand to make healthcare accessible to a broader patient base

Quality of service

To constantly improve the quality of medical care to enhance clinical outcomes and prioritise patients' safety and well-being

Affordable healthcare

To drive operational efficiency to improve patient experience and provide cost competitive treatment options to patients

Employee well-being

To provide our employees with a safe and conducive working environment for both personal and professional growth

Social responsibility

To be actively involved in Corporate Social Responsibility programs for the welfare of society

Key events in the past 3 years

Year	Key events in the past 3 years
2018	1) In April 2018, the Company invested in Buriram Ruampaet Company Limited, which operates a 90-registered bed hospital located in Buriram province and has been in operation for more than 27 years. The capital invested represents 32.37% of the total capital. 2) In August 2018, the Company purchased additional investment in Muang Loei-Ram Hospital Company Limited from 40% to 53.69% and converted from an associates to a subsidiary.
2019	1) In January 2019, the Company invested in Vientiane Ram Company International Company Limited, which will operate a 150-registered bed hospital located in Vientiane, The Lao People's Democratic Republic of Lao PDR, which is still under development. The shareholding ownership is 70%. 2) In January 2019, the Company had a major shareholder change, whereby Bangkok Dusit Medical Services Public Company Limited sold all its shares (accounting for 38.24%) by selling part of the shares, accounting for 20%, to Cypress Consolidated Healthcare Pte Ltd, an investment holding company incorporated in Singapore, making Cypress Consolidated Healthcare Pte Ltd one of the major shareholders of the Company. 3) In April 2019, the Annual General Meeting of Shareholders resolved to approve the change in the par value of the Company from 10 baht per share to 0.5 baht per share and change the number of shares from 15,000,000 shares to 300,000,000 shares. 4) In June 2019, the Company and its subsidiaries purchased 4% of the shares of Rajthanee Hospital Public Company Limited. Rajathanee Hospital, a 100-registered bed hospital, is located in Ayutthaya and has been in operation for over 27 years, providing services to general patients and patients under the social security scheme. 5) In August 2019, the Company purchased 20% of the investment in Nan-Ram Hospital Company Limited. Nan-Ram Hospital Company Limited operates a 120-registered bed hospital, located in Mueang District, Nan Province and is expected to open in 2023.
2020	1) In January 15, 2020, the Company purchased the investment in Vibharam Hospital Company Limited, increasing its shareholding from 41.10% to 50%. Therefore, the type of investment was transferred from investment in an associate to an investment in a subsidiary.

Year	Key events in the past 3 years
	2) In December 2020, the Company purchased the investment in Ramnakara Company Limited. As a result, the shareholding proportion increased from 16% to 36.86%, making it an associate. It will operate 300-registered bed hospital located in Saphan Sung District, Bangkok and is expected to open in 2023.

Core Business of the Group

1. Hospital business

The Group operates a large private hospital business, providing comprehensive medical services by specialists in all fields with experienced personnel as well as modern medical equipment to general patients and patients under government health welfare schemes, such as patients under the Social Security Scheme (SSS) and patients under the project of the National Health Security Office (NHSO), both outpatients and inpatients. Today, the Group has established a Center of Excellence and has a specialized medical center to provide comprehensive medical services to patients as follows:

Centre of Excellence (Ramkhamhaeng Hospital)

1) 24-Hour Heart Center:
   - Cardiology Emergency Department
   - Cardiac Arrhythmia Clinic
   - Cardiovascular Expansion Department
   - High-frequency echocardiography
   - Cardiothoracic surgery
2) Spine and Neck Center
   - Shoulder arthroscopy
   - Herniated discs
   - Herniated disc replacement surgery
3) Diabetic Foot Center
4) Neurology and Neurosurgery Center
   - Neurology and Alzheimer's
   - Neurosurgery
5) Stroke Center
   - Acute Paralysis Center
   - Acute cerebrovascular accident
   - Stroke

Specialized Medical Center (Ramkhamhaeng Hospital and affiliates)

1) Eye Clinic
2) Ear, Nose and Throat Clinic
3) Gastroenterology Clinic
4) Obstetrics and Gynecology Clinic
5) Children's Clinic
6) Skin Clinic and Laser Surgery
7) Dental Clinic
8) Internal Medicine Clinic
9) Gastrointestinal and Liver Clinic
10) Diabetes Clinic
11) General Surgery Department
12) Kidney Department
13) Physiotherapy Department
14) Cancer Department
15) Psychiatric Department
16) Department of Respiratory Diseases
17) Orthopedic Center
18) Health and Occupational Health Screening Department

In addition, the Group also has a health check-up center, examination rooms, inpatient rooms, an intensive care unit, a radiation center, a laboratory, a pharmaceutical department, an emergency room and a modern ambulance service that can accommodate all patients comprehensively.

Hospitals under the operation of subsidiaries

Hospitals in the Group operated under subsidiaries will be operated through some directors who are sent to join the management as consultants and advisors. As of December 31, 2020, there are 11 hospitals under the operations of the Company and its subsidiaries, 9 of which are already in operation including:

1) Ramkhamhaeng Hospital: A 485-registered beds large private hospital located on Ramkhamhaeng Road. The hospital opened for service to general patients in 1988, providing comprehensive medical services with specialist doctors and medical technology that are safe and of international standards. There are currently five centers of excellence: the Heart Center, the Spine & Neck Center, the Diabetic Foot Center, the Neurology and Neurosurgery Center and the Stroke Center to serve the needs of the hospital and patients of the affiliates.

2) Muang Loei-Ram Hospital: A 100-registered bed private hospital located in Muang District, Loei Province, opened for general patients in 1996.

3) Chaiyapum Ram Hospital: A 60-registered bed private hospital located in Muang District, Chaiyapum Province, opened to general patients in 2006.

4) Vibharam Hospital Group: Large private hospitals that consist of 6 affiliates, 3 branch hospitals and 3 network clinics located in Bangkok, Samut Prakan and near the major industrial estates of Chonburi Province. It is considered to be a group of hospitals with strong network and specialized medical personnel to provide treatment services with modern and safe medical technology that meets international standards and HA standards. These include:

4.1) **Vibharam Hospital:** has a head office and 3 branches to provide services to general patients and social security patients, namely:

- **Vibharam Pattanakarn Hospital (Flagship)** is a 150-registered bed private hospital located on Phatthanakan Road, near Pattanakarn Intersection, Srinakarin Road intersection and near the Eastern Motorway heading to Suvarnabhumi Airport. It has been providing medical services since 1998 and received HA Level 3 Quality System Certification.
- **Vibharam Hospital, Laem Chabang Branch,** formally known as Laem Chabang International Hospital and changed to Vibharam Hospital Laem Chabang Branch in 2014. The hospital has 100 beds, located in Laem Chabang Municipality near Laem Chabang Port, Laem Chabang Industrial Estate and Pinthong Industrial Estate.
- **Vibharam Hospital, Samut Sakhon Branch** is a 100-registered bed private hospital, opened in 2016, located in Samut Sakhon Municipality, Mueang District, Samut Sakhon Province.
- **Vibharam Hospital, Sirinat Buengkum Branch,** is a 52-registered bed private hospital, opened in 2019, located at Soi Nawamin 93, Bangkok.

4.2) **Phaetpanya Hospital** is a 160-registered bed private hospital, opened in 1977, located at Soi Ramkhamhaeng 4, Suan Luang District, Bangkok. There are 3 more network clinics currently serving general patients, social security patients and patients under NHSO scheme.

4.3) **Vibharam Pakkred Hospital** is a 100-registered bed private hospital opened in 2010, located on Chaeng Watthana Road near the Chao Phraya River Bridge (Rama 4) and Pakkred Intersection

Tunnel, currently providing services to general patients and social security patients. The hospital has received HA Level 3 Quality System Certification.

4.4) **Vibharam Hospital, Chaiprakarn** is a 100-registered bed private hospital, opened in 2005, located on Pu Chao Saming Phrai Road, Phra Pradaeng, Samut Sakhon Province.

4.5) **Vibharam Amata Nakorn Hospital** is a 100-registered bed private hospital opened in 2014, located on the road leading to Amata Nakorn Industrial Estate on the main road of Amata Nakorn Industrial Estate, Chonburi Province. It is currently providing services to general patients and social security patients and is considered the first hospital established in the industrial estate with the aim to facilitate health services for the factory employees of Amata Nakorn Industrial Estate, and other residences surrounding the Estate and in the nearby area.

4.6) **Mahesak Hospital** is a with 132- registered bed private hospital, opened in 1976 and joined as a subsidiary of Vibharam Hospital in 2017, located on Mahesak Road, Bang Rak District, Bangkok.

Company	Business	Registered Capital	Shareholdings	No. of Beds	Types of patients		
					General	SSS.	NHSO.
Ramkhamhaeng Hospital Public Company Limited	Ramkhamhaeng Hospital	150.00	-	485	/	-	-
Muang Loei-Ram Hospital Co., Ltd.	Muang Loei-Ram Hospital	414.74	100%	100	/	-	-
Chaiyapum Ram Co., Ltd.	Chaiyapum Ram Hospital	558.00	100%	60	/	-	-
Vientiane Ram International Hospital Co., Ltd.	Vientiane Ram Hospital (Not yet in operation)	100.00	70.00%	150	-	-	-
R-Plus Asset Co., Ltd.	Hospital (Not yet in operation)	256.25	50.00%	n.a.	-	-	-
Hospitals under the Vibharam Group							
Vibharam Hospital Co., Ltd.	Vibharam Hospital, Head Office, Phatthanakan	200.00	50%	150	/	/	-
Vibharam Hospital Co., Ltd. (Branch)	Vibharam Hospital, Laem Chabang Branch	n.a.	-	100	/	/	-

Company	Business	Registered Capital	Shareholdings	No. of Beds	Types of patients		
					General	SSS.	NHSO.
Vibharam Hospital Co., Ltd. (Branch)	Vibharam Hospital, Samut Sakhon Branch	n.a.	-	100			
Vibharam Hospital Co., Ltd. (Branch)	Vibharam Hospital, Sirinat Buengkum Branch	n.a.	-	52	/	/	-
Songsamphan Co., Ltd.	Phaetpanya Hospital	800.00	50.00%/1	160	/	/	/
Vibharam-Pakkred Hospital Co., Ltd.	Vibharam Hospital, Pakkred	550.00	88.46%/1	100	/	/	-
Vibharam Chaiprakarn Co., Ltd..	Vibharam Hospital, Chaiprakarn	700.00	72.17%/1	100	/	/	-
Vibharam (Amatanakorn) Hospital Co., Ltd.	Vibharam Hospital, Amatanakorn	800.00	75.11%/1	100	/	/	-
Mahaesak Hospital Co., Ltd.	Mahaesak Hospital	400.00	51.72%/1	132	/	/	-

Remark: /1 Shareholding proportion held by Vibharam Hospital Company Limited

Rate of service usage of hospital groups under subsidiaries

As of December 31, 2020, hospitals under the Company and its subsidiaries have a total registered beds of 1,588 beds available to serve the general patients and patients under the government's welfare program. The total number of outpatients was 2,273,964 and the number of days in which inpatients were actually admitted for service was 223,296 beds or the average service rate was 43% of the registered beds.

As of December 31, 2020, Vibharam Hospital Group has an average of 454,390 people insured under the Social Security Scheme.

Year	Unit	2018	2019	2020
Outpatient/1				
Number of outpatients receiving the service	**Times**	**574,324**	**557,152**	**2,273,964**
Number of outpatients - General patients	Times	574,324	557,152	1,067,455
Number of Outpatients - Government Welfare Programs	Times	-	-	1,206,509
Inpatient/1				
Registered beds	**Bed**	**486**	**486**	**1,428**
Number of days patients actually received treatment	**Beds/Year**	**84,574**	**76,226**	**223,296**
Number of inpatients - General patients	Beds/Year	84,574	76,226	104,752
Number of inpatients - Government Welfare Programs	Beds/Year	-	-	118,544
Occupancy rate /2	**%**	**47.68**	**42.97**	**42.72**

Remark:

/1 The number of outpatients and inpatients in 2018-2019 is the number of patients from Ramkhamhaeng Hospital. In 2020, it was the number of patients of Ramkhamhaeng Hospital and Vibharam Hospital Group after Vibharam Hospital Company Limited has become a subsidiary of the Company which previously had the status of an associate.

/2 The occupancy rate is based on total inpatient services per registered beds.

Hospitals under the operation of associates and affiliates

In addition to the hospitals managed under the Company and its subsidiaries, there are also hospitals of the Group which operate under the associates and affiliates. This is done through sending some directors to join the management as consultants and advisors. The executives of associates are free to formulate policies and marketing plans in their own areas. The associates and affiliates will refer patients to each other only when either one does not have the equipment available to treat that patient. In addition, the Company receives dividends income from investments in associates and affiliates.

As of December 31, 2020, hospitals under the operation of associates and affiliates are:

Company	Business	Shareholding	No. of Beds
Chiangmai Ram Hospital Co., Ltd.	Chiangmai Ram Hospital	42.89%	200
Phayao Ram Hospital Co., Ltd.	Phayao Ram Hospital	40.00%	100
Ramnakara Co., Ltd.	Ram 2 Hospital (not yet in operation)	36.86%	300
Piyasiri Co., Ltd.	Sukhumvit Hospital	34.24%	80
Synphaet Co., Ltd	Synphaet Hospital	32.95%	380
Buranavetch Co., Ltd.	Petcharat Hospital	17.90%	100
Khonkaen Ram Hospital Co., Ltd.	Khonkaen Ram Hospital	16.40%	300
Nan-Ram Hospital Co., Ltd.	Nan-Ram Hospital (not yet in operation)	13.33%	120
Rajthanee Hospital Pcl.	Rajthanee Hospital	11.97%/1	253
Vibhavadi Medical Center Pcl.	Vibhavadi Hospital	11.56%/2	260
Udorn Pattana (1994) Co., Ltd.	Aek Udon Hospital	9.33%	350

Remark:

/1 Ramkhamhaeng Hospital Plc. holds 4.03% of the shares and Vibharam Hospital Co., Ltd. holds 7.94% of the shares.

/2 Ramkhamhaeng Hospital Plc. holds 7.26% of the shares and Vibharam Hospital Co., Ltd. holds 4.25% of the shares.

2. Sales of Medical equipment, medicines, and medical supplies and medical device calibration services (M.I.CAL.SYSTEM)

Ramkhamhaeng Hospital Public Company Limited has procured medical equipment and medical supplies to sell to its subsidiaries and affiliates, giving the company a high bargaining power of procurement because of large volume orders at a time. Therefore, the Company can order products at a cheaper price, enabling its subsidiaries, associates and affiliates to have lower costs for medical equipment, medicines and medical supplies. Sales of medical equipment, medicines, and medical supplies and medical device calibration services (M.I.CAL.SYSTEM) under the operations of the Company are detailed as follows:

(1) Medical device calibration service (MICAL.SYSTEM) was established for the purpose of calibrating medical devices to ensure that devices used for examinations, measurements and testing, which affect the quality of patient care, are precise and accurate, efficient and suitable for their specific uses. In 2020, the Company gained a revenue of 3.49 million baht.

(2) Sales of certain types of medical devices and medical supplies such as surgical bed, lamp, boiler, patient bed, electrical system, blood transducer, stationary incubator, plate screw, laser machine and others. In 2020, the revenue was 838.85 million baht.

(3) Laboratory diagnostics service to provide services to subsidiaries and affiliates that do not have the tools available to conduct the diagnosis by themselves. In 2020, the revenue was 191.86 million baht.

As of December 31, 2020, revenue from sales of medical devices, clinical labs services and medical device calibration services (M.I.CAL.SYSTEM) is at 1,034,191,765 baht or equivalent to 21.47 percent of total revenue (Separated financial statements), which of this total number, the amount sold to subsidiaries, associates and affiliates is 839,559,127 baht or 17.43 percent.

In addition, the Company has jointly invested in an associate that operates the business of selling medical devices and medical supplies with experience in manufacturing, importing, distributing medicines, medical supplies, dialysis fluids, as well as providing repair services for medical devices, namely:

Company	Business	Registered Capital (baht)	Shareholding
Thippayabadin Co., Ltd.	Producing dialysis fluids, selling medical supplies	392,840,000	38.18%
Radio Logical Equipment Co., Ltd.	Sale and repair of medical equipment	10,000,000	30.00%
Renal Serve Co., Ltd.	Selling medical devices and medical supplies	30,000,000	19.00%
The Medic Pharma Co., Ltd.	Selling pharmaceutical medicines	42,860,000	10.03%

These four companies will sell and provide services to affiliates at a discounted price lower than those sold to general hospitals.

3. Investments in Associates and Affiliates

In addition to the hospital business and the distribution of medical devices, medicines and medical supplies, the Company sees an opportunity to invest in associates and other companies, whether or not they are hospital businesses and hospital-related business, as well as other businesses, which the Company receives consistent dividend returns every year from the operating results of the companies it has invested in. As of December 31, 2020, the Company had dividends income equal to 229.04 million baht.

The company's revenue structure

Ramkhamhaeng Hospital Public Company Limited and its subsidiaries

Revenue	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Revenue from hospital business						
Revenue from general patients						
Revenue from outpatients (OPD)	1,647,210,243	29.54	1,680,971,985	34.84	2,783,961,479	34.11
Revenue from inpatients (IPD)	1,950,359,249	34.98	1,950,978,953	40.44	2,681,058,932	32.85
Total revenue from general patients	**3,597,569,492**	**64.52**	**3,631,950,938**	**75.28**	**5,465,020,411**	**66.96**
Revenue from government welfare programs						
Social security scheme	-	0.00	-	0.00	1,401,800,583	17.17
National Health Security Office scheme	-	0.00	-	0.00	195,771,188	2.40
Total revenue from government welfare programs	**-**	**0.00**	**-**	**0.00**	**1,597,571,771**	**19.57**
Revenues from sales of medical equipment and instrument	**490,073,207**	**8.79**	**815,624,784**	**16.90**	**759,569,228**	**9.30**
Other revenue						
Interest income	15,653,637	0.28	-	0.00	-	0.00
Dividends	287,445,406	5.16	272,633,225	5.65	229,042,021	2.81
Others	1,184,746,226	21.25	104,670,959	2.17	110,913,454	1.36
Total Revenue	**5,575,487,968**	**100.00**	**4,824,879,906**	**100.00**	**8,162,116,885**	**100**

Vibharam Hospital Company Limited has changed its status from an associate to a subsidiary in 2020, resulting in hospital business revenue from the government health welfare program which are from services provided by hospitals in the Vibharam Hospital Company Limited Group. While in the previous year, revenue from hospital business came from general patient services from the Company, Chaiyapum Ram Hospital Company Limited and Muang Loei-Ram Hospital Company Limited only.

In 2020, 86.81% of the revenue of the Company and its subsidiaries come from hospital operations which are 66.96% from general patients and 19.57% from government welfare, followed by Revenues from sales of medical equipment and instrument accounted for 9.30% and other revenues accounted for 4.17%.

Ramkhamhaeng Hospital Public Company Limited

	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Revenue from hospital business						
Revenue from general patients						
Revenue from outpatients (OPD)	1,560,999,509	32.77	1,522,911,721	29.51	1,432,529,291	29.73
Revenue from inpatients (IPD)	1,878,501,879	39.44	1,818,692,036	35.25	1,679,714,866	34.87
Total revenue from general patients	**3,439,501,388**	**72.21**	**3,341,603,757**	**64.76**	**3,112,244,157**	**64.60**
Revenue from government welfare programs						
Social security scheme	-	0.00	-	0.00	-	0.00
National Health Security Office scheme	-	0.00	-	0.00	-	0.00
Total revenue from government welfare programs	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**
Revenues from sales of medical equipment and instrument	**496,603,052**	**10.43**	**825,095,340**	**15.99**	**1,030,705,746**	**21.39**
Other revenue						
Interest income	7,550,049	0.16	-	0.00	-	0.00
Dividends	576,294,259	12.10	893,455,426	17.31	640,950,585	13.31
Others	243,000,250	5.10	100,127,462	1.94	33,638,419	0.70
Total Revenue	**4,762,928,998**	**100.00**	**5,160,281,985**	**100.00**	**4,817,538,907**	**100.00**

Product/Service	Private Hospital
Operated by	Dr. Chamnan Chanapai, DDS. and Executive committee

Vibharam Hospital Company Limited and subsidiaries 2020 revenue structure

Revenue	Consolidated		Vibharam Hospital (including branches)		Dr. Panya General Hospital		Vibharam Pakkred Hospital		Vibharam Chaiprakarn Hospital		Vibharam Amatanakorn Hospital		Mahaesak Hospital	
	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%	Baht	%
Revenue from hospital business														
Revenue from general patients														
Revenue from outpatients (OPD)	1,175,428,311	31.10	684,887,748	32.04	82,831,717	21.44	122,088,679	28.04	30,942,632	65.30	195,814,553	33.75	58,862,982	29.49
Revenue from inpatients (IPD)	883,643,141	23.38	597,272,331	27.94	32,240,452	8.34	72,686,998	16.69	5,786,390	34.70	159,718,254	27.05	15,938,716	7.99
Total revenue from general patients	**2,059,071,452**	**54.48**	**1,282,160,079**	**59.98**	**115,072,169**	**29.78**	**194,775,677**	**44.73**	**36,729,022**	**97.37**	**355,532,807**	**61.00**	**74,801,698**	**37.48**
Revenue from government welfare programs														
Social security scheme	1,401,800,583	37.09	760,798,690	35.59	65,263,413	16.89	232,490,890	53.40	-	0.00	222,000,018	38.09	121,247,572	60.76
National Health Security Office scheme	195,771,188	5.18	-	0.00	195,771,188	50.67	-	0.00	-	0.00	-	0.00	-	0.00
Total revenue from government welfare programs	**1,597,571,771**	**42.27**	**760,798,690**	**35.59**	**261,034,601**	**67.56**	**232,490,890**	**53.40**	**-**	**0.00**	**222,000,018**	**38.09**	**121,247,572**	**60.76**
Revenues from sales of medical equipment and instrument	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**
Other revenue														
Interest income	2,264,163	0.06	242,660	0.01	1,071,929	0.28	896,103	0.21	4,329	0.00	26,008	0.00	23,134	0.01
Dividends	60,606,863	1.60	60,606,863	2.84	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Others	60,121,018	1.59	33,895,034	1.58	9,200,028	2.38	7,250,297	1.66	991,276	2.63	5,301,502	0.91	3,482,881	1.75
Total Revenue	**3,779,635,267**	**100.00**	**2,137,703,326**	**100.00**	**386,378,727**	**100.00**	**435,412,968**	**100.00**	**37,724,627**	**100.00**	**582,860,335**	**100.00**	**199,555,285**	**100.00**

Product/Service Private Hospital

Operated by Dr. Paiboon Eksangsri, MD.

Ramkhamhaeng Hospital Public Company Limited ownership 50 %

Chaiyapum Ram Hospital Company Limited

Revenue	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Revenue from hospital business						
Revenue from general patients						
Revenue from outpatients (OPD)	41,846,484	49.82	41,878,983	47.23	43,852,135	53.84
Revenue from inpatients (IPD)	40,429,769	48.14	46,057,677	51.94	36,733,710	45.09
Total revenue from general patients	**82,276,253**	**97.96**	**87,936,660**	**99.18**	**80,585,845**	**98.93**
Revenue from government welfare programs	-	0.00	-	0.00	-	0.00
Social security scheme	-	0.00	-	0.00	-	0.00
National Health Security Office scheme	-	0.00	-	0.00	-	0.00
Total revenue from government welfare programs	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**
Revenues from sales of medical equipment and instrument	**-**	**0.00**	**-**	**0.00**	**-**	**0.00**
Other revenue	-	0.00		0.00	-	0.00
Interest income	21,345	0.02	23,648	0.02	14,395	0.02
Dividends	-	0.00	-	0.00	-	0.00
Others	1,694,110	2.02	706,243	0.80	859,708	1.05
Total Revenue	**83,991,708**	**100.00**	**88,666,551**	**100.00**	**81,459,948**	**100.00**

Product/Service Private Hospital

Operated by Mr. Ittisak Ekkasak and Executive committee

Ramkhamhaeng Hospital Public Company Limited ownership 78.04 %

Muang Loei Ram Hospital Company Limited

Revenue	2018 (Aug – Dec)		2019		2020	
	Baht	%	Baht	%	Baht	%
Revenue from hospital business						
Revenue from general patients						
Revenue from outpatients (OPD)	44,364,250	57.63	117,224,749	56.06	132,151,742	60.45
Revenue from inpatients (IPD)	31,427,601	40.82	86,229,240	41.23	80,967,215	37.04
Total revenue from general patients	75,791,851	**98.45**	203,453,989	**97.29**	**213,118,957**	**97.49**
Revenue from government welfare programs						
Social security scheme	-	0.00	-	0.00	-	0.00
National Health Security Office scheme	-	0.00	-	0.00	-	0.00
Total revenue from government welfare programs	-	0.00	-	0.00	-	0.00
Revenues from sales of medical equipment and instrument	-	**0.00**	-	**0.00**	-	**0.00**
Other revenue	-	0.00		0.00	-	0.00
Interest income	308,252	0.40	2,775,708	1.33	2,979,673	1.36
Dividends	-	0.00	-	0.00	-	0.00
Others	883,183	1.15	2,885,440	1.38	2,499,531	1.15
Total Revenue	**76,983,286**	**100.00**	**209,115,138**	**100.00**	**218,598,161**	**100.00**

Product/Service Private Hospital

Operated by Dr. Boonchai Jintanasawad MD.

Ramkhamhaeng Hospital Public Company Limited ownership 77.67 %

Note: Muang Loei Ram Hospital Company Limited changed its status from an associates to a subsidiary in August 2018.

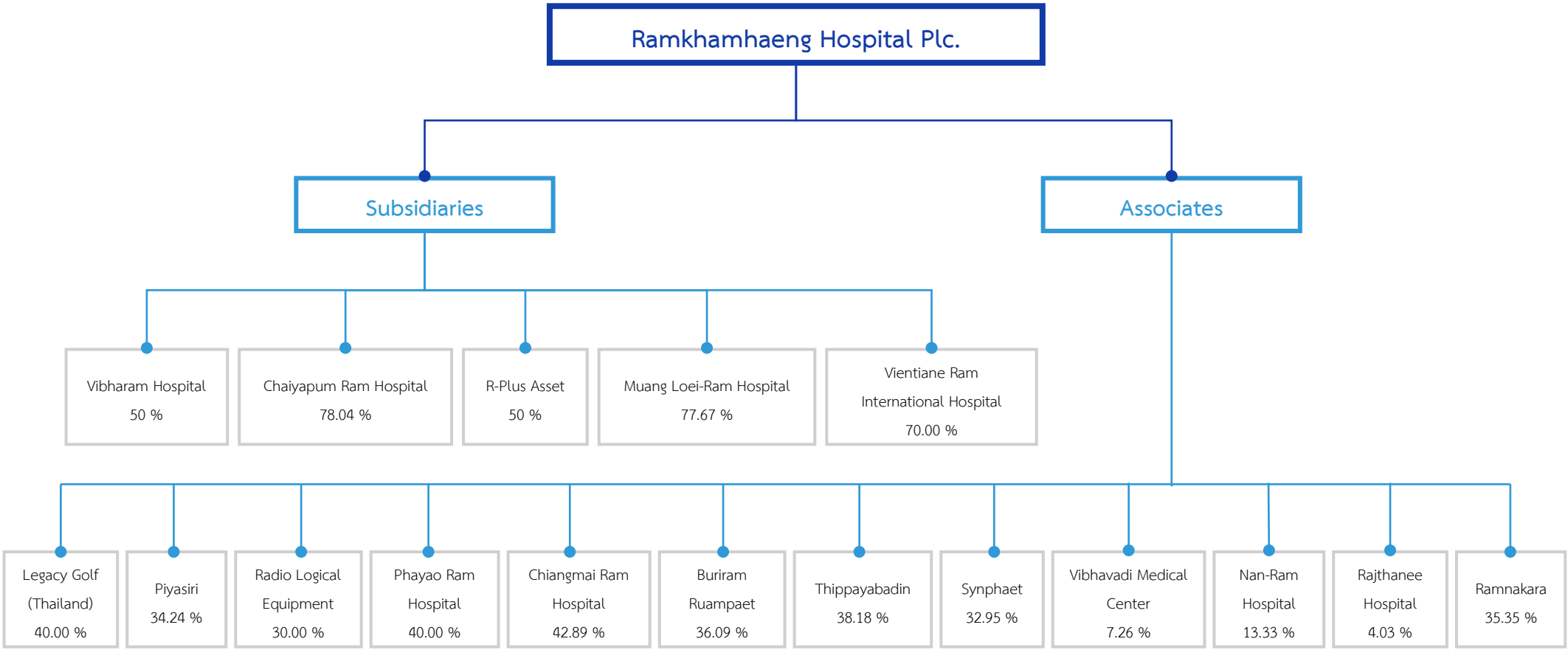
R-Plus Asset Company Limited

Revenue	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Other revenue						
Interest income	25,974,278.00	2.68	25,125,287.00	100.00	2,585,421	10.73
Other income (rental reversal)	-	0.00	-	0.00	21,508,346	89.27
Other income (gain from sale of assets)	945,052,057.00	97.32	-	0.00	-	0.00
Total Revenue	**971,026,335**	**100.00**	**25,125,287**	**100.00**	**24,093,767**	**100.00**

Vientiane Ram International Hospital Co., Ltd.

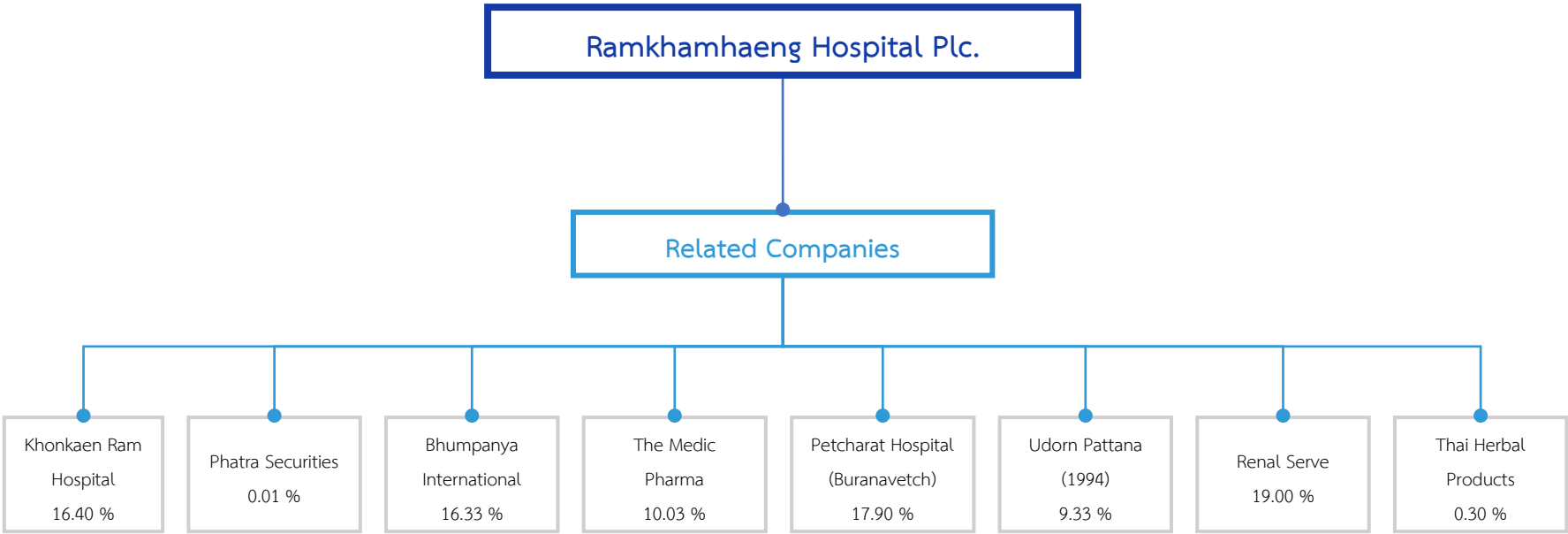
Not yet in operation

Shareholding Structure of the Group
Subsidiaries and Associated Companies



Shareholding Structure of the Group ฯ

Related and Other Companies



Juristic person which the Company holds shares more than 10 percent

	Companies	Address	Type of Business	Paid-up shares (shares)	Shares held by the company (shares)	% Shares
1.	Chaiyapum Ram Hospital Co., Ltd.	290/42 Chaiyaphum Sikhio Rd., Nai Mueang, Mueang, Chaiyaphum 36000	Private Hospital	5,580,000	4,354,632	78.04
2.	Muang Loei-Ram Hospital Co., Ltd.	546 Moo 1 Maliwan Rd. Na An, Mueang, Loei 42000	Private Hospital	41,473,500	32,213,400	77.67
3.	Vientiane Ram International Hospital Co., Ltd. (Vientiane Ram International Hospital)	Vientiane, Lao PDR	Under development private hospital	1,200,000,000 Baht	840,000,000 Baht	70.00
4.	Vibharam Hospital Co., Ltd.	2677 Phatthanakan Rd., Suan Luang, Bangkok 10250	Private Hospital (Since 15 January 2020)	200,000,000	100,000,000	50.00
5.	R-Plus Asset Co., Ltd.	Petchburi Road, Bangkok	Under development private hospital	200,000,000 (Share issued)	99,999,996	50.00
6.	Chiangmai Ram Hospital Co., Ltd.	8 Boonruangrit Rd., Sriphum, Mueang, Chiang Mai	Private Hospital	40,000,000	17,156,667	42.89
7.	Phayao Ram Hospital Co., Ltd.	660 Moo 3, Tha Wang Thong, Mueang, Phayao 56000	Private Hospital	750,000	300,000	40.00
8.	Legacy Golf (Thailand) Co., Ltd.	18 Moo 7, Liap Klong 2 Rd., Samwa-East, Khlong Sam Wa, Bangkok 10510	Golf Club	130,000,000	52,000,000	40.00

List of Company		Address	Type of Business	Paid-up shares (shares)	Shares held by the company (shares)	% Shares
9.	Thippayabadin Co., Ltd.	559/33 Moo 7, Bang Phli Yai, Bang Phli, Samut Prakan 10540	Distributor medical equipment	78,568,000	30,000,000	38.18
10.	Buriram Ruampaet Co., Ltd. (Buriram Ram Hospital)	197 Moo 2, Buriram-Phutthaisong Rd., Chum Het, Muang, Buriram 31000	Private Hospital	8,500,000	3,067,325	36.09
11.	Ramnakara Co., Ltd.	119/129-132 Nawamin Rd., Nawamin, Bueng Kum, Bangkok 10240	Under development private hospital	20,851,809	7,371,864	35.35
12.	Piyasiri Co., Ltd. (Sukhumvit Hospital)	316/32 Soi Sukhumvit 22, Sukhumvit Rd., Klongtoey, Bangkok 10110	Private Hospital	1,760,000	602,624	34.24
13.	Synphaet Co., Ltd.	9/99 Ramintra Km. 8.5 Rd. Khan Na Yao, Bangkok 10230	Private Hospital	91,000,000	29,983,489	32.95
14.	Radio Logical Equipment Co., Ltd.	170-172/1 (Floor 2,3) Boripat Rd., Ban Bat, Pom Prap Sattru Phai, Bangkok 10100	Sell and repair medical instrument	10,000	3,000	30.00
15.	Renal Serve Co., Ltd.	719 KBM Building Unit D1, 19th floor Rama 9 Rd., Bangkapi, Huai Khwang, Bangkok 10310	Sell medical instrument	3,000,000	570,000	19.00
16.	Buranavetch Co., Ltd. (Phetcharat Hospital)	2/1 Samakkhi Thai Rd., Nai Mueang, Mueang, Phetchabun 67000	Private Hospital	7,500,000	1,342,127	17.90

List of Company		Address	Type of Business	Paid-up shares (shares)	Shares held by the company (shares)	% Shares
17.	Khonkaen Ram Hospital Co., Ltd.	193 Srichand Rd. Muang, Khon Kaen 40000	Private Hospital	8,000,000	1,312,200	16.40
18.	Bhumpanya International Co., Ltd.	50 Huay Kaew Rd., Chang Phueak, Mueang, Chiang Mai 50300	Educational Institutions	6,000,000	980,000	16.33
19.	Nan-Ram Hospital Co., Ltd.	553 Moo 4, Chaiyasathan, Mueang Nan, Nan	Under development private hospital	15,000,000	2,000,000	13.33
20.	The Medic Pharma Co., Ltd.	450 Soi Rama 2 Soi 50, Samae Dam, Bang Khun Thian, Bangkok 10150	Pharmaceutical	4,286,000	430,000	10.03

- 1st - 5th Company are subsidiaries. 6th - 20th Company are associates. The remaining shareholders in each company have no conflict of interest with Ramkhamhaeng Hospital Public Company Limited.
- Core business and other business are proportionally to its asset size and applicable within the criteria
  - None -
- Relationship with major shareholders' businesses
  - None -

Industry Overview and Marketing Strategy of the Group

Factors affecting the private hospital business in Thailand are:

1. **COVID-19 epidemic:** in 2020, private hospital businesses were affected by the COVID-19 epidemic situation both in Thailand and around the world. The government has issued measures to control the epidemic through time restrictions (Curfew) and the closure of service places (Lockdown), causing people to have restrictions on traveling to the hospital. This coupled with concerns about the spread and infection of COVID-19 making people opt to use medical services only when urgent or necessary. Consequently, the number of patients receiving services decreased, resulting in a sharp drop in the number of patients who received medical services in the first half of the year and began to return to services more in the second half of 2020.

2. **Economic contraction:** the economic conditions in Thailand and around the world in the past have slowed down, coupled with the COVID-19 outbreak, causing the economy to contract. People are more cautious about their spending, resulting in lower revenue generated from medical services. However, it is expected that the Thai and global economy will recover in 2022, which will be a factor supporting the growth of the hospital business which is one of the basic needs of the people.

3. **Other revenue related to COVID-19**: although private hospital businesses have been negatively impacted by the COVID-19 outbreak and the shrinking economy, however, it has been compensated by the hospital's drive-thru COVID-19 testing services, Alternative State Quarantine services, and Alternative Hospital Quarantine services, as well as the sale of medical equipment for COVID-19 testing.

4. **Increasing the efficiency of hospital business**: hospitals are increasingly adapting their services through the use of technology and cost control as well as the reduction of the hospital's expenses in line with the decreasing revenue, which resulted in higher efficiency of the hospital's operations.

5. **Adjustment of medical service fees of the Social Security Office:** the Social Security Office has increased the medical service fee per capita in 2020 to 3,959 baht /person/year, an increase from 3,400 baht/person/year in 2019. The Social Security Office will pay the hospital bills in lump sum for general outpatients and for inpatients, the payment will be according to the severity and complexity of the disease. The increase in medical service fees is considered a positive factor for the Vibharam Hospital group that provides services to patients under state health benefits and helps to improve efficiency in managing operating costs.

6. **Population entering an aging society:** Thailand is entering an aging society. This is a positive factor for accessing medical services for more complex and chronic diseases such as circulatory disease, diabetes, etc. In addition, the preventive health service business (Wellness) is becoming more popular. This is another channel to increase revenue for the hospital business.

7. **The expansion of urban communities and the Eastern Economic Corridor (EEC):** The expansion of the urban community encourages the expansion of investment in hospitals to accommodate more people in the area and nearby areas. It also encourages hospital businesses to improve its services continuously. In addition, the promotion of the Eastern Economic Corridor (EEC) has made it possible to increase foreign investment and increase the number of foreigners traveling and working in Thailand, which is considered as a continuous increase in the number of hospital customers.

8. **Government Promotion Policy:** the government promotes Thailand as a leader in health tourism which will attract more foreigners to seek treatment in Thailand. In addition, the government has promoted the integrated medical industry as a new target industry (New S-Curve), encouraging more investors to invest in Thailand through tax incentives. It is expected that there will be businesses related to the production of medical food, the manufacture of parts (Electronic Control and Measurement) for medical devices, the business of specialized medical centers in 3 areas (heart, cancer and kidney), As for the EEC, it encourages investors to establish hospitals for future medicine treatment, and to establish a research and analysis center for lab results, which is beneficial for hospital businesses to be able to provide cutting-edge medical equipment at a lower cost than those of the imports.

Marketing Strategy

The Group attaches great importance to service development in terms of quality, price, safety and service channels for all types of hospital customers through marketing strategies and strengths of the Group as follows:

1. **Comprehensive service in all specialties and the establishment of a center of excellence**: the Group of hospitals under Ramkhamhaeng Hospital Public Company Limited provides services from the secondary level to the tertiary level with modern medical technology. Safety is ensured through specialist doctors and competent and experienced staff. The Group provides services to all medical fields, with facilities for convenience and a comprehensive medical center. In addition, Ramkhamhaeng Hospital has established a center of excellence, namely The 24-hour Heart Center, Cardiac Rehabilitation Department, which is supervised by Sports Physiologists through a panel of experts in sports medicine, Spine and Neck Center, Diabetic Foot Center, Neurology and Neurosurgery Center, and Stroke Center to support patient access and be a referral center for patients of group hospitals.

2. **Quality and international service standards at standard prices:** Ramkhamhaeng Hospital received JCI international standard certification and Vibharam Hospital received HA level 3 certification from the Ministry of Public Health and ISO9001 standard, which reflects that hospitals in the group have a service system and operate at an international level and are safe for hospital customers to utilize their services. In addition, the price is at the standard level. The hospital has a policy to set prices in a fair and in line with market standards, taking into account people living in the area with moderate financial standing.

3. **There is a network of hospitals covering Bangkok Metropolitan Region, Eastern Region and Northeastern Region:** at present, the Group has 11 hospitals under the management of the Company and its subsidiaries covering the Bangkok area (namely, Ramkhamhaeng Hospital and hospitals in the Vibharam group), Samut Sakhon (Vibharam group hospitals), Chonburi (Vibharam group hospitals), Chaiyapum and Loei. This results in the transfer of knowledge and experience in medical treatment as well as reducing medical costs through the procurement of medicines, medical supplies and medical equipment for affiliates, as it gives more bargaining power with vendors for lower prices. In addition, the location of each hospital in the urban area of each province and industrial estate, which covers services to the hospital's target customers and reduces the risk of revenue concentration.

4. **Diverse patient groups:** hospital groups provide treatment services to general patients, which include cash patients, patients with a company-to-hospital contract and patients insured under private health insurance policies, which accounted for 66.95% of the total medical revenues. In addition, there are patients who exercise their rights under the government welfare program, such as patients under the Social Security Scheme and patients under the project of the National Health Security Office which accounted for 19.57% of total medical revenues, respectively. In 2020, although the number of general patients declined dramatically due to the COVID-19 outbreak, however, the number of patients under the Social Security Scheme and patients under the National Health Security Office program remained somewhat stable. This coupled with the increase in medical service fees from the Social Security Office, are considered as another way which reduced the impact of the lesser number of patients.

5. **Ongoing and appropriate marketing:** the Hospital Group has continuously marketed its services to build confidence among its patients, as well as maintain and increase the customer base of the Hospital Group through various public relations, including:

- Print Media: Daily News newspaper, Hospital journal
- Radio: FM 92.5 Mhz., FM 93.5 Mhz., FM 95 Mhz. and FM 103.5 Mhz.
- Television: Channel 3, 33SD, 5, 7, 9
- Outdoor billboards: Ramkhamhaeng Road, Seri Thai Road, Phatthanakan Road, Motorways, and community areas near the hospital.

- Online media: Website http://www.ram-hosp.co.th, http://www.facebook/ramhospital, and www.vibahram.com.
- CSR social activities such as joining the Thai Red Cross Society in accepting blood donations, issuing emergency medical units, contributing to various funds and donating medical supplies for patients.

Procurement of raw materials or products for sale

1. **Medical personnel:** doctors are considered a critical factor for the hospital business. Ramkhamhaeng Hospital and its affiliates have sufficient specialist physicians to provide services in each treatment department while nurses and other medical staff are experienced in providing services. The recruitment of healthcare professionals is screened by the Medical Director and through a referral system in order to obtain experienced and qualified personnel. In addition, Ramkhamhaeng Hospital and its affiliates have a long-standing reputation, thus continually attracting personnel to apply for a position.

2. **Medicines and medical supplies:** The procurement of medicines and medical supplies is through over-the-counter purchases as they are available online and have a large number of vendors, however, in some treatments it is necessary to purchase medicines and medical supplies from abroad as well. Currently, the major sellers without a monopoly of the Hospital Group are DKSH Company Limited and F E Zillic Company Limited. Additionally, certain medical supplies are purchased from associates.

3. **Medical equipment and instruments:** the hospital will use modern medical equipment which must be ordered from foreign countries such as China, Korea, Germany, USA etc. If problems are encountered with these equipment, the supplier will send a representative for repair and maintenance, or assign a company that is a dealer in Thailand to execute the task.

Risk Factors

Risk factors that may affect the Company's performance can arise from both internal and external factors. However, the Company has a process to closely monitor, control and prevent various risks that may occur.

1. **Risk from economic volatility**

In 2020, the Thai economy has been affected by the COVID-19 epidemic, the trade war between China and the United States, as well as the drought in Thailand which affected the purchasing power of households and the private sector, causing the Thai economy to contract up to 6 percent from the previous year. The National Economic and Social Development Council expects that the economy in 2021 will gradually expand at 3.5-4.5 percent from the previous year by receiving positive factors that be driven by higher demand growth, confidence from the COVID-19 vaccine and the government policies on disbursements under various budget frameworks.

Healthcare business is a fundamental factor for consumers, however, it has been affected by the economic contraction and declining purchasing power as well as patients delay or reduce their admissions by choosing to receive treatments for diseases that are necessary or require urgent medical care only or shorten their admission period, etc. However, the Group has closely monitored and assessed the risks to its operating results, as well as formulated appropriate risk management guidelines and measures. In addition, the Group has a network of hospitals capable of treating complex diseases and serving patients at all levels. It can be considered as a diversification of management risks and the impact of economic volatility.

2. **Risk from management procedures and processes**

In the private hospital business, there are risks that may arise in the service process or other risks that will affect the medical treatment. The management considers it an important policy in risk management in the organization by adhering to the principle of patient safety. Emphasis is placed on the process of providing medical treatments to patients in order to provide patients with maximum safety. The hospital has a risk management committee to coordinate and monitor the hospital's various risks to develop corrective and preventive actions. The committee will cover the entire organization in various types of risks such as physical risks, risks from work processes, occupational safety and health, patient rights and organizational ethics, etc. At the same time, the management focuses on the development of personnel create understanding and compliance with the standards of the procedures and policies set by the hospital.

3. **Risk from shortage of medical personnel**

In the hospital business, doctors are very important personnel that affect business operations. The Company has recruited qualified doctors to be stationed at the hospital and sent them to attend regular

training and academic seminars that are held both domestically and internationally in order for doctors to apply new knowledge and innovations to their patients. In addition to doctors, other personnel such as nurses, pharmacists, physical therapist, radiation personnel, technical personnel, medical technicians, accounting, administration, etc. are also crucial to the Company. The Company therefore manages and develops its personnel by focusing on the following.

1. Development of competency of doctors and staff (High Competent Staff)
2. Encourage doctors and staff to have good performance (High Perform Staff)
3. Knowledge development (Knowledge Management)
4. Encourage employees to bond with and love the organization (High Engagement)

In addition, the Company will focus on technical skills, high efficiency communication, and excellent service mind behavior. The Company believes that the said strategy will enhance the efficiency of the personnel and help the Company to achieve the set goals.

4. Risk from changes in the state regulations

The Company operates its business under the supervision of the Ministry of Public Health and other related government agencies including having to obtain a license to operate a medical facility, a license to operate a medical facility and must comply with the law on medical institutions, laws on companies, and other relevant laws. Any changes in the interpretation of current regulations or the promulgation of new laws or regulations or the formulation of new policies that are likely to be more stringent may affect the Company's operations. However, the Company has implemented and complied with important quality system standards such as JCI (Joint Commission International) and Hospital and Health Services Standards HA (Hospital Accreditation) of the Ministry of Public Health and ISO9001:2015. This requires the Company to operate and follow standards to control the quality of patient care and to supervise the safety and environment, including various risks that may help to reduce the impact that caused by changes in relevant regulations or laws.

5. Risks from changes in social security program policies

At present, the Group's income from social security services is 17.17 percent of the total revenue from medical treatment. As a result, there is a risk of changing the policy of the social security program. However, the Group believes that the social security system is stable both in terms of funding and the disbursement system, which, despite the change in the disbursement policy for medical expenses, will be in line with the increase of actual cost of medical care. In addition, the management team of the Group has closely monitored the policies of the social security program through participation in providing opinions before any changes occur to the policies and has also continuously monitored and controlled the related medical costs in order to reduce the risks that will impact the performance of the Group.

6. **Risk from competition in private hospital business**

To compete in hospital business, hospitals must compete in terms of quality and price level simultaneously. The Company focuses on improving the quality of service and providing modern and safe medical equipment at a fair price for customers. In addition, the presence of several hospitals in the network and the establishment of a Center of Excellence at Ramkhamhaeng Hospital is considered as a facilitation to the hospital's patients to receive comprehensive medical services from doctors and highly skilled medical personnel.

7. **Risk of litigation**

The medical services business is at risk of litigation from patients or related persons who may be dissatisfied with medical treatment for which the hospital may be required to pay compensation for damages or affect the reputation of the hospital in the future. The Company has foreseen the abovementioned risk factors and has developed, monitored and controlled the operations of each hospital in order to ensure quality and safety for customers. There is also a risk management committee to coordinate and monitor various risks of the hospital in order to bring recommendations and complaints from patients or related persons to develop and improve regularly. Details as shown in the financial statements as of December 31, 2020.

8. **Financial risks**

8.1 Risks of not receiving medical payments

The private hospital business will provide treatment to patients before receiving medical payments and this may pose a risk of not receiving medical payments in full. Therefore, the Company has a management policy to reduce various risks, such as notifying the estimates of medical expenses to those responsible for expenses in advance, informing the treatment plan and reporting the expenses incurred with periodic evaluation of the expenses in advance, including offering the person responsible for the treatment fees to gradually pay in installments to reduce the risk and alleviate the burden of paying the full amount after the treatment is complete. For collecting fees from counterparties, counterparties will firstly be selected and financial status and credit are then assessed, as well as periodic reviews of the counterparty's financial status. There is a debt collection department to oversee to reduce the risk of not receiving medical payments according to the specified payment terms. For the treatment of patients under the health insurance of the Social Security Office and the National Health Promotion Agency, the Company will charge the agency directly.

8.2 Interest rate volatility risk

As of December 31, 2020, the Company had short-term and long-term loans from financial institutions with floating interest rates accounting for 37.2% of total loans with financial institutions. More than

80 percent of borrowings with floating interest rates are based on 3-month or 6-month fixed deposit rates, which have relatively low volatility and the remainder is based on the MOR, MLR, or THBFIX interest rates. However, the Company is able to comply with the terms of the loan agreement at all credit lines, has sufficient cash flow to repay the loan, and has a policy to finance low-cost borrowing. As of December 31, 2020, the Company's debt to equity ratio was 0.91 times.

8.3 Risk from impaired investment

The Company has a policy to invest in various companies in the hope of receiving returns in the form of dividends, but some investments are unsuccessful, causing the Company to write off some investments as impaired due to the losses. As of December 31, 2020, there was a write-off of impairment of investment in separate financial statements equal to 60.31 million baht. However, the Company has a risk management committee to consider conditions and expected returns from investments before deciding to invest each time. The committee also closely monitors the business performance of the businesses invested in order to suggest ways to improve operations and guidelines for investing in that company in the future.

8.4 Risk from not getting loan back from associates and related companies

As of December 31, 2020, the Company has short-term loans to related parties totaling 558.00 million baht in the form of bills of exchange and promissory notes for a period of 1 year with interest rates ranging from 2.70-4.25 percent. This is to be used as working capital for the borrower's business, which is a related company and has always paid the principal including interest on time.

9. Risks of being controlled by major shareholders

Major shareholders may exercise the right to object to or disapprove of the resolution of the meeting on matters that the regulations or relevant laws. It is required that the votes must be counted not less than three-fourths of the total number of voters. However, as of December 31, 2020, the Company has 2 major shareholders holding shares of more than 20% as follows:

1.	F & S 79 Company Limited	Shareholding	23.02 %
2.	Cypress Consolidated Health Care Pte. Ltd.	,,	20.00 %

Therefore, the Company does not have any major shareholder having control and influence on the Company's decision-making.

Shareholding Structure

Major Shareholders

Top 10 shareholder as at 13 November 2020 as follow:

No.	Shareholder	Number of shares	% of Total issued shares
1.	F&S 79 Company Limited	55,246,695	23.02
2.	Cypress Consolidated Healthcare Pte. Ltd.	48,000,000	20.00
3.	Chiang Mai Ram Hospital Company Limited	17,246,000	7.19
4.	Synphaet Company Limited	16,946,069	7.06
5.	Vibhavadi Hospital Public Company Limited	11,713,736	4.88
6.	Kanjanapitak family	10,095,220	4.21
	Consists of Dr. Aurchart Kanjanapitak	2,267,000	0.94
	Mr. Ruechid Kanjanapitak	3,614,500	1.51
	Miss Rukkagee Kanjanapitak	4,213,720	1.76
7.	Chanapai family	7,157,700	2.98
	Consists of Dr. Chamnan Chanapai	2,549,980	1.06
	Mrs. Jinnapa Chanapai (Spouse)	157,720	0.07
	Miss Daraproud Chanapai	2,000,000	0.83
	Dr. Dhiti Chanapai	2,450,000	1.02
8.	Somburanasin family	6,966,040	2.90
	Consists of Dr. Racha Somburanasin	300,000	0.12
	Dr. Pitchya Somburanasin	6,666,040	2.78
9.	Sirivongs family	6,284,040	2.62
	Consists of Mrs. Anchana Sirivongs	2,284,040	0.95
	Miss Tassawan Sirivongs	2,000,000	0.83
	Mr. Santi Sirivongs	2,000,000	0.83
10.	DR. Siripong Lurngvarinkul	5,699,440	2.37

Dividend Policy

The company's dividend policy is to pay dividend not less than 20% of the Company's profit in the separated financial statement. In 2020, the Company has paid dividend of 864 million baht as below:

No.	Dividend Payment Date	Dividend (baht/share)	No. of share (million shares)	Dividend Payment (million baht)
1	19 February 2020	0.9	240.00	216.00
2	17 May 2020	0.9	240.00	216.00
3	26 August 2020	0.9	240.00	216.00
4	27 November 2020	0.9	240.00	216.00

Historical Dividend Payment

	2016	2017	2018	2019	2020
Earnings per share (baht/share)	94.83	110.62	158.02	5.98	2.63
Dividend per share (baht/share)	14	16	16	4.8	3.6
Dividend payout ratio (%)	14.76	14.46	10.13	80	136.88

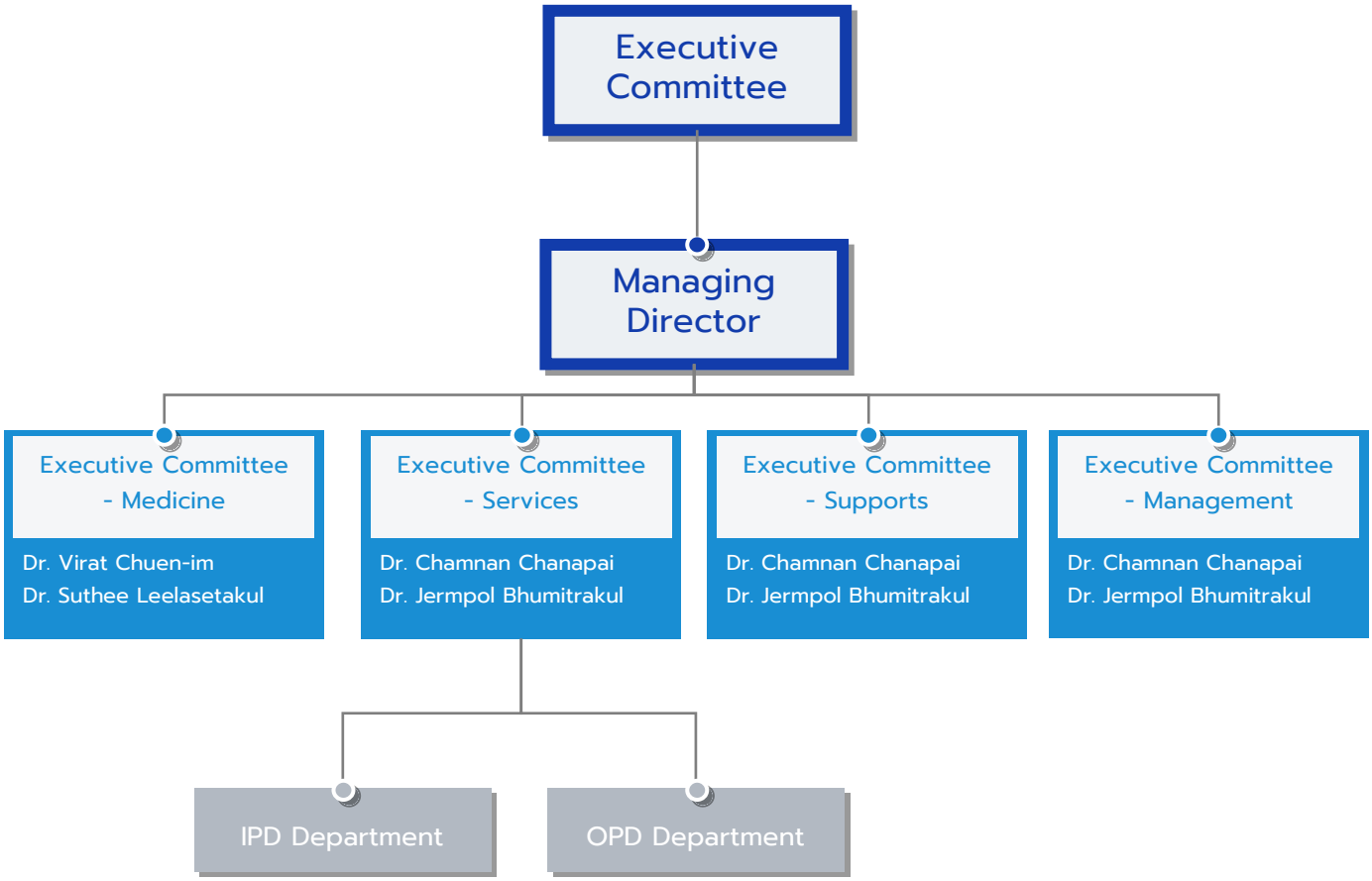
In 2020, Vibharam Hospital Co., Ltd. declared dividend at 1 baht per share and subsequently paid on 25 February 2021. Chaiyaphum Ram Hospital Co., Ltd. and Muang Loei Ram Hospital Co., Ltd. were at net loss, thus there was no dividend declaration.

In May 2019, the Company changed its par value from 10 Baht per share to 0.5 Baht per share

By comparing dividend payment to company's separated net profit

	2016	2017	2018	2019	2020
Earnings per share (baht/share)	85.44	86.42	113.44	6.42	4.62
Dividend per share (baht/share)	14	16	16	4.8	3.6
Dividend payout ratio (%)	16.39	18.51	14.10	74.77	77.92

Organizational Chart



1. Board of Directors

As of December 31,2020, the Board of Directors consists of 16 directors, of which 5 are independent directors.

No.	Name	Position
1	Dr. Racha Somburanasin/1	Chairman and Executive Director
2	Dr. Virat Cheun-Im	Director and Hospital Director
3	Dr. Chamnan Chanapai	Director and Managing Director
4	Dr. Aurchart Kanjapitak/1	Director and Executive Director
5	Dr. Suthee Leelasetakul	Director and Medicine Director
6	Dr. Siripong Luangvarinkul	Director and Executive Director
7	Dr. Jermpol Bhumitrakul	Director and Executive Director
8	Miss Tassawan Sirivongs	Director and Executive Director
9	Mr. Young-Taeg Park	Director
10	Mr. Benny Lim	Director
11	Mr. Eric Marnandus/2	Director
12	Mr. Pinit Hirunyachote	Director and Independent Director
13	Mr. Kajit Habanananda	Director, Independent Director, and Audit Committee Member
14	Mr. Pramol Apirat	Director, Head of Audit Committee, and Independent Director
15	Miss Kittiyarat Jirojdamrongchai	Director, Audit Committee Member, and Independent Director
16	Mr. Disapong Jaipukdeemun	Director, and Independent Director

Remarks:

/1 On 8 January 2021, Dr. Aurchart Kanchanapitak was appointed as the Chairman of the Company replacing the resignation of Dr. Racha Somburanasin and Dr. Pitchaya Somburanasin was appointed as the director and the member of the executive committee.

/2 Mr. Erik Marnandus was appointed as the director of the Company replacing the resignation of Mr. Phoom Vayakornvichit on 19 June 2020

Authorized directors are Mr. Virat Chue-im, Mr. Aurchat Kanjanapitak, Mr. Chamnan Chanapai, and Mr. Racha Somburanasin. The signing method is 2 out of 4 people. (On 8 January 2021, Mr. Racha Sombranasin has resigned and Mr. Pitchaya Somburanasin is norminated as one of authorized director)

5 Independent Directors including.

1. Mr. Kajit Habanananda
2. Dr. Pinit Hirunyachote
3. Mr. Pramol Apirat
4. Miss Kittiyarat Jirojdamrongchai
5. Mr. Disapong Jaipakdeemun

In 2020, there were 12 Board of Directors meeting, 40 Executive Directors, and 5 Audit Committee meetings. The details of the meeting attendance are as follows.

	Board of Director	Executive Committee	Audit Committee
Dr. Racha Somburanasin/1	11	39	-
Dr. Virat Cheun-Im	12	39	-
Dr. Chamnan Chanapai	12	40	-
Dr. Aurchart Kanjapitak/1	11	39	-
Dr. Suthee Leelasetakul	12	40	-
Dr. Siripong Luangvarinkul	12	40	-
Dr. Jermpol Bhumitrakul	12	40	5
Miss Tassawan Sirivongs	12	40	-
Mr. Young-Taeg Park	-	-	-
Mr. Benny Lim	-	-	-
Mr. Eric Marnandus/2	-	-	-
Mr. Pinit Hirunyachote	4	-	-
Mr. Kajit Habanananda	4	-	5
Mr. Pramol Apirat	4	-	5
Miss Kittiyarat Jirojdamrongchai	4	-	5
Mr. Disapong Jaipukdeemun	4	-	-

Remarks: /1 Mr. Erik Marnandus was appointed as the director of the Company replacing the resignation of Mr. Phoom Vayakornvichit on 19 June 2020.

2. Executive Committee

As at 31 December 2020, the Executive Committee of the Company as follow:

Executive Committee	Position
Dr. Racha Somburanasin[/1]	Chairman and Executive Director
Dr. Chamnan Chanapai	Managing Director
Dr. Virat Cheun-Im	Director and Hospital Director
Dr. Suthee Leelasetakul	Director of Medical Staff
Dr. Aurchart Kanjanapitak	Executive Director
Dr. Siripong Luangvarinkul	Executive Director
Dr. Jermpol Bhumitrakul	Executive Director
Miss Tassawan Sirivongs	Executive Director
Mrs. Anchana Sirivongs	Deputy Director of Management
10. Mrs. Vanna Prugmahachaikul	Accounting and Finance Manager
11. Mrs.Waradda Tuntanatewintara	Company Secretary

Remark: [/1] On 8 January 2021, Dr. Aurchart Kanchanapitak was appointed as the Chairman of the Company replacing the resignation of Dr. Racha Somburanasin and Dr. Pitchaya Somburanasin was appointed as the director and the member of the executive committee.

3. Director's and Executive Committee's Remuneration

(1) Financial remuneration

(A) Director Remuneration of 3,280,000 baht

Director	Meeting Fee (Baht)
Dr. Racha Somburanasin	360,000
Dr. Chamnan Chanapai	360,000
Dr. Virat Cheun-Im	360,000
Dr. Suthee Leelasetakul	360,000
Dr. Aurchart Kanjanapitak	360,000
Dr. Siripong Luangvarinkul	360,000
Dr. Jermpol Bhumitrakul	360,000
Miss Tassawan Sirivongs	360,000
Mr. Kajit Habanananda	100,000
Mr. Pinit Hirunyachote	100,000
Mr. Pramol Apirat	100,000
Miss Kittiyarat Jirojdamrongchai	100,000

(B) Executive Committee Remuneration

Salary	16,188,986	baht
Meeting Fee	23,496,000	baht

(2) Other remuneration (n/a)

4. Employee Remuneration

The Company and its subsidiaries provide employee remuneration in the form of salary, overtime payment, per diem, shift payment and bonus. The employee remuneration for the year 2020 as below:

Hospital	Employee Remuneration (baht)
Ramkhamheang Hospital	616,160,480
Vibahram Hospital	385,400,000
Chaiyaphumram Hospital	29,098,214
Muang Loei Ram Hospital	37,233,533

5 Audit Fee

Company	Auditor	Audit Fee
Ramkhamheang Hospital Pcl.	Dharmniti Audit Co., Ltd.	1,580,000
Vibahram Hospital Co., Ltd.	Dharmniti Audit Co., Ltd.	970,000
Chaiyaphumram Hospital Co., Ltd.	Dharmniti Audit Co., Ltd.	161,000
Muang Loei Ram Hospital Co., Ltd.	Dharmniti Audit Co., Ltd.	180,000
Other expenses	Dharmniti Audit Co., Ltd.	368,826
Total Audit Fee		3,259,826

Corporate Governance

Compliance with 15 Principles of Corporate Governance.

Corporate Governance Policy

The Board of Directors realizes the importance of good corporate governance in order to maintain the stability of the organization as well as to increase the competitiveness of the business and to increase the confidence of shareholders, investors and all related parties.

Therefore, the management policy has been established with a commitment to conduct business with **transparency and accountability,** especially with related parties or stakeholders, for instance, the hospital has a system for patients to check the price of medical treatment for transparency. In addition, for insurance companies that have sent patients to the hospital, there is a system to verify the accountability in terms of medical treatment as well as medical expenses.

In terms of business risks, since private hospitals are considered as a business with stability, the management attempts take care of the risk both at the operational level as well as financial risks and risks arising from the changing of the control system or the Act by monitoring and controlling to be in an appropriate level.

At present, the Board of Directors pays attention to and understands and assesses risks affecting the business with a focus on financial reports. The guidelines are as follows.

1. Internal reports, these include reports presenting to the management, directors, and committees for consideration and to monitor the system and monthly performance.
2. External reports, the hospital has arranged to have a quarterly statement report which is done in a form of annual reports and disclose it to other external parties.
3. It is also the Board of Directors' responsibility to prepare accurate and complete financial reports in conjunction with the auditor's report in the annual report.

Risk control through internal control; The Board has a policy to gather and monitor risks with a monitoring and surveillance system to continuously assess risks.

Control and Audit the Company holds regular meetings to monitor the operations on a monthly basis in order to monitor performance, control costs, as well as jointly adjust strategies for the hospital to be strong and to maintain competitiveness at all times. This is also practiced by the affiliates in the Ramkhamhaeng Hospital chain.

Management to ensure equality between different groups of stakeholders Regards to the hospital's management policy, we realize the balance between groups of customers (patient), medical personnel, employees, shareholders, as well as other groups of stakeholders such as customer groups, insurance companies, contracting companies, etc. The hospital is committed to operating equally with integrity and fairness to various groups.

Leadership and Vision

The Board of Directors has established a common vision and mission to define the duties of the Executive Directors as well as goals and to continuously monitor the management's work to create competitive advantages and maximize the benefits of the Company.

The Board of Directors has established policies, assign, and monitor the progress of the Company's operations to be in line with the directions set by the Board as well as having an internal audit system to strictly comply with the standards of the Stock Exchange of Thailand.

Business Ethics

Private hospital business is a business that is regulated in terms of hospital standards by a number Acts and government organizations, such as the Hospital Act 2541, Bureau of Sanatorium and Art of Healing, Ministry of Health. In addition, the practice of physicians is governed by the Medical Council on medical ethics. Most of the Group's executives are physicians and dentists who understand ethical practices and medical ethics as ethics and medical ethics are, in other words, running a business and mission of the company with honesty, integrity and transparency that is verifiable.

Internal Control and Risk Management

Internal Control

Ramkhamhaeng Hospital Public Company Limited has continuously placed great importance on internal control. The Board of Directors has assigned the Audit Committee to review the internal control system assessment in order to focus on the internal control system ensuring that it is effective, efficient, sufficient and suitable for the business operations. Internal control also includes reviewing of resource uses, asset preservation, prevention or mitigation of errors, damages, leaks, waste or fraud, accounting systems, and financial reports to ensure its accuracy, reliability and practicality in accordance with the laws, rules and regulations related to the Company's business operations.

In 2020, the Audit Committee reviewed the internal control assessment conducted by the Internal Audit Office with the following key points:

1) <u>Control Environment</u>

Management and personnel have a positive attitude and are conducive to internal control, executives attach importance to morality, code of conduct, and honesty and consider taking appropriate actions in cases where personnel are found to behave inappropriately, acknowledging the worker's competence, being informed and diagnosing what was detected or audited, the philosophy and work style of management are appropriate for the development of internal control and maintenance of effective internal control, the organizational structure, delegation of authority, responsibility and number of workers is appropriate for the job performed, personnel policies and practices are appropriate to motivate and support workers.

Company's control environment: Ramkhamhaeng Hospital Public Company Limited overall is appropriate and contributes to sufficient and effective internal control such as:

- The Company has established a clear and appropriate organizational structure and lines of command, with the delegation of authority and responsibility in writing, all employees acknowledge their roles, powers, duties and responsibilities and are aware of their obligations.
- The Company has analyzed the basic educational knowledge, skills needed to perform the job, and assessed the knowledge and expertise in the operations so that the personnel have the knowledge, skills, and ability to perform the tasks assigned and according to the job description.
- The Company has written policies and procedures for human resource management such as selection, training, promotion, payment of benefits, etc.
- The Company and its group companies have established written policies and procedures regarding integrity and ethics by establishing good corporate governance policies in accordance with international standards.

- Management has a philosophy and work style, such as having a positive attitude and supporting the performance of duties related to accounting, information management systems, human resources, monitoring and evaluation, internal audits and external audits and there is a risk management on important operations.

2) Risk Management

The Company has set clear corporate objectives with organizational objectives and operational-level objectives being consistent in order to accomplish tasks under appropriately defined budgets and human resources. Management team has identified risks from both internal and external factors that may affect the achievement of the organization's objectives. The Company has a risk analysis and appropriate risk management. In addition, there are mechanisms to address the risks of change, such as changes in management methods, etc.

- The Company has established a corporate risk management policy with the Risk Management Committee responsible for overseeing and defining the risk framework for overall management of the organization. There are management committees in various departments to manage the risks of work under their responsibilities in accordance with the established guidelines. This covers administrative, financial, business, operations, administration and management risks, occupational safety, health and environment and other significant risks related to the Company's business operations.
- The Company has clearly defined organizational objectives covering all matters that are desired to achieve. The operational-level objectives are related to key organizational processes and are aligned with the organization's objectives and strategic plans. Management has identified organizational-level risks and covers all key activity levels.

3) Management Operational Control

The Company has policies and procedures to ensure that, when implemented, will achieve results as determined by the management. Control activities show operators the risks that may arise in their operations so they can be vigilant and able to accomplish their objectives, for example:

- Internal control in terms of management; the Company sets the mission and objectives of the organization in writing and communicates to all personnel to understand in order to achieve the objectives including having a plan on operations, resource allocation, budget and manpower. In addition, work processes and follow-up procedures have been established to enable personnel to operate efficiently, effectively and in compliance with applicable laws, regulations, and standards.
- Internal control of finance and accounting: the Company has internal controls regarding collection of money, keeping money, receipts and payments, bank deposits, and advance borrowings in accordance with the regulations and with complete, accurate and consistent accounting records.

- Internal control of procurement: the Company has rules and regulations on procurement to be implemented in procurement process, which clearly defines the duties and responsibilities of procurement, such as approval authority, determination of demand for parcels for inspection, control and storage of parcels, etc.
- Internal control of human resource management: there is a recruitment process in order to obtain personnel with the required knowledge and competence with an appropriate and fair compensation system. Responsibilities, performance standards and follow-up systems are clearly defined and adequate information and communication systems are available.

Overall, the Company has adequate and effective control activities. There is a requirement for written policies and procedures, identification of operations in areas with significant risks and establishment of control mechanisms to prevent and mitigate errors. Financial reports and non-financial performance reports are reviewed by the management, the Audit Committee, and the Board of Directors. Performance indices are required to be applied to employees throughout the organization.

In terms of human resource management, the Company has set up a human resource management system and has sufficient control, monitoring and evaluation in terms of recruiting, compensation, duties and responsibilities, personnel development, personnel performance and communication so that employees are knowledgeable and competent. The Company's human resource management is efficient and appropriate.

4) <u>Information and communication systems</u>

The Company has an information system used to control and carry out the activities of the organization related to operations, financial and operations reports, compliance with various policies and procedures. Information obtained from outside the organization is communicated to management and users within the organization in a way that enables information recipients to perform their responsibilities in an efficient and effective. The Company ensures that there is internal and external communication that results in the organization achieving its objectives and goals.

5) <u>Monitoring and evaluation</u>

The Company has monitored and evaluated the results of internal control and assessed the quality of operations by establishing operational procedures to continuously monitor the implementation of the internal control system. It is part of the normal management process. supervisors and related persons. In addition, there are assessments carried out by the Internal Audit Office's audit according to the annual audit plan and the Company's Audit Committee has regularly reviewed the Company's risk management performance. If areas of improvements are found, procedures are implemented to ensure that the audit and review findings are considered and responded to by analyzing and ordering to take immediate corrective actions.

The Audit Committee has reviewed the internal control system assessed by the management and the Internal Audit Office and found no significant issues or flaws consistent with the opinion of the Company's auditors. The Company's internal control system are sufficient and effective.

Corporate Social Responsibilities

The Company and its subsidiaries are aware of their social and environmental responsibilities for the sustainability of the business and society as a whole. This is divided into CSR in process, business operations with consideration to social and environmental impacts which is included in the main operation process, and CSR after process, business operation with consideration of helping society and community.

The Company operates its business by taking into account the following 8 CSR principles:

1. Conducting business with fairness
    - Fair competition.
    - Respecting the property rights of others.
    - Promoting social responsibility in the business chain.
2. Anti-corruption
    - Anti-Corruption Policy and Declaration of Intent (Together with other organizations).
    - Guidelines in the organization that comply with the policy.
    - Disclosure of performance and practice progression.
3. Respecting Human Rights
    - Adoption of internationally accepted guiding principles into the organization.
    - Policies and practices in the organization (and agreements with other organizations).
    - Important measures on the rights of workers.
4. Fair labor treatment
    - Employment and labor relations.
    - Occupational health and safety.
    - Diversity and equal opportunity.
5. Consumer Responsibility
    - Customer health and safety.
    - Labeling of products and services.
    - Marketing Communications and Customer Privacy.
6. Caring for the Environment
    - Sustainable use of resources.
    - Preventing and reducing the impact of pollution.
    - Protecting the environment and biodiversity.
7. Community and Society Development
    - Role in market and labor generation.
    - Community involvement.
    - Social investment and assess social impact.

8. Innovation and dissemination of CSR innovations
   - Creative CSR
   - Co-Creation with stakeholders
   - Social Innovation

In 2020, the Company has performed activities for society (CSR in and after Process) as follows:

Social, Community and Environmental Actions

The commitment of Ramkhamhaeng Hospital Public Company Limited to create international standard patient service by investing in high technology medical equipment as well as taking care of the working environment and taking care of its impact on the environment is the policy of the hospital that has been practiced continuously. This can be seen from entering the quality system according to the Joint Commission International (JCI) standard, which has many standards related to environmental stewardship, such as the process of preventing infection, preventing the spreading of infection, waste separation processes for destruction. The Company has policies in various fields as follows:

1. Waste separation project to care for the environment

To be a guideline for quality assurance of infection prevention and control in Ramkhamhaeng Hospital effectively and practices in the same direction covering management of all wastes, recycling waste, ordinary waste, infectious waste, including secretions, blood, and blood components, including the storage of needles and sharp objects that came into contact with the needles (Infection waste) and hazardous waste.

The hospital divides the waste in the hospital into 4 large groups and requires that the sorting, storage, transportation, and disposal be according to the policy. Wastes in Ramkhamhaeng Hospital is divided into 4 types:

1.1 Recycled waste: waste that can be modified or sold such as paper, cardboard, glass brine bottles, plastic saline bottles.

Symbol : Large white bag

1.2 General waste

It is divided into sharp general waste and non-sharp general waste.

1.2.1 Sharp general waste such as broken glass, plates, bowls.

1.2.2 Non-sharp general waste such as waste paper, food waste, paper towels, plastic. Medical instruments that do not come into contact with blood or patient secretions.

Symbol : Large black bag

1.3 Infectious waste

Waste that is the result of medical procedures, differential diagnosis, immunization that contaminates pathogens and can be a potential cause of infection. It is divided into non-sharp infected waste and sharp infected waste.

1.3.1 Infected non-sharp waste such as:

(1) Liquids or secretions such as blood.

(2) Human parts from operating rooms and certain departments related to organs or parts of organs such as biopsies, tissues and organ tissues obtained from various procedures.

(3) Medical device materials in contact with blood, blood components, secretions (urine, feces, sputum, pus, lymph, sputum).

(4) Laboratory waste

(5) Various vaccine bottles made from living organisms that are to be taken orally such as polio, typhoid, oral typhus.

1.3.2 Sharp-infected waste

(1) Vaccine amps made from injectable live pathogens such as vaccine against tuberculosis, polio, rubella, mumps, hepatitis B virus.

(2) Sharp objects used in medical treatment such as blades, needles, syringes, focusing only the ones that have been in contact with the patient's blood or secretions.

Symbol : Red garbage bag in a step trash can. In case of sharp waste, use a solid container to prevent the waste from breaking through the waste bag. (There is an Osha symbol in the shape of a crescent moon)

1.4 Hazardous waste: waste that can cause harm to people, environment, toxic, poisonous, flammable, explosive, corrosive substances such as acids / bases, radioactive substances, etc. These include:

1.4.1 Toxic waste

1.4.2 Waste contaminated with chemotherapy drugs

1.4.3 Chemicals

1.4.4 Radioactive waste

Symbol : Gray bag, with lid, with a universal symbol.

Wastes contaminated with chemotherapy substances will be collected at a garbage station, a storage area for chemotherapy contaminated waste, to wait for Krungthep Thanakom Co., Ltd. to pick up and transport for disposal by incineration at a temperature of not less than 1000°C.

The hospital focuses on waste separation processes and management that meet international standards as follows:

1) Waste Disposal: emphasis on separating into the right type from the beginning. Moderately pack the garbage bags at 3/4 of the bag and maids of each department tie the bag in pending for the waste to be removed.
2) Transportation: garbage workers come to pick up the wastes in each department at the specified time. The garbage truck is completely sealed and wastes are transported to the garbage house in the back.
3) Garbage house: It is a rest house at the back of the hospital, divided into 4 zones and clearly separated. The infectious waste rooms and hazardous waste rooms are locked (with air conditioning in case the contract company does not pick up on schedule).

4) Destruction process: As Ramkhamhaeng Hospital does not have a waste incineration house. The demolition procedure will be done by the contracting company and the Bangkok Metropolitan Administration who pick up the wastes daily in the morning.

2. **Project to prevent the spread of influenza** in hospital personnel who come into contact with patients and prevent the risk of influenza epidemic.

Since the influenza epidemic occurs yearly, it is imperative to provide influenza vaccination to hospital personnel to reduce influenza infection among personnel and also to prevent the spreading from personnel to patients who visit the hospital for services, including spreading between personnel themselves. It can also help build immunity to disease, reduce morbidity and mortality, and reduce socio-economic losses.

Therefore, the hospital attaches importance to the personnel who come into contact with the patient to receive the voluntary influenza vaccine. Therefore, this project has been carried out continuously until presently, according to the following information.

Year	No. of personnel participated in the project (Person)	Budget used (Baht)
2016	1,576	1,066,952
2017	1,672	1,133,616
2018	1,786	1,266,126
2019	1,720	1,218,587
2020	1,833	1,336,257

From surveillance and observation, it was found that the rate of infection in hospital personnel during the influenza epidemic has clearly decreased, such that this project, Ramkhamhaeng Hospital still campaigns for and continues to carry it out every year.

3. **Employee health check-up project of 2020**

Health screening is a preventive public health service to try to find diseases or disorders in the general population, which may be checked from the pre-symptomatic stage or post-symptomatic stage but not yet known that one has acquired a disease. This health screening is the best way to fight disease because you will become aware and able to treat the disease at early stage, or avoid risk factors before the occurrence of serious diseases. It helps greatly in reducing morbidity, and mortality rates.

Therefore, the hospital recognizes the importance of promoting the health of personnel. In order to prevent disease and reduce the rate of sickness among personnel, the staff health check-up program for the year 2020 was organized. The information is as follows:

Year	No. of personnel participated in the project (Person)	Budget used (Baht)
2017	1,598	2,198,560
2018	1,642	2,353,027
2019	1,704	2,466,082
2020	1,842	2,497,649

4. The hospital's wastewater treatment project before discharging it to the community to take care of the environment.

The hospital is a treatment facility for patients which is one of the activities that are the source of wastewater in the community. Consequently, the waste generated by the patient service, including the wastewater caused by washing the body and other equipment, may contain germs or contaminants and have the potential to spread into the environment outside the hospital.

Therefore, the hospital attaches great importance on and it is necessary to treat wastewater and disinfection before discharging into the community to reduce environmental pollution by controlling and monitoring the BOD value in hospital wastewater to ensure that the average is within the specified standard, that is no more than 20. The information is as follows:

Year	BOD value measured in wastewater
2016	10.30
2017	14.11
2018	12.00
2019	12.84
2020	11.31

5. Blood Donation Project with Thai Red Cross Society

Ramkhamhaeng Hospital joined the blood donation project with the Thai Red Cross Society. Due to the current conditions, the amount of blood that can be supplied in the country is insufficient compared to the demand for blood. Ramkhamhaeng Hospital has always been aware of the importance and has arranged for hospital personnel to participate in this activity as well to encourage personnel to have a giving heart, which is a desirable characteristic that the organization needs. Additionally, the hospital also encourages those who have never donated or blood donors who donate only once a year to change their blood donation behavior to become regular donors in order to generate enough donated blood for patients across the country.

This "Give Blood, Give Life" project will support the organization's personnel in learning to do activities with external organizations, which will make the personnel feel good and proud of the Ramkhamhaeng Hospital Organization. It also helps to inspire the personnel to continue their great contribution to the society and create value for the Thai society endlessly.

Ramkhamhaeng Hospital has started a blood donation project since 2013 until the present time. The blood donation event is held 4 times a year and in 2020, the events were organized as follows:

1st Event	February 11, 2020
2nd Event	May 12, 2020
3rd Event	August 10, 2020
4th Event	November 9, 2020

Performance results in 2020

No. of blood donors	No. of persons able to donate		Total amount donated (Unit)
	External party	Internal party	
1st Event: February 11, 2020			
214	20	194	196
2nd Event: May 12, 2020			
226	25	201	204
3rd Event: August 13, 2020			
218	23	195	201
4th Event: November 9, 2020			
178	20	158	153

Report of the Audit Committee

Dear Shareholders of Ramkhamhaeng Hospital Public Company Limited

The Board of Directors of Ramkhamhaeng Hospital Public Company Limited appointed the Audit Committee. As of December 31, 2020, the Audit Committee was comprised of 3 independent directors, all of whom had their appropriate qualifications as specified by the Stock Exchange of Thailand (SET). The main duties and responsibilities of the Audit Committee include: 1) Ensuring that the Company's financial statements are in accordance with accounting standards and have accurate and sufficient disclosure of information, 2) Ensuring that the Company has an internal control system with suitable and efficient risk assessment and risk controls relevant to related regulations and laws that the Company has to comply with, 3) Mitigating conflicts of interest between the Company and related persons.

The Audit Committee of Ramkhamhaeng Hospital Public Company Limited was comprised of 3 independent directors who did not hold their positions in the Company's Executive Committee, as follows:

1. Mr. Pramol Apirat — Chairman of the Audit Committee
2. Mr. Kajit Habanananda — Audit Committee
3. Miss Kittiyarat Jirojdamrongchai — Audit Committee

(Secretary of the Audit Committee - Mingphimuk Limcharoonsak)

In 2020, the Audit Committee held a total of 5 meetings to carry out duties as assigned, the most important being:

1. Review the Company's financial statements and its subsidiaries before presenting to the Board of Directors, as reviewed and explained by the auditor and executive management. The Audit Committee is of the opinion and belief that the aforementioned financial statements were prepared accurately and completely.
2. Review and assess the sufficiency of internal control systems. The Audit Committee is of the opinion that the Company has suitable and sufficient internal control systems in risk mitigation in accordance with the Company's policies and strategies.
3. Review the Company's compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations and laws related to the Company's businesses.
4. Consider and nominate to appoint an independent person, namely Ms. Soraya Tintasuwan from Dharmniti Auditing Company Limited, to be the Company's auditor and propose the remuneration.
5. Consider the relevant transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the Stock Exchange of Thailand. The Audit Committee is of the opinion that those transactions are the Company's normal business transactions.
6. Consider the approval of internal audit plan to be consistent with the nature of the Company's businesses, including policies, plans, work processes, and risks in the Company's business operations.

7. Consider the approval of annual expenditure budget and manpower of the Internal Audit Office within the organization.
8. Review and evaluate the Audit Committee Charter with suggestions for improvements and changes to the Board of Directors for approval.
9. The Company has set up measures and guidelines during the COVID-19 pandemic outbreak (February – October) by having a screening point for hospital visitors, taking body temperature, putting a sticker after being screened, Installing hand sanitizers at various points, managing social distancing for elevators, chairs and waiting areas to see doctors and receive medicine, etc. to ensure that the hospital visitors are safe from COVID-19.

The Audit Committee has carried out the duties and responsibilities as assigned by the Company's Board of Directors, with care and to the best of our ability for the benefit of the Company, shareholders, and all stakeholders.

(Mr. Pramol Apirat)
Chairman of the Audit Committee

Related-party Transactions

The Company had related-party transactions with its subsidiaries, associates, and related companies. There was no individual who may have conflicts of interest holding more than 10% of the Company's shares, following the details of related-party transactions as of December 31, 2020 as follows:

1. Loans to associates / related companies

Lender	Borrower	Million (Baht)
Ramkhamhaeng Hospital Public Company Limited	Chaiyapum Ram Hospital Company Limited	4.70
Vibharam Hospital Company Limited	Synphaet Company Limited	158.00
Vibharam Hospital Company Limited	Khon Kaen Ram Hospital Company Limited	65.00
Vibharam Hospital Company Limited	Innovation Technology Company Limited	40.00
Vibharam Hospital Company Limited	Legacy Golf (Thailand) Co., Ltd.	268.00
Vibharam Hospital Company Limited	Thepakorn Hospital Company Limited	16.00
Vibharam Hospital Company Limited	F&S 79 Company Limited	11.00
Total loans to associates / related companies		**562.70**

2. Short-term loans from persons or related parties

Borrower	Lender	Million (Baht)
Ramkhamhaeng Hospital Public Company Limited	Related parties	5.20
Ramkhamhaeng Hospital Public Company Limited	Vibharam Hospital Company Limited	280.00
Ramkhamhaeng Hospital Public Company Limited	R Plus Asset Company Limited	100.0, a
Ramkhamhaeng Hospital Public Company Limited	Ramnakara Company Limited	170.00
Vibharam Hospital Company Limited	Related parties	28.58
Total short-term loans from persons and related parties		**583.78**

3. Sale of medical equipment and instrument to its subsidiaries, associates, and related companies:

In 2020, the Company had revenue from sale of medical equipment and instrument to subsidiaries, associates, and related companies, totaling 839.56 million baht.

Measures or procedures for approval of related-party transactions

With regard to related-party transactions that in compliance with normal business operations, such as sale of medical equipment and instrument, the Company has set the selling price at 10-20 percent lower than to other companies, taking into account the full benefits between the two parties.

For related-party transactions of loans and borrowings, the Company has set interest rates and conditions similar to others, taking into account the Company's most benefit as priority. However, the Company shall assign the Audit Committee for opinions on necessities and rationales of transactions before decisions by the Board of Directors.

The Company's related-party transactions are in accordance with the Securities and Exchange Act and regulations, announcements, orders or requirements of the Stock Exchange of Thailand, including the Company's compliance to disclosure of related transactions and acquisition or disposition of assets. For approval of those transactions, the Company's directors or shareholders with their potential stakes are not allowed to participate in the voting process.

Management Discussion and Analysis : MD&A

1. Overview of Business Operations and Significant Changes

In 2020, Ramkhamhaeng Hospital Public Company Limited and its subsidiaries had an increase in revenues from medical treatment, which was the main business of the hospital, by 94.46% compared to the previous year. This was because on January 15, 2020, the Company had another subsidiary, Vibharam Hospital. Therefore, there was an increased income in the total revenue. This year's net profit was decreased by 64.29 percent due to the outbreak of COVID-19 pandemic throughout the world in 2020, causing the global economic downturn and also affecting the hospital business. The revenue from medical treatment of each hospital was decreased in line with a lower income from its supplemental business on the sale of medical equipment and instrument. This year's net profit was decreased by 845.17 million baht or 64.29 percent compared to the previous year.

In 2020, the economy of Thailand contracted by -6.1 percent. Meanwhile, it was increased by 2.6 percent in 2019. The main impact on the economy was due to the COVID-19 endemic outbreak around the world. Vaccine was a major factor to determine the direction of global economy. This year's tourism sector and other businesses were very much affected and required liquidity supports from the government and financial institutions. Small and middle-size businesses started to gradually shut down this year. Large institutions tried to lower or manage their costs even more.

Overall private hospital industry was also sluggish. Competitions in the private hospital industry were at a moderate level, in terms of price and quality. Ramkhamhaeng Hospital set a policy to provide the best medical treatment under existing environments, but with fair and reasonable prices since most of the hospital's customers are middle-income people. The hospital focuses on providing services for patients of all diseases by its specialized doctors in each specialty.

Ramkhamhaeng Hospital Public Company Limited and its subsidiaries' main business is a private hospital providing healthcare services that are important for livings and growing along with the economic growth, while having medical services to serve the public. The Company also has another business for the calibration of medical devices (M.I. Calibration), as well as the sales of medical equipment and instruments. However, it is still a small size of supplemental business, with only 9.31 percent of the total revenue (Consolidated financial statements).

2. Performance and Profitability

The operational performance of Ramkhamhaeng Hospital Public Company Limited in 2020 was as follows:

1. The Company and its subsidiaries' income

Ramkhamhaeng Hospital Public Company Limited and its subsidiaries had total revenue of 8,162.12 million baht, an increase of 69.17 percent from the previous year, as details in the followings:

1.1 In 2020, Ramkhamhaeng Hospital Public Company Limited had one additional subsidiary which was Vibharam Hospital Company Limited resulting in the Company's income in the consolidated financial statements was thus considerably increased. The Company's consolidated income consisted of the followings:

- Ramkhamhaeng Hospital	4,344.00	million baht
- Vibharam Hospital	3,506.48	,,
- Chaiyapum Ram Hospital	77.56	,,
- Mueang Loei-Ram Hospital	212.48	,,
- R-Plus Asset Company Limited	21.60	,,
Total	8,162.12	,,

Vibharam Hospital Company Limited has changed its status from an associate to a subsidiary since January 15, 2020, with an increase of total revenues from medical treatment in 2020 from the year 2019 by 94.46 percent.

– Ramkhamhaeng Hospital

The comparison between number of outpatients and inpatients and revenues of outpatients and inpatients, as well as total revenues from medical treatment in 2019 and 2020 were as follows:

	% increase (decrease)	2019	2020
Number of outpatients (times)	(11.43)	537,940	476,441
Number of inpatient beds	(18.09)	73,447	60,158
Revenues of outpatients (Baht)	(5.93)	1,522,911,721	1,432,529,291
Revenues of inpatients (Baht)	(7.64)	1,818,692,036	1,679,714,866
Total revenues from medical treatment (Baht)	(6.86)	3,341,603,757	3,112,244,157

Outpatient revenues were decreased by 5.93 percent due to a lower number of outpatients by 11.43 percent and an increase in average selling price per patient by 6.21 percent. Nonetheless, there was a decrease of inpatient revenues by 7.64% because of a decrease in inpatient beds by 18.09% and an increase of average selling price per bed by 12.76%.

- **Vibharam Hospital**

Vibharam Hospital had 2 types of revenues from medical services:

1) Revenues from general patients in 2020 amounted to 2,059,071,452 baht or accounting for 56.31%.

2) Revenues from the Social Security scheme (SSS) and the Universal Coverage scheme (UCS) in 2020 amounted to 1,597571,771 baht or accounting for 43.69%.

1.2 The Company had revenue from sale of medical equipment and instrument in 2020 amounted to 759.57 million baht or a decrease of 56.06 million baht from the previous year.

1.3 Dividends income in 2020 was decreased from the year 2019 of 43.59 million baht, with details as follows:

Unit : million baht

Company	2019	2020
The Medic Pharma Company Limited	0.86	2.15
Petcharat Hospital (Buranavej Company Limited)	5.70	5.70
Khonkaen Ram Hospital	2.62	2.62
Thai Herbal Products Company Limited	0.01	0.01
Phatra Securities (PTSEC)	0.09	0.12
Available for sales securities on the market	263.35	218.44
Total	272.63	229.04

1.4 The Company had revenues from rental premises and others in 2020, or an increase of 6.24 million baht from the previous year.

2. The Company and its subsidiaries' expenses

Unit : million baht

	2019	2020
Cost of medical treatment	2,478.48	5,732.14
Cost of medical equipment and instrument sold	602.33	491.88
Administrative expenses	496.15	1,259.58
Loss on investment impairment	248.04	-
Financial costs	46.17	211.00
Finance costs (net)	30.23	179.93
Proportion of medical treatment cost / revenues from medical treatment	68.24	81.16
Proportion of administrative expenses / revenues from medical treatment	13.66	17.83

The proportion of medical treatment cost and administrative expenses to the revenues from medical treatment in 2020 was approximately 17.09 percent higher than in 2019 due to the costs of medical treatment and administrative expenses of Vibharam Hospital that higher than Ramkhamhaeng Hospital. The proportion of medical treatment cost and administrative expenses, only of Ramkhamhaeng Hospital and Vibharam Hospital, was as follows:

	Ramkhamhaeng	Vibharam
Proportion of medical treatment cost / revenues from medical treatment	71.82	88.38
Proportion of administrative expenses / revenues from medical treatment	11.77	22.26

3. The Company's share of profit from investments in associated / related companies

Unit : million baht

Company	2019	2020
Chiangmai Ram Hospital Company Limited	122.15	14.54
Radio Logical Equipment Co., Ltd.	0.01	0.01
Synphaet Company Limited	102.31	3.05
Piyasiri Company Limited (Sukhumvit Hospital)	46.01	48.98
Vibhavadi Medical Center Public Company Limited	52.02	36.65
Phayao Ram Hospital Company Limited	18.27	8.94
Vibharam Hospital Company Limited	226.30	-
Legacy Golf (Thailand) Co., Ltd.	(18.85)	(31.05)
Buriram Ruampaet Company Limited	6.74	9.21
Thippayabadin Company Limited	(15.18)	(35.11)
Vejthani Hospital Public Company Limited	6.85	47.85
Nan-Ram Hospital Company Limited	0.11	0.18
Ramnakara Company Limited	-	(1.61)
Seriruk Hospital Company Limited	-	18.03
Total	546.75	119.67

4. Operating profit and net profit

This year, the Company and its subsidiaries had a profit before interest, tax, depreciation and amortization (EBITDA) of 1,544.97 million baht, a decrease of 203.28 million baht or 11.63 percent from the previous year. Whereas, the Company and its subsidiaries had a net profit of 469.41 million baht, a decrease of 845.17 million baht or 64.29 percent from the previous year.

In 2020, Ramkhamhaeng Hospital had a decrease in operating results compared to the previous year due to the impact of COVID-19 outbreak. Nonetheless, the Company had a good profitability when considering the financial ratios as follows:

	2018	2019	2020
Liquidity ratio (times)	1.20	0.54	0.40
Return on equity (%) (ROE)	16.12	11.71	5.12
Return on assets (%)	11.80	8.58	2.76
Debt to equity ratio (times)	0.18	0.42	0.91
Asset turnover ratio (%)	0.38	0.33	0.36
Gross margin (%)	30.83	30.84	20.43
EBIT margin (%)	43.86	28.51	9.97
Net profit margin (%)	31.37	26.19	7.60

The Company's gross profit margin, EBIT margin, net profit margin and return on equity (ROE) in 2020 respectively equaled to a percentage of 20.43, 9.97, 7.60 and 5.12, which were considered as having a moderate profitability compared other companies in the same industry.

3. Property Management Capabilities

(1) Most of the hospital's payer mix were in cash. In 2020, Ramkhamhaeng Hospital had cash sales of 71.73 percent and credit sales of 28.27 percent. Credit sales of 28.27 percent comprised of contracted medium and large companies with the hospital, life insurance companies, insurance companies, and Department of Labor. These group pf customers rarely had payment issues. However, there was a slight problem on payment coverage that may exclude certain diseases or some treatment expenses. Thus, patients refused to advance the payments and requested the hospital to claim back their companies for the whole amounts. Credit term provided by the hospital were 2 months.

In a year, around 0.01-0.5 percent of total revenues from medical treatment that have payment problems owing to emergency cases and some patients did not have adequate cash for payments. In 2020, there was the allowance of doubtful debts of 4.57 million baht, or 0.15 percent of the total sales. Details of trade account receivables more than 3 months of Ramkhamhaeng Hospital were as follows:

Debtor period	Baht	
	2020	2019
More than 3 months to 6 months	36,050,047	29,206,270
More than 6 months to 12 months	35,600,403	11,787,419
More than 12 months	33,685,493	7,883,087
Total	105,335,943	48,876,776
Allowance for expected credit losses of trade receivables	8,814,387	14,807,595

In 2020, the Company set up the allowance for expected credit losses of trade receivables in the amount of 8.81 million or 8.37 per cent of trade accounts receivable more than 3 months.

(2) Inventories and deterioration or obsolescence

In 2020, the Company had obsolete inventories from the sale of medical equipment and instrument, which was a supplement business, in the amount of 15,842,757 baht. The Company adjusted this amount to the cost of sales for this year. However, the inventories for medical treatment business, such as medicines, medical supplies, etc. had no deterioration or obsolescence.

The Company had inventories (net) as high as 712,062,149 baht, mostly of which were the medical equipment and instrument being kept for sales in the amount of 629,716,800 baht, as well as the allowance for diminution of products amounted to 50,255,604 baht. Whilst, the amount of inventories for medical treatment business were 82,345,349 baht.

(3) Investment, goodwill and impairment

- Investment costs in subsidiaries as of December 31, 2020 were as follows:

	Cost Method	Equity method
Chaiyapum Ram Hospital Company Limited	435,490,000	120,315,550
R-Plus Asset Company Limited	128,124,905	56,649,843
Muang Loei-Ram Hospital Company Limited	282,241,000	239,753,332
Vientiane Ram International Hospital Company Limited	70,000,000	66,864,763
Vibharam Hospital Company Limited	2,628,650,901	3,029,772,104
Less of impairment of investment in subsidiary Chaiyapum Ram Hospital Company Limited	(237,253,000)	-
- R-Plus Asset Company Limited	(84,000,000)	-
	3,223,253,806	3,509,355,592

- Investment in associates / related parties at costs as of December 31, 2020 were as follows:

1) Ramkhamhaeng Hospital PCL	3,485,370,093.00	Baht
2) Vibharam Hospital Co., Ltd.	1,076,968,914.00	Baht
Total	4,562,339,007.00	Baht

Costs based on equity method 6,991,439,781.00 baht. Details were as follows:

		Cost	Equity method
1.	Chiangmai Ram Hospital Company Limited	47,617,004	838,172,159
2.	Radio Logical Equipment Co., Ltd.	3,000,000	920,752
3.	Synphaet Company Limited	886,646,242	1,402,949,887
4.	Piyasiri Company Limited (Sukhumvit Hospital)	199,939,110	177,259,012
5.	Vibhavadi Medical Center Public Company Limited	560,112,526	1,828,644,412
6.	Phayao Ram Hospital Company Limited	107,000	92,441,495
7.	Legacy Golf (Thailand) Company Limited	686,800,000	618,708,494
8.	Buriram Ruampaet Company Limited	122,696,200	130,721,810
9.	Thippayabadin Company Limited	150,000,000	51,637,572
10.	Rajthanee Hospital Public Company Limited	285,154,691	890,470,519
11.	Nan-Ram Hospital Company Limited	20,000,000	21,294,022
12.	Ramnakara Company Limited	737,186,400	735,572,325
13	Seriruk Hospital Company Limited	-	202,647,322
	Less of impairment of investment in associates / related parties:		
	Radio Logical Equipment Company Limited	(3,000,000)	-
	Legacy Golf (Thailand) Company Limited		(97,384,000)
	Thippayabadin Company Limited	-	(113.505,080)
		6,991,439,781	3,485,370,093

Details of the associates with an impairment are as follows:

1. Radio Logical Equipment Company Limited at cost valued of 3,000,000 baht as of December 31, 2020, with the equity value of 920,752 baht, indicating an asset impairment of 2,079,248 baht.

2. Piyasiri Company Limited (Sukhumvit Hospital) at cost valued of 199,939,110 baht as of December 31, 2020, with the equity value of 177,259,012 baht, indicating an asset impairment of 22,680,098 baht.

3. Legacy Golf (Thailand) Company Limited at cost valued of 686,800,000 baht as of December 31, 2020, with the equity value of 618,708,494 baht, indicating an asset impairment of 68,091,ollo baht.

4. Thippayabadin Company Limited at cost valued of 150,000,000 baht as of December 31, 2020, with the equity value of 51,637,572 baht, indicating an asset impairment of 98,362,428 baht.

5. Ramnakara Company Limited at cost valued of 737,186,400 baht as of December 31, 2020 with the equity value of 735,572,325 baht, indicating an asset impairment of 1,614,075 baht.

Other associates / related parties, besides Radio Logical Equipment Co., Ltd., Piyasiri Co., Ltd., Legacy Golf (Thailand) Co., Ltd., Thippayabadin Co., Ltd. and Ramnakara Co., Ltd. had an increasing value based on the equity method of investments. Thus, the overall asset's value were increased.

(4) Key components of other assets and reasons for change

Assets other than debtors, inventories and investments included the following items:

- Cash and cash equivalents: The Company efficiently managed its cash and cash equivalents to avoid less interest income due to keeping more cash on hand. In the meantime, inadequate cash could lead to business interruption and congestion. As of December 31, 2020, the Company held cash and cash equivalents at 616.02 million baht, a decrease of 396.45 million baht from the previous year.

- Other current assets: These included inventory items of equipment and miscellaneous goods (18.97 million baht), prepaid expenses (15.46 million baht), accrued income (16.89 million baht), deposit (25.02 million baht) and deposits that the Company paid for purchase of MI Cal department (10.36 million baht), VAT (7.50 million baht), and others which were normal business transactions as of December 31, 2020, amounted to 104.36 million baht, an increase of 49.35 million baht from the previous year.

- Other non-current financial assets: As of December 31, 2020, they were amounted to 8,134.54 million baht, including investments in the followings:

1.	Thonburi Healthcare Group Public Company Limited	3,722.28	Million baht
2.	Kiatnakin Phatra Public Company Limited	1,804.37	,,
3.	Intouch Holdings Public Company Limited	537.89	,,
4.	Companies listed on other stock exchanges	1,956.59	,,
5.	Other non-listed companies	113.41	,,

- Intangible assets: These consisted of the deferred payment of computer software as of December 31, 2020, amounted to 63.57 million baht, an increase of 47.99 million baht from the previous year.

- Other non-current assets: These comprised withholding taxes (106.81 million baht), deposits advanced for product procurement (44.14 million baht), and others as of December 31, 2020, amounted to 163.17 million baht, an increase of 68.38 million baht from the previous year.

The Company's return on assets in 2020 was 2.76%, a decrease from the previous year. This was due to higher asset investments in 2020 with a negative out return.

4. Liquidity and Capital Adequacy

(1) Sources and uses of funds, suitability of capital structure

- Sources of funds in 2020 were as follows:

1.	Net cash provided by operating activities	894,637,730	Baht
2.	Increased in bank overdrafts and short-term loans from financial institutions	509,385,925	,,
3.	Proceeds from short-term loans from other persons	1,400,000	,,
4.	Cash received from short-term loan to related parties	1,318,500,000	,,
5.	Cash received from long-term loan to related parties	45,000,000	,,
6.	Cash paid for deposits on assets	116,174,496	,,
7.	Cash received from sale of common stock	305,529,149	,,
8.	Cash received from sale of equipment	5,369,436	,,
9.	Proceeds from share of non-controlling interests in the subsidiary	169,314,726	,,
10.	Proceeds from short-term loans from related parties	927,000,000	,,
11.	Proceeds from long-term loans	2,146,000,000	,,
12.	Dividend received from marketable equities securities	208,645,950	,,
13.	Dividend received from investment in associates	229,623,759	,,
14.	Dividend received from investments in related and other companies	18,192,671	,,
15.	Cash received from interest income	32,623,784	,,
	Total	6,927,397,626	,,

- Uses of funds in 2020 were as follows:

1.	Cash paid for purchase of common stock	1,411,657,395	บาท
2.	Cash paid for investment in associates	499,089,576	,,
3.	Cash paid for investment in related parties	40,311,290	,,
4.	Cash paid for land, building and equipment	914,818,849	,,
5.	Cash paid for intangible assets	7,581,471	,,
6.	Cash paid for short-term loans to related parties	1,276,500,000	,,
7.	Payments of repayment for short-term loans from other persons	81,400,000	,,
8.	Payments of repayment for short-term loans from related parties	756,000,000	,,
9.	Payments of repayment for long-term loans	707,039,992	,,
10.	Cash paid for leases liabilities	5,027,563	,,
11.	Cash paid for capital decrease	384,375,016	,,

12.	Cash paid for subsidiary from non-controlling interests	64,602,949	,,
13.	Fixed deposit used for pledged	18,492	,,
14.	Dividend payment	964,965,600	,,
15.	Cash paid for interest expense	210,457,516	,,
	Total	7,323,845,709	,,
	Net increase in cash and cash equivalents in 2020	396,448,083	,,

- Suitability of capital structure when considering debt to equity ratio

In 2020, the Company's debt to equity ratio was 0.91 : 1.

The Company's debt was 91 percent of its equity, as a ratio similar to other private hospitals. Normally, private hospital businesses invest in high fixed assets (investment in patient buildings and purchase of medical equipment), with debt ratio to equity of approximately 1:1.

(2) Investment expenditures, purpose and source of funds

In 2020, the Company had investment expenditures as follows:

1. Purchase of land, buildings, medical equipment, office equipment and others in the amount of 827.67 million baht consists of

- Land in the amount of 272.25 million baht.
- Buildings in the amount of 24.78 million baht.
- Construction in Progress in the amount of 94.03 million baht
- Purchase of medical equipment and instrument amounted to 308.27 million baht and sold out in the amount of 20.17 million baht. As a result from development of medical technology, the Company had made extensive investment in medical equipment towards a first-class hospital with state of art medical technology.
- Office equipment, furniture, vehicles, etc., as a normal procurement to replace old, damaged, or obsolete ones.

Source of funds : the Company’s operating cash flows

2. Investments in subsidiaries, associates / related parties in the amount of 1,498.40 million baht, as a long-term investment towards a return in the form of dividends and increase of alliances in the private hospital business, which would allow the Company to jointly manage and operate with higher negotiation power at lower cost of sales.

Source of funds: the Company's operating cash flows and borrowings from local financial institutions

(3) Liquidity adequacy

The Company had good liquidity in its business operations due to its medical treatment business which mostly were in cash. In 2020, Ramkhamhaeng Hospital maintained its cash sales of 71.73 percent, while 28.27 percent were credit sales. In addition, the Company had a net profit of 7.60 percent when considering liquidity ratio as follows:

Liquidity ratio	=	0.40	
Quick liquidity Ratio	=	0.22	(0.18)
Cash flow liquidity ratio	=	0.13	(0.19)

When considering liquidity in the form of current assets and current liabilities, the Company had less current assets than current liabilities. The Company' s current assets were 40 percent of current liabilities.

Accounts receivable turnover	=	8.47	(13.51)
Average collection period	=	43.09	(27.02)
Inventory turnover ratio	=	9.04	(45.59)
Average sales period	=	40.38	(8.01)
Payable turnover ratio	=	15.26	(21.08)
Average payment period	=	23.92	(17.31)
Cash Cycle	=	59.55	(17.72)

Sale and Account Receivables: average collection period was		43.09 (27.02)	days
Cost of Sales and Inventories: average inventory period was		40.38 (8.01)	days
Purchase and Account Payables: average payment period was		23.92 (17.72)	days
Cash cycle of the Company	=	43.09 + 40.38 – 23.92 =	59.55 days
Cash cycle of medical treatment business	=	27.02 + 8.01 – 17.31 =	17.72 days

(4) Debt service ability, loan covenant compliance and additional sources of funds

Up to present, the Company had the ability to pay debt service and fully complied with the loan covenant towards good creditworthiness from financial institutions. In addition, the Company has lots of lands and other fixed assets together with its good operating performance which enhance the ability to secure additional funding.

	2020	2019
Interest Coverage Ratio	6.77	25.11
Ability to pay obligations ratio	0.09	0.11

The Company's Interest coverage ratio and ability to pay obligations ratio in 2020 was less than 2019. This was because the Company's profit in 2020 was lower than 2019. Nonetheless, the Company was able to pay its debt services on schedule due to its adequacy of profits and cash flows.

5. Liabilities and Off-balance Sheet Management

None

6. Factors Affecting Future Performance

1. Hospital business and the competition, with economic down turn and uncertainties from external factors, such as COVID-1 9 outbreak, and trade war between China and the United States, consequently reduced the spending as well as delayed access to medical treatment. However, the confidence in COVID-19 vaccines for public sector in Thailand and around the world in 2021, together with the opening of country for international travel, this could lead to a confidence and encouragement for economic expansion. Although the competition in hospital business was higher, the Company's groups have a strong network and alliance hospitals that could serve all types of patients throughout Thailand, with qualities and international standards at fair price. This is considered a strong marketing strategy of the Company's groups.

2. There were changes in payment criteria for medical treatment under the Social Security Office regulation. In 2020, the Company has another subsidiary, Vibharam Hospital Company Limited, which receives income from the Social Security program, accounting for 17.17 percent of total revenue (Consolidated financial statements). The change in medical treatment regulations or payment rates would affect the Company's revenues. However, the Company has closely updated and monitored the changes in rules and regulations of the Social Security Office, together with monitoring costs of medical treatment in order to reduce the risks and impacts that may arise from those changes.

Additional information of the listed company

Investors can find additional information of the Company from the Company 56-1 form as shown in www.sec.or.th

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Ramkhamhaeng Hospital

Report and consolidated financial statements