

Information Memorandum of Srivichaivejvivat Public Company Limited Re: Entering into the Acquisition of Asset Transaction of the Investment in the New Hospital Project

As Srivichaivejvivat Public Company Limited (the “**Company**”) held the Board of Directors’ Meeting No. 3/2024, held on Tuesday 12 March 2024, had the resolution to approve the entering into the acquisition of asset transaction of the investment in the New Hospital Project (the “**Project**”), by entering into the said transaction (the “**Acquisition Transaction**”), allowing Sai Vichai Development Company Limited (“**VIN**”), a subsidiary in which the Company holds 99.43% of shares to enter into an investment transaction in the Project, with a total investment value not exceeding 2,749.32 million Baht (consisting of the value of the land owned by VIN in the amount of 339.26 million Baht that VIN has purchased in 2022 - 2023 and the construction value of the Project, total not exceeding 2,410.06 million Baht) (“**Value of the Acquisition Transaction**”), the project will be constructed at Borommaratchachonnani Road, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok, on vacant land under VIN's ownership, comprising title deeds numbered 5488, 8763, 9726, 10561, 10562, 11509, 63754, 63755, 63756, 63757, and 63758, totaling 11 title deeds, total area equal to 19-0-21 rai or 7,621.00 Square Wah, which is expected to begin construction within 2025 and open for the phase 1 service within 2026.

In this regard, the details of the acquisition transaction, including such details of the Information Memorandum of Srivichaivejvivat Public Company Limited Re: Entering into the Acquisition of Asset Transaction of the Investment in the New Hospital Project are as follows:

1. **Date/Month/Year of the Acquisition Transaction**

After the AGM approval on 26 April 2024 of entering into the acquisition of asset transaction of the investment in the New Hospital Project, the Company expects to begin the construction within 2025 and open for the phase 1 service within 2026.

2. **The counterparty and relation with the Company**

After the EGM approval on 26 April 2024 of entering into the acquisition of asset transaction of the investment in the New Hospital Project, the Company will hire personnel who possess qualifications, knowledge, experience, and expertise in both architectural and engineering design, as well as in the procurement, construction, and installation of medical equipment, in accordance with the company's procedures and regulations. Initially, these personnel are not affiliated with the company. However, during the project implementation, if the company hires personnel who are related to the company, the company will comply strictly with the Securities and Exchange Commission's Announcement No. 21/2551 regarding criteria for related party transactions and the Securities and Exchange Commission's Announcement regarding disclosure of information and practices of listed companies engaging in related party transactions, B.E. 2546 (including any subsequent amendments) (the “**Related Party Transactions Announcement**”).

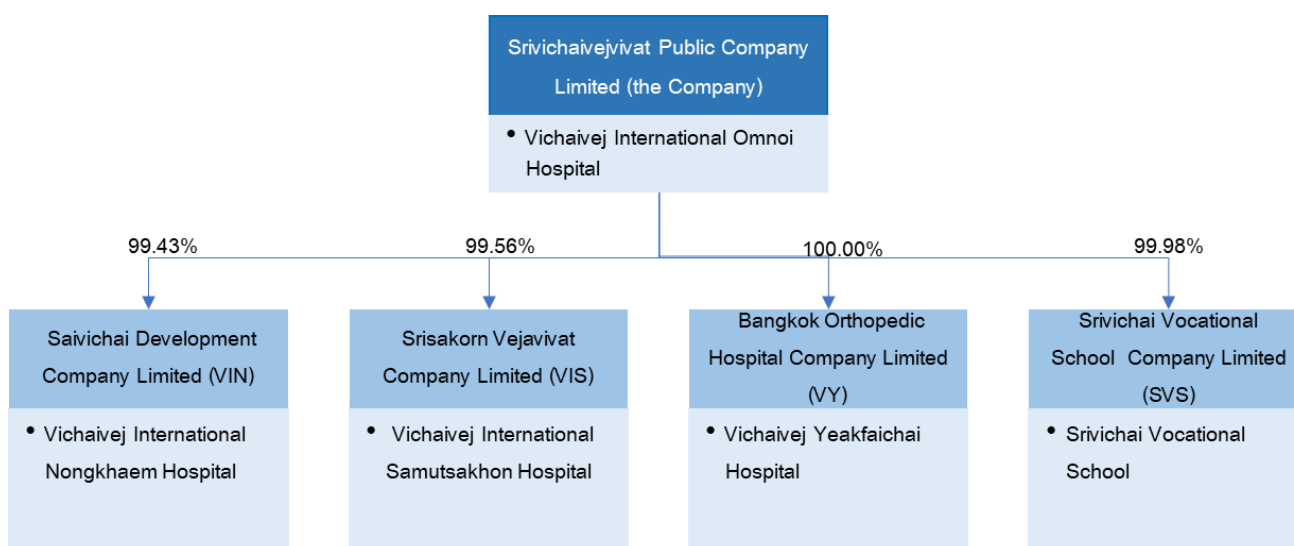
3. Detail of assets

3.1. General Characteristics

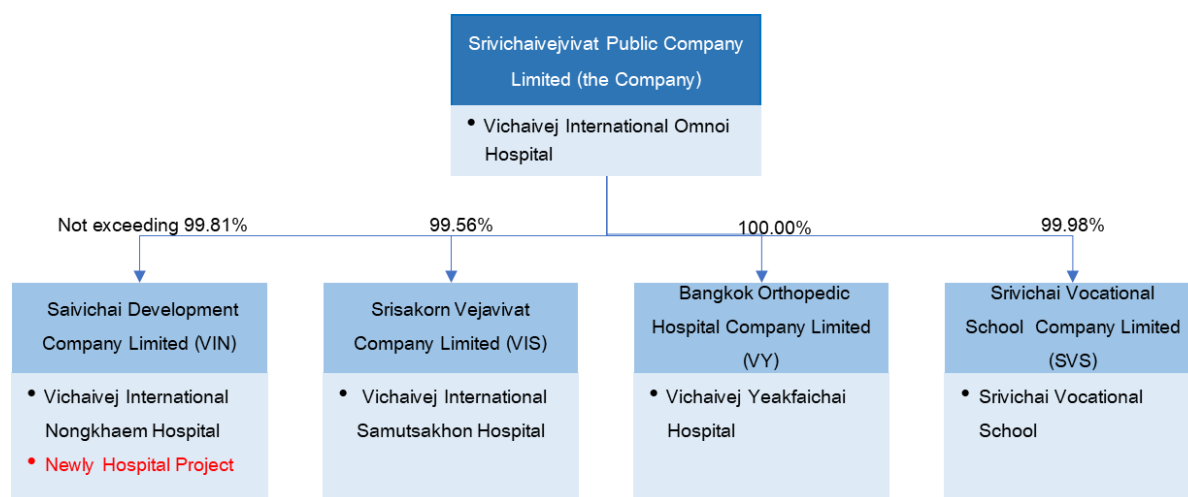
As the Company held the Board of Directors' Meeting No. 3/2024, held on Tuesday 12 March 2024, had the resolution to approve the entering into the acquisition of asset transaction of the investment in the New Hospital Project (the "Project"), by entering into the said transaction, allowing Sai Vichai Development Company Limited ("VIN"), a subsidiary in which the Company holds 99.43% of shares to enter into an investment transaction in the Project, with a total investment value not exceeding 2,749.32 million Baht, (consisting of the value of the land owned by VIN in the amount of 339.26 million Baht that VIN has purchased in 2022 - 2023 and the construction value of the Project, total not exceeding 2,410.06 million Baht), the project will be constructed at Borommaratchachonnani Road, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok, on vacant land under VIN's ownership, comprising title deeds numbered 5488, 8763, 9726, 10561, 10562, 11509, 63754, 63755, 63756, 63757, and 63758, totaling 11 title deeds, total area equal to 19-0-21 rai or 7,621.00 Square Wah, which is expected to begin construction within 2025 and open for the phase 1 service within 2026.

In addition, the sources of funding for the aforementioned transaction will come from several avenues. Firstly, funds will be raised through the issuance (Right Offering) of ordinary shares to existing shareholders in proportion to their shareholding. The proceeds from this capital raising will be utilized to increase the capital of VIN for investment in the project. Furthermore, funding sources will include the land under VIN's ownership, cash flows from operations, and borrowings from financial institutions. However, it is important to note that both the issuance and offering of ordinary shares to increase capital by the company and the subsequent investment of the funds raised into VIN will impact the change in the Company's shareholding structure. Therefore, before and after the execution of the Acquisition Transaction, the details are as follows:

Before entering the Acquisition Transaction



After entering the Acquisition Transaction



3.2. Transaction size

The Company has calculated the total transaction size based on various methods specified in the Notifications of Asset Acquisition and Disposal has the maximum transaction size according to the total value consideration method, as referenced from the Company's consolidated financial statements reviewed by a certified public accountant ended on 31 December 2023 as follows:

The Company's NTA calculation

The details of the Company's NTA calculation

The Company's financial information	As of 30 September 2023 (Unit: million Baht)	As of 31 December 2023 (Unit: million Baht)
Total Assets	3,539.20	3,618.93
Less by: Intangible Assets	(16.01)	(14.52)
Less by: Total Liabilities	(602.92)	(582.26)
Less by: Non-controlling interest	(7.26)	(7.60)
Net Tangible Asset (NTA)	2,913.01	3,014.54

Calculation of Transaction Size

Criteria	Formula	Transaction Size (%)
Value of NTA	$\frac{\text{NTA of the acquired asset} \times \text{Proportion of the acquired asset}}{\text{NTA of the Company}}$	Unable to calculate due to the asset is not a common stock
Net Operating Profits	$\frac{\text{Net profit of the acquired asset} \times \text{Proportion of the acquired asset}}{\text{Net operating profit of the Company}}$	Unable to calculate due to the asset is not a common stock
Total Value of Consideration Basis	$\frac{\text{Total value of consideration basis}}{\text{Total assets of the Company}}$	$\left[\frac{2,410.06}{3,618.93} + \frac{7.30}{3,539.20} \right] \times 100 = 66.80\%$
Value of Securities Issued for the Payment of Assets	$\frac{\text{Equity shares issued for the payment of assets}}{\text{Paid-up shares of the Company}}$	Unable to calculate due to none of issued and paid-up shares for payment

In this regard, the aforementioned transaction is an asset acquisition in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (and its amendments) dated 31 August 2008 (and its amendments) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (and its amendments) (collectively refer to as the “**Notifications of Asset Acquisition and Disposal**”). The total transaction size as calculated based on various methods specified in the Notifications of Asset Acquisition and Disposal has the maximum transaction size equal to 66.60% according to the total value consideration method, as referenced from the Company’s consolidated financial statements reviewed by a certified public accountant ended on 31 December 2024. If including the asset acquisition in the past 6 months before the date the Board of Directors resolved to approve entering into the acquisition of asset transaction of the investment in the New Hospital Project, the total asset acquisition transaction size will equal to 66.80% according to the total value consideration method.

Therefore, the size of the aforementioned transaction is equal to 50% or higher but lower than 100% and is classified as a Class 1 Transaction according to the Notifications on Acquisition or Disposal. The Company has a duty to disclose the relevant information regarding the aforementioned transaction as follows:

- (1) Prepare a report and disclose information regarding the Company's entering into such transactions to the Stock Exchange of Thailand (“**SET**”) according to Schedule (1) pursuant to the Notifications on Acquisition or Disposal.
- (2) Appoint an Independent Financial Advisor to perform various related duties, including giving opinions as specified in the Notifications on Acquisition or Disposal by sending the report of the Independent Financial Advisor to shareholders for consideration along with sending the invitation letter to the shareholder meeting.
- (3) Arrange a shareholder meeting for approval to enter into the Acquisition Transaction and must be approved by a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting and are entitled to vote, excluding the shareholders with conflicts of interest.

4. Details of acquired assets

In acquisition of asset transaction of the Project, by entering into the said transaction, allowing VIN, a subsidiary in which the Company holds 99.43% of shares to enter into an investment transaction in the Project, with a total investment value not exceeding 2,749.32 million Baht (consisting of the value of the land owned by VIN in the amount of 339.26 million Baht that VIN has purchased in 2022 - 2023 and the construction value of the Project, total not exceeding 2,410.06 million Baht), the project will be constructed at Borommaratchachonnani Road, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok, on vacant land under VIN's ownership, comprising title deeds numbered 5488, 8763, 9726, 10561, 10562, 11509, 63754,

63755, 63756, 63757, and 63758, totaling 11 title deeds, total area equal to 19-0-21 rai or 7,621.00 Square Wah, which is expected to begin construction within 2025 and open for the phase 1 service within the year 2026.

Due to the high population density and the presence of medium to high-income residential communities, as well as surrounding large community malls, universities, and hospitals, the company, along with its strategic development, plan to transform the hospital into a Smart Hospital for comprehensive healthcare, aims to elevate the medical center to a Center of Excellence. This initiative seeks to enhance expertise in treating complex diseases comprehensively and accurately predict health outcomes, thereby improving competitiveness. Consequently, the company sees the benefits of maximizing the utilization of the mentioned land for the highest benefit to both the company and its shareholders. Through investing in this project, it aims to enhance revenue generation and cash flow for the company in the long term. The details of the project are as follows:

The Project's detail

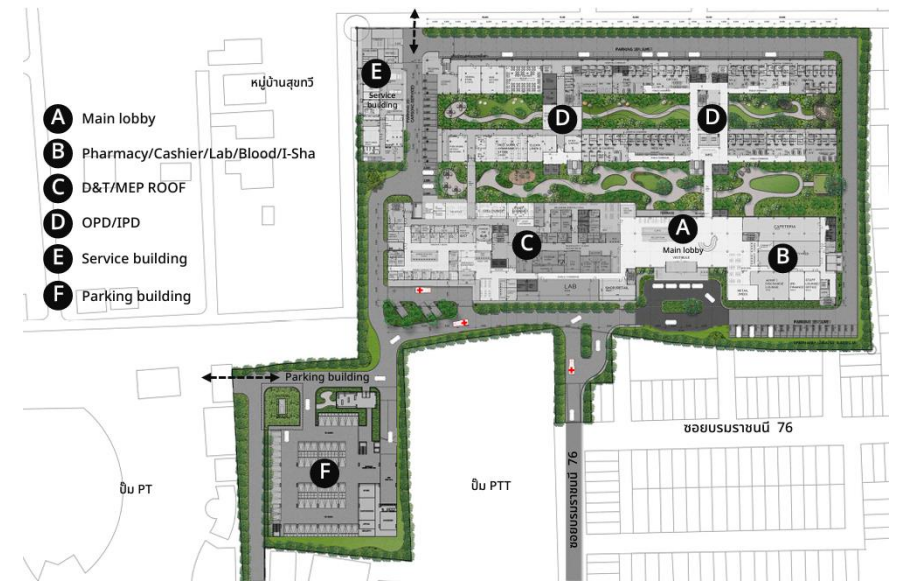
Topic	Detail
The project's information	<p>VIN, as the owner of the land with a total of 11 title deeds mentioned above, totaling an area of 19-0-21 rai or 7,621.00 Square Wah, will be the manager of the new hospital, a three-story building on a land area of 30,484.00 Square Meters. The details are as follows:</p> <ol style="list-style-type: none"> 1) In-patient Department (IPD Ward), 149 rooms, total 200 beds 2) Outpatient Department (OPD) total 44 rooms 3) Dialysis Room total 3 rooms 4) Intensive Care Unit Room (ICU) total 10 rooms 5) Critical Care Unit Room (CCU) total 10 rooms 6) Operating Room (OR) total 8 rooms 7) Emergency Room (ER) total 3 rooms 8) Wellness Center total 6 rooms 9) Radiology/US Room total 8 rooms 10) Physical Medicine and Rehabilitation Room (PMR) total 2 rooms 11) Labor, Delivery, Recovery (LDR) Room total 2 rooms 12) Parking building to accommodate 159 cars and can park 128 cars, for a total of 287 cars. <p>Remark: The number of rooms and beds may be subjected to change in the future according to the suitability, at the discretion of the company.</p>
The Project's location	It will be located at Borommaratchachonnani Road, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok



The Project's overview in brief

The Project has a strategy to provide tertiary medical services for patients seeking treatment and specialized medical care. The Project aims to be one of the leading private hospitals distinguished in medical services, with specialized medical centers such as Pediatrics, Mother and Child Health, Cardiology, and Orthopedics. Additionally, the project also offers a wide range of other medical services, including Dialysis, Health Check-Ups, Aesthetic & Cosmetic services, Diabetes Mellitus and Endocrinology treatments, ENT services, Brain, and Neurology treatments, and many more.

The Project's landscape



The company has hired experts with knowledge and experience in studying and analyzing various impacts from internal and external factors of the project. The project's value has already reserved a contingency for construction costs. Initially, the company will contract the construction of the project with contractors, specifying the construction cost based on accurate estimates. If the construction costs increase from the estimated amount, the contractor will be responsible for the additional expenses, and the Company will closely monitor the construction process to ensure that the construction costs do not exceed the planned investment amount. Furthermore, the Company has assessed the construction timeline considering various factors that may cause delays.

As part of the preliminary work plan, the Company has engaged consultants with expertise in preparing Environmental Impact Assessment (EIA) reports for the project's construction, to be submitted to the Office of Natural Resources and Environmental Policy and Planning (ONEP). The Company will implement strict preventive measures and regulations, expecting the report to be approved by ONEP within the fourth quarter of 2024. Subsequently, the Company will proceed to apply for construction permits from the Bangkok Metropolitan Administration, with construction expected to commence in 2025 and completion targeted within the first quarter of 2026. Following that, the Company will begin the process of applying for licenses to operate medical facilities and commence service provision in phase 1 within 2026.

In addition, the Company has considered the risks in recruiting medical personnel, including physicians, nurses, and other medical staff, after the new hospital begins operations. Details are as follows:

1) Physicians' recruitment: The Company will recruit through the relationships of hospital management physicians within the Company's group of hospitals. Some of these personnel are former medical professors at Siriraj Hospital, Mahidol University, and have previously held senior management positions in government hospitals. This extensive network of highly capable physicians enables the continuous recruitment of such personnel to join the hospital.

2) Nurses recruitment: The Company will recruit through nursing colleges, leveraging the relationships of hospital management physicians and providing scholarships for nursing students. Additionally, the company has signed Memorandums of Understanding (MOUs) with nursing faculties of various universities to allow the project or hospitals within the company's group to serve as training institutions for nursing students and to facilitate academic exchanges.

3) Hospital assistant personnel recruitment: The Company has selected graduates from Srivichai Vocational School, under the company's subsidiary, for employment in the company's hospital group, under the management of Srivichai Vocational School Company Limited for ongoing operations.

5. Total Value of consideration, and payment conditions

The Value of the Acquisition Transaction does not exceed 2,410.06 million Baht, which is the total value of consideration without accounting the value of land which belongs to VIN, totaling 339.26 million Baht that VIN acquired between 2022 – 2023. In this regard, the source of funds for the transaction is already mentioned in topic number 9. (The sources of funds for entering into the investment transaction in the Project) which doesn't take the land value into account.

6. Total value of the acquired assets

The Value of the Acquisition Transaction will be as close as it is mentioned in topic number 5. (Total value of consideration, and payment conditions).

7. Criteria for determining the Value of the Acquisition Transaction

The Value of the Acquisition Transaction will be determined by accounting from the expenses incurred in acquiring the land and construction, which are currently owned by VIN, including the costs for land improvement based on market price surveys and preliminary engineering cost estimation competition results. This covers detailed engineering design work, procurement, construction, and installation of medical equipment and necessary tools related to the project investment, as well as estimated interest expenses from borrowing funds from financial institutions.

8. Benefits towards the Company

The Company anticipates that investment in the Project will yield the following benefits:

- (1) Investment in the Project, with VIN as the operator, will result in increased revenue, net profit, and cash flow for both the Company and VIN. Additionally, there is the opportunity to create added value for the land in the future. This is because the land designated for the Project has a high population density, surrounded by many residential areas with residents ranging from middle to high income levels. Moreover, it is close to leading community malls, top universities, and hospitals, which have experienced significant growth compared to the past.
- (2) The Company will be able to enhance its competitiveness significantly through a strategy to develop hospitals into Smart Hospital, providing comprehensive healthcare services. This includes elevating them to Centers of Excellence in medical care and developing expertise in treating complex and challenging diseases comprehensively. It is anticipated that accurate health predictions can also be made.
- (3) The execution of the Project will significantly enhance the Company's reputation due to its investment in a large-scale hospital project providing tertiary medical services and excelling in medical care and specialized medical centers such as Pediatrics, Mother and Child Health, Cardiology, and Orthopedic, among others. However, within a 15-kilometer radius, there are only a few hospitals with the potential to provide such medical services.
- (4) The execution of the Project will differentiate the Company's medical services across its diverse the Company's hospital group. This will strengthen the Company's business ecosystem and positively impact the Company's overall costs through economies of scale resulting from size efficiencies.
- (5) The Company will experience an increase in customer base and revenue generation capabilities, leading to higher net profits due to the Project's ability to offer alternative medicine services, telehealth treatments, and elderly healthcare services. These trends are significantly on the rise in Thailand.
- (6) The Project is situated in an area close to the Company's hospital group, which enables the Company to reduce costs in marketing and promotion, as it already has an existing customer base residing in the western part of Bangkok and its outskirts. Therefore, the Company could quickly recognize revenue growth.

9. The sources of funds for entering into the investment transaction in the Project

Due to total investment value of the Project not exceeding 2,749.32 million Baht, the sources of funds for the Company's entering into the investment transaction in the Project consists of two parts which are equity and liability (borrowings from financial institutions). These allocations may be subject to change based on the suitability as per the proposals received from financial institutions, with preliminary details of the sources of funds as follows:

1. Equity portion totaling approximately 1,241.38 million Baht.
 - 1.1. Land (owned by VIN) valued at approximately 339.26 million Baht, which VIN acquired between 2022-2023.
 - 1.2. Right Offering of ordinary shares totaling approximately 304.35 million Baht (the Company will utilize funds raised from issuing common stock for capital increase in VIN).
 - 1.3. Cash flow generated from the Company's operations totaling approximately 576.76 million Baht.

2. Borrowing portion from financial institutions initially estimated at approximately 1,507.94 million Baht (subject to loan conditions or proposals received by the Company).

10. Conditions precedent

The Acquisition Transaction requires an affirmative vote of not less than three-fourths of the aggregate votes cast by attending shareholders with voting rights, excluding votes of shareholders having an interest.

11. Opinions of the Board of Directors on entering into the investment transaction in the Project

The Board of Directors has approved the investment transaction in the Project, which has been thoroughly reviewed and deemed beneficial to the Company and shareholders. This investment is expected to enhance the Company's reputation significantly, as it involves a large-scale hospital project providing tertiary medical services and distinguished medical care centers. This initiative is projected to increase the Company's revenue and net profit while improving its competitiveness. Furthermore, it will diversify the Company's portfolio by leveraging the unique strengths of each hospital within group of the Company. This strategic move aims to strengthen the Company's business ecosystem and deliver long-term benefits to shareholders.

12. Opinions of the Audit Committee and/or directors of the Company which are different from the Board of Directors

None of the Audit Committee and/or directors of the Company hold a differing opinion from the Board of Directors.

Information Memorandum of Srivichaivejvivat Public Company Limited Re: Entering into the Acquisition of Asset Transaction of the Investment in the New Hospital Project (Account 2)

- 1. Information disclosed under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547, (as amended) (collectively called “Notifications on Acquisition or Disposal”) (Account 1)**

Please consider Srivichaivejvivat Public Company Limited (the “**Company**”) information of memorandum of acquisition of asset transaction of the investment in the New Hospital Project (the “**Project**”), by entering into the said transaction (the “**Acquisition Transaction**”), allowing Sai Vichai Development Company Limited (“**VIN**”), a subsidiary in which the Company holds 99.43% of shares to enter into an investment transaction in the Project.

In this regard, the aforementioned transaction is an asset acquisition in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (and its amendments) dated 31 August 2008 (and its amendments) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (and its amendments) (collectively refer to as the “**Notifications of Asset Acquisition and Disposal**”). The total transaction size as calculated based on various methods specified in the Notifications of Asset Acquisition and Disposal has the maximum transaction size equal to 66.60% according to the total value consideration method, as referenced from the Company’s consolidated financial statements audited by a certified public accountant ended on 31 December 2023, which when combined with the size of the asset acquisition transaction during the past 6 months prior the date of the Board of Directors resolved to approve the entering into this transaction. This will make the total asset acquisition transaction size equal to 66.80% according to the total value consideration method. Hence, the Company must report the information of memorandum account 2 according to the Notifications of Asset Acquisition and Disposal.

- 2. Responsibilities of the Board of Directors to the information in the documents sent to the shareholders**

The Board of Directors has carefully reviewed the information in this information memorandum and hereby certifies that the information in this information memorandum is correct, complete and not false. Do not mislead other people and do not lack information that should be informed in essence.

- 3. Independent Financial Advisor’s report on the Transaction, qualifications of independent financial advisor, shareholding and relationship of the independent financial advisor with the Company, consent of the Independent Financial Advisor to disseminate opinions, and date of comment**

- 3.1. Independent financial advisor's report**

Please consider details in the Independent Financial Advisor’s opinion report on the Asset acquisition transaction

- 3.2. Qualifications of independent financial advisor**

Avantgarde Capital Co., Ltd., which has been appointed as the Independent Financial Advisor of the Company and approved by the Securities and Exchange Commission (“**SEC**”) to provide opinions to the company’s shareholders regarding the reasonableness and benefits of acquiring

assets for investment in the new hospital project of Sai Vichai Development Co., Ltd. (“**Sai Vichai Development**”)

3.3. Shareholding and relationship of the independent financial advisor with the Company

Avantgarde Capital Co., Ltd., has no shareholding with the Company, along with no any other kinds of relationship with the Company

3.4. Consent of the independent financial advisor to disseminate opinions

Avantgarde Capital Co., Ltd., allows the Company to publish the Independent Financial Advisor’s opinion report.

3.5. Comment date

5 April 2024

4. Liabilities of the Company

The Company has four subsidiary companies engaged in providing medical services under its direct ownership as follows:

<u>Subsidiary</u>	- Saivichai Development Co., Ltd.,
	- Srisakorn Vejvivat Co., Ltd.,
	- Bangkok Orthopedic Hospital Co., Ltd.,
	- Srivichai Vocational School Co., Ltd.,

On 31 December 2023, the Company has the following liabilities:

No	Financial Position (Liabilities)	Total outstanding (million Baht)	Short-term outstanding (million Baht)	Long-term outstanding (million Baht)
1	Payable from purchase of investments	12.01	5.84	6.16
2	Long term loans	61.56	48.26	13.30
3	Lease Liabilities	63.91	8.21	55.70
	Total	137.47	62.31	75.16

5. The Company’s information

5.1. General information

Vichavej International Hospital Group started in 1987 by Assoc. Pro. Vichai Vanadurongwan, Md., Ph. D., FIMS together with Ass. Prof. Saisunee Vanadurongwan, M.D., was established “Saivichai Development Co., Ltd.,” for provide medical service under the name “Srivichai Nongkhaem Hospital”. In 1993, the group established “Srivichai Vejvivat Co., Ltd.,” with registered capital of 200 million Baht to operate a business under the name “Srivichai Omnoi Hospital”.

In 1994, the business was expanded by the founders and established “Srisakorn Vejvivat Co., Ltd.,” to operate “Srivichai Samut Sakhon Hospital”. After that the Company reorganized its

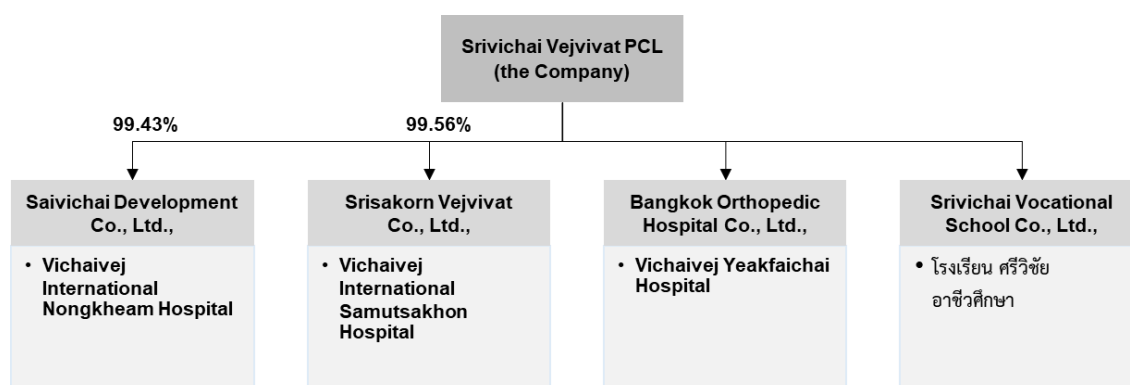
structure of the Company and increased the registered to 535 million Baht, which was a paid-up capital of 400 million Baht and converted to a public company under the name of Srivichai Vejvivat Public Co., Ltd., in 2011.

The Company has invested in another subsidiary, Srivichai Vocational School Co., Ltd., for the purpose of being a training for a nursing assistant staff. As a result, the hospital group has continually qualified medical personnel.

5.2. Nature of business

The Vichai Vej General Hospital Group operates general hospital with secondary medical service and comprises of four hospitals: 1) Vichaivej International Omnoi Hospital 2) Vichaivej International Nongkhaem Hospital 3) Vichaivej International Samut Sakhon Hospital, and 4) Vichaivej Yaekfaichai Hospital. Additionally, the Company has another subsidiary, namely, Srivichai Vocational School Co., Ltd., which operates under the name Srivichai Vocational School to produce caregivers for the elderly and young children.

The primary customer groups of the hospital group consist of two main categories: (1) General customers (non-capitation), including general individuals, life insurance customers, contract-type customers, car insurance customers, and compensation fund customers, and (2) Government project customers (capitation), including social security fund project customers. Currently, the company's organizational structure details are as follows:



5.3. Management Discussion and Analysis

The Independent Financial Advisor conducted an analysis of the Company's operational performance and financial status based on the financial statements for the years 2021 to 2023, which have been audited by licensed accountants from EY Company Limited. The details are as follows:

➤ The Company's financial position on 31 December 2021, 31 December 2022, and 31 December 2023

Statement of financial position	31 December 2021		31 December 2022		31 December 2023	
(Unit: million Baht)	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	1,185.02	32.56	1,063.01	28.67	822.37	22.72
Trade and other receivables	674.71	18.54	429.47	11.58	477.71	13.20
Medicine and supplies	61.53	1.69	60.97	1.64	57.37	1.59
Other current assets	54.76	1.50	10.94	0.30	10.79	0.30
Total current assets	1,976.02	54.30	1,564.39	42.19	1,368.23	37.81
Non-current assets						
Restricted bank deposits	0.49	0.01	0.49	0.01	0.49	0.01
Other non-current financial asset	43.90	1.21	43.90	1.18	44.87	1.24
Investments in subsidiaries	-	-	-	-	-	-
Investment properties	-	-	27.82	0.75	27.45	0.76
Property, plant and equipment	1,535.19	42.18	2,001.30	53.98	2,105.64	58.18
Right-of-use assets	42.10	1.16	26.21	0.71	31.01	0.86
Goodwill	-	-	-	-	-	-
Deferred tax assets	13.34	0.37	15.05	0.41	14.52	0.40
Other non-current assets	28.23	0.78	28.50	0.77	26.71	0.74
Total non-current assets	1,663.25	45.70	2,143.28	57.81	2,250.70	62.19
Total assets	3,639.28	100.00	3,707.67	100.00	3,618.93	100.00
Liabilities and shareholders' equity						
Current liabilities						
Trade and other payables	482.45	13.26	375.55	10.13	355.45	9.82
Current portion of payable from purchase of investment	5.25	0.14	5.54	0.15	5.84	0.16
Current portion of long-term loans	109.09	3.00	67.35	1.82	48.26	1.33
Current portion of lease liabilities	12.22	0.34	6.96	0.19	8.21	0.23
Income tax payable	170.94	4.70	59.10	1.59	26.63	0.74
Other current liabilities	4.80	0.13	4.80	0.13	4.90	0.14
Total current liabilities	784.74	21.56	519.30	14.01	449.29	12.42
Non-current liabilities						
Payable from purchase of investment, net of current portion	17.54	0.48	12.00	0.32	6.16	0.17
Long-term loans, net of current portion	131.87	3.62	61.55	1.66	13.30	0.37
Lease liabilities, net of current portion	56.34	1.55	50.50	1.36	55.70	1.54
Provision for long-term employee benefits	50.93	1.40	54.97	1.48	56.60	1.56
Deferred tax liabilities	2.28	0.06	1.28	0.03	1.21	0.03
Total non-current liabilities	258.96	7.12	180.30	4.86	132.96	3.67

Statement of financial position	31 December 2021		31 December 2022		31 December 2023	
(Unit: million Baht)	Million Baht	%	Million Baht	%	Million Baht	%
Total liabilities	1,043.70	28.68	699.59	18.87	582.26	16.09
Shareholders' equity						
Share capital						
Registered						
570,666,666 ordinary shares of THB 1 each	570.67	15.68	570.67	15.39	570.67	15.77
Issued and fully paid						
570,665,433 ordinary shares of THB 1 each	570.67	15.68	570.67	15.39	570.67	15.77
Share premium	37.94	1.04	37.94	1.02	37.94	1.05
Retained earnings						
Appropriated - statutory reserve	57.07	1.57	57.07	1.54	57.07	1.58
Unappropriated	1,902.82	52.29	2,314.09	62.41	2,341.23	64.69
Other components of shareholders' equity	21.39	0.59	21.39	0.58	22.17	0.61
Equity attributable to owners of the Company	2,589.88	71.16	3,001.15	80.94	3,029.07	83.70
Non-controlling interests of the subsidiaries	5.70	0.16	6.93	0.19	7.60	0.21
Total shareholders' equity	2,595.58	71.32	3,008.08	81.13	3,036.67	83.91
Total liabilities and shareholders' equity	3,639.28	100.00	3,707.67	100.00	3,618.93	100.00

Source: The Company's financial statements for 2021 – 2023

➤ Statement of comprehensive income for 2021 – 2023

Statement of comprehensive income (Unit: million Baht)	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenues from hospital operations	4,717.84	99.75	3,645.90	99.57	2,733.89	98.94
Dividend income	-	-	-	-	2.67	0.10
Other income	11.92	0.25	15.88	0.43	26.64	0.96
Total revenues	4,729.76	100.00	3,661.78	100.00	2,763.20	100.00
Expenses						
Cost of hospital operations	(2,693.24)	(56.94)	(2,361.70)	(64.50)	(2,062.49)	(74.64)
Selling expenses	(66.14)	(1.40)	(133.18)	(3.64)	(72.66)	(2.63)
Administrative expenses	(365.72)	(7.73)	(283.95)	(7.75)	(264.16)	(9.56)
Total expenses	(3,125.09)	(66.07)	(2,778.83)	(75.89)	(2,399.31)	(86.83)
Operating profit	1,604.67	33.93	882.95	24.11	363.89	13.17
Finance cost	(15.68)	(0.33)	(11.01)	(0.30)	(9.89)	(0.36)
Profit before income tax expenses	1,588.98	33.60	871.94	23.81	354.00	12.81
Income tax expenses	(328.77)	(6.95)	(172.70)	(4.72)	(69.16)	(2.50)
Profit for the year	1,260.21	26.64	699.24	19.10	284.84	10.31

Source: The Company's financial statements for 2021 – 2023

➤ Key financial ratios

Company's key financial ratios in 2021 – 2023

Financial Ratio	Unit	2021	2022	2023
Efficiency Ratio				
Return on Asset	Percent	53.98	24.04	9.93
Assets Turnover Ratio	Times	1.59	1.00	0.75
Return on Fixed Asset	Percent	93.81	49.16	22.41
Return on Equity	Percent	62.89	24.92	9.41
Liquidity Ratio				
Current Ratio	Times	2.52	3.01	3.05
Quick Ratio	Times	2.37	2.87	2.89
Turnover Ratio				
Account Receivable Days	Days	39.83	55.27	60.56
Account Payable Days	Days	52.24	66.30	64.68
Inventory Days	Days	7.64	9.47	10.47
Financial Policy Ratio				
Interest Coverage Ratio	Times	102.32	80.18	36.80
Debt to Equity Ratio	Times	0.40	0.23	0.19

Source: The Company's financial statements for 2021 – 2023

Management's discussion and analysis

Financial position

Assets

At the end of 2022, the Company's total assets amounted to 3,707.67 million Baht, increasing by 68.39 million Baht or 1.88% from the total assets of 3,639.28 million Baht in 2021. This increase was due to significant changes in the following asset items:

- (1) Property plant, and equipment amounted to 2,001.30 million Baht, increasing by 466.11 million Baht from 2021. This increase was attributed to the purchase of land, recording of social security buildings, and medical equipment.
- (2) Investment properties amounted to 27.82 million Baht, increasing by 27.82 million Baht from 2021. This increase was due to the purchase of 6 commercial pieces of land and buildings.

At the end of 2023, the Company's total assets amounted to 3,618.93 million Baht, decreasing by 88.74 million Baht or 2.39% from the total assets of 3,707.67 million Baht in 2022. This decrease was due to significant changes in the following asset items:

- (1) Cash and cash equivalents amounted to 822.37 million Baht, decreasing by 240.64 million Baht from 2022. This decrease was mainly attributed to the company's payment of dividends amounting to 256.72 million Baht.
- (2) Medicines and supplies amounted to 57.37 million Baht, decreasing by 3.60 million Baht from 2022. This decrease was due to the relaxation of the COVID-19 pandemic situation, resulting in reduced orders for drugs, medical supplies, and materials used in medical treatment.
- (3) Investment properties amounted to 27.45 million Baht, decreasing by 0.37 million Baht from 2022. This decrease was attributed to depreciation expenses, although there were no additional investments in land and buildings.

Liabilities

At the end of 2022, the Company's total liabilities amounted to 699.59 million Baht, decreasing by 344.11 million Baht or 32.97% from the total liabilities of 1,043.70 million Baht in 2021. This decrease was due to significant changes in the following asset items:

- (1) Trade and other payables amounted to 375.55 million Baht, decreasing by 106.89 million Baht from 2021. This decrease was due to the repayment of trade payables in unrelated businesses and other liabilities, including overdue expenses of the company.
- (2) Long-term loans due within one year amounted to 67.35 million Baht, decreasing by 41.74 million Baht from 2021. This decrease was due to the partial repayment of long-term loans.
- (3) Payable from purchase of investment amounted to 12.00 million Baht, decreasing by 5.54 million Baht from 2021. This decrease was due to the partial repayment of shareholder loans. The company had scheduled repayments of 6.5 million Baht yearly, including interest.
- (4) Long-term loans amounted to 61.55 million Baht, decreasing by 70.32 million Baht from 2021. This decrease was due to the partial repayment of long-term loans.
- (5) Lease liabilities amounted to 50.50 million Baht, decreasing by 5.84 Baht million from 2021. This decrease was due to the partial repayment of lease payments.

At the end of 2023, the Company's total liabilities amounted to 582.26 million Baht, decreasing by 117.33 million Baht or 16.77% from the total liabilities of 699.58 million Baht in 2022. This decrease was due to significant changes in the following liability items:

- (1) Trade payables and other liabilities amounted to 355.45 million Baht, decreasing by 20.10 million baht from 2022. This decrease was due to the repayment of trade payables in related businesses and other liabilities, including overdue expenses of the company.
- (2) Portions of long-term loans due within one year amounted to 48.26 million Baht, decreasing by 19.08 million Baht from 2022. This decrease was due to the repayment of long-term loans to financial institutions.

- (3) Portions of long-term loans due within one year amounted to 48.26 million Baht, decreasing by 19.08 million Baht from 2022. This decrease was due to the repayment of long-term loans to financial institutions.

Equity

At the end of 2022, the Company's total equity amounted to 3,008.08 million Baht, increasing by 412.50 million Baht or 15.89% from the total equity of 2,595.58 million Baht in 2021. This increase was due to the Company's accumulated profit in 2022 amounting to 2,371.15 million Baht, increasing by 411.27 million Baht from 2021.

At the end of 2023, the Company's total equity amounted to 3,036.67 million Baht, increasing by 28.59 million Baht or 0.95% from the total equity of 3,008.08 million Baht in 2022. This increase was due to the Company's accumulated profit in 2023 amounting to 2,398.30 million Baht, increasing by 27.14 million Baht from 2022.

The Company's financial performance

Revenue

For the year 2565, the Company had total revenue of 3,661.78 million Baht, a decrease of 1,067.98 million Baht or a decrease rate of 22.58% from the total revenue of 4,729.76 million Baht in 2021. The details are as follows:

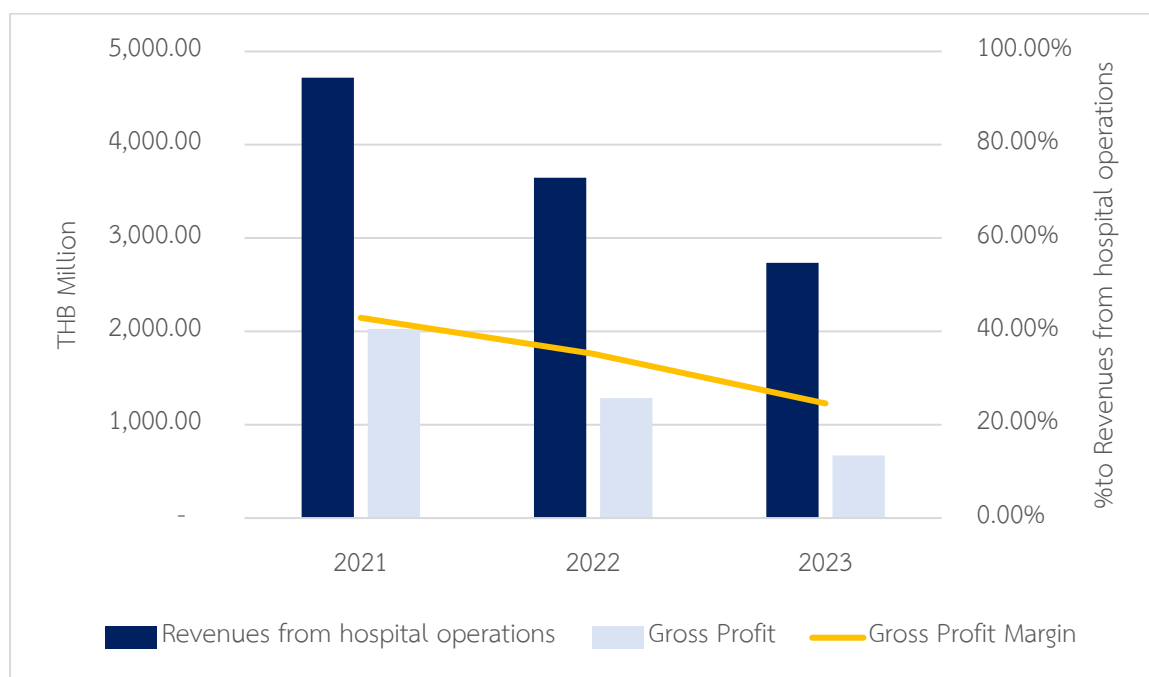
- (1) Revenue from hospital operations: 3,645.90 million Baht, decreased by 1,071.93 million Baht or a decrease rate of 22.72% from 2021. This decrease was due to the easing of the COVID-19 situation, allowing the public to purchase COVID-19 antigen test kits and isolate COVID-19 patients at home. As a result, revenue from COVID-19 analysis and Hospital room services for COVID-19 patients decreased, along with a reduction in the state sector's healthcare payment rates.
- (2) Other income: 15.88 million Baht, increased by 3.95 million Baht or a growth rate of 33.16% from 2021. This includes income from interest, rental income, service fees from subsidiaries, and dividends.

For the year 2566, the Company had total revenue of 2,763.20 million Baht, a decrease of 898.58 million Baht or a decrease rate of 24.54% from the total revenue of 3,661.78 million Baht in 2022. The details are as follows:

- (1) Revenue from hospital operations: 2,733.89 million Baht, decreased by 912.01 million Baht or a decrease rate of 25.01% from 2022. This decrease was due to the easing of the COVID-19 situation, allowing the public to purchase COVID-19 antigen test kits and isolate COVID-19 patients at home. As a result, revenue from COVID-19 analysis and Hospital room services for COVID-19 patients decreased, along with a reduction in the state sector's healthcare payment rates.
- (2) Other income: 26.64 million Baht, increased by 10.76 million Baht or a growth rate of 67.78% from 2022. This increase was due to income from interest and rental income.

Gross Profit
Gross Profit Margin

The Company's revenue, gross profit, and gross profit margin in 2021 – 2022



For the year 2022, the Company had gross profit of 1,284.21 million Baht, a decrease of 740.39 million Baht or a decrease rate of 36.57% from the gross profit of 2,024.60 million Baht in 2021, which represented a gross profit rate of 35.22% in 2022 and 42.19% in 2021. The details are as follows:

- (1) Costs of hospital operations: 2,361.70 million Baht, decreased by 331.54 million Baht from 2021. This decrease was influenced by the decrease in revenue from hospital operations due to the easing of the COVID-19 situation, leading to a reduction in the use of medication, medical supplies, and healthcare products, as well as a decrease in the costs of COVID-19 analysis and Hospital room services for COVID-19 patients.

For the year 2023, the Company had gross profit of 671.40 million Baht, a decrease of 612.80 million Baht or a decrease rate of 47.72% from the gross profit of 1,284.28 million Baht in 2022, which represented a gross profit rate of 24.56% in 2023 and 35.22% in 2022. The details are as follows:

- (1) Cost of hospital operations amounted to 2,062.49 million Baht, decreased by 299.21 million Baht from 2022. These decreases fluctuated according to the revenue from hospital operations, which decreased due to the easing of the COVID-19 situation. Consequently, there was a reduction in the usage of medication, medical supplies, and healthcare products, as well as a decrease in the costs of COVID-19 analysis and Hospital room services for COVID-19 patients.

Expenses

Expenses related to sales and administration of the Company include personnel expenses, advertising and promotional expenses, and others.

For the year 2022, the Company had total expenses amounting to 417.13 million Baht, a decrease of 14.72 million Baht or a reduction rate of 3.41% from the total selling and administrative expenses of 431.85 million Baht in 2021. The details are as follows:

- (1) Selling expenses: 133.18 million Baht, increased by 67.05 million Baht from 2021. This increase was due to heightened competition in health check-ups, leading to higher sales expenses.
- (2) Administrative expenses: 283.95 million Baht, decreased by 81.77 million Baht from 2021. This reduction was due to the depreciation of subsidiary investment values from the previous year and other administrative cost reductions.

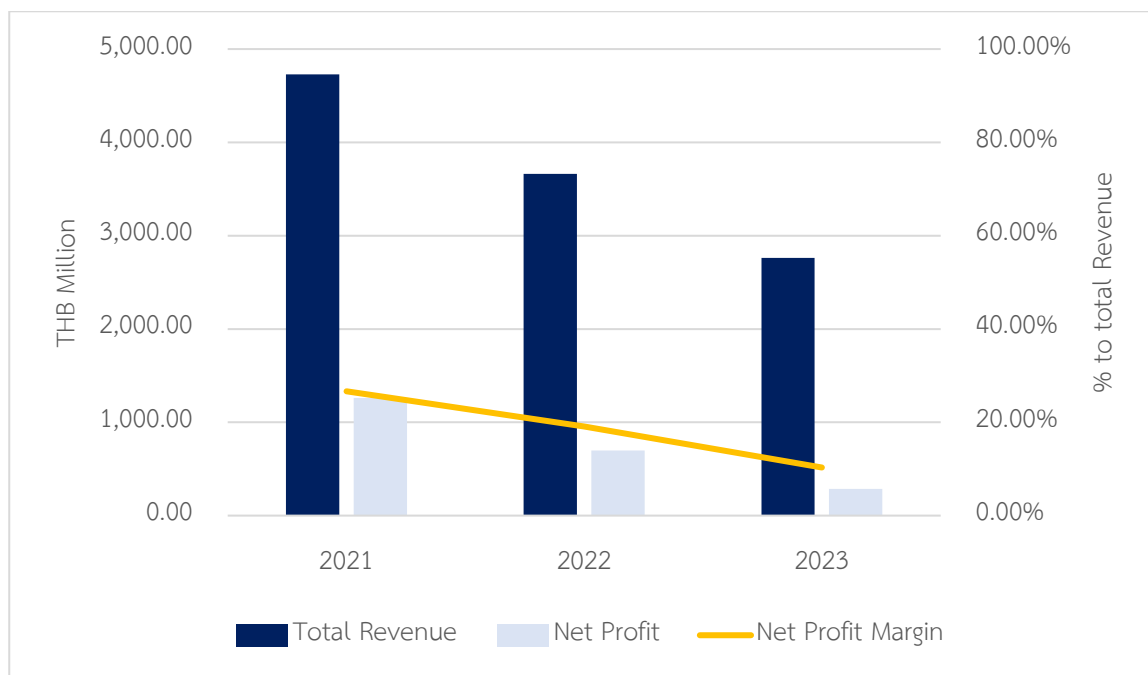
For the year 2566, the Company's total expenses amounted to 336.82 million Baht, a decrease of 80.31 million Baht or a reduction rate of 19.25% from the total of 417.13 million Baht in 2022. The details are as follows:

- (1) Selling expenses: 72.66 million Baht, decreased by 60.52 million Baht from 2022. This decrease was due to reduced advertising expenses for promoting sales related to Community Isolation (CI) unit checks in Samut Sakhon and Ranong.
- (2) Administrative Expenses: 264.16 million baht, decreased by 19.79 million Baht from 2022. This reduction was due to the absence of employee compensation payments as in the previous year during the COVID-19 pandemic.

Net Profit

Net Profit Margin

The Company's revenue, net profit, and net profit margin in 2021 – 2023



For the year 2022, the Company incurred a net profit of 699.24 million Baht, a decrease from the previous year's loss of 560.97 million Baht, representing a decrease of 44.51% from the net profit of 1,260.21 million Baht in 2021, calculated as a net profit margin of 19.10% in 2022 and 26.64% in 2021. The main cause was a significant reduction in revenue from hospital operations due to the impact of COVID-19 pandemic, while financial cost and income tax expenses decreased by 11.01 million Baht and 172.70 million Baht respectively, from 2021 due to repayment of short-term loans from financial institutions and a decrease in net profit, respectively.

For the year 2023, the Company incurred a net profit of 284.84 million Baht, a decrease from the previous year's loss of 414.40 million Baht, representing a decrease of 59.26% from the net profit of 699.24 million Baht in 2022, calculated as a net profit margin of 10.31% in 2023 and 19.10% in 2022. The continuous impact of the COVID-19 pandemic necessitated the extension of delivery periods, resulting in increased costs of direct materials (medicines and medical supplies) and hiring experts from abroad. This impacted the increased costs and maintenance work under long-term project contracts. Additionally, there were increased financial costs.

5.4. Risk in relation to the business operation of the Company and subsidiaries

Strategic Risk

The company manages risks to expand its operations and manage income in accordance with its objectives.

- 1) Risk from increased competition in the hospital business

Private hospital businesses face high levels of competition, which has been increasing over time. In addition to competing with other private hospitals, there is also competition from state hospitals that have begun expanding their services outside of regular hours through specialized outpatient clinics. The Company has improved and expanded its

service areas by investing in the Vichaivej Heart Center, mobile medical unit services, occupational health examination centers, and sports medicine centers to meet the needs of the community and customers' residences.

2) Risk from the outbreak of Coronavirus Disease 2019 (COVID-19)

This risk has impacted service systems including facilities, personnel, medical equipment, and service recipients. Non-urgent medical services have been suspended, and telemedicine systems have been used for consultations and prescription deliveries. Dedicated areas for acute respiratory infection (ARI) clinics have been established. Infectious waste management is being conducted according to Ministry of Public Health standards, and strict compliance measures are being implemented. Additional proactive vaccination services have been provided to staff and service recipients. Collaboration with the government has been initiated to identify COVID-19 cases in communities and various workplaces nationwide.

3) Due to the COVID-19 situation, the Vichai Vej Hospital Group has become recognized and accepted by both the government and the public. This could serve as a channel to increase income in line with the company's objectives.

Financial Risk

The Company ensures the confidence in investment, cash flow, and income-expense alignment with objectives.

1) Risk from reliance on pharmaceutical and medical supplies suppliers

One crucial factor for healthcare service provision is ensuring access to and availability of quality pharmaceutical and medical supplies. The COVID-19 situation has affected the management and distribution of medications, particularly life-saving drugs and chronic disease medications such as those for diabetes and hypertension, which require continuous use. The production and importation of medications have faced challenges due to the pandemic. The company has proactively addressed this issue by ordering a three-month supply of medications in advance to inform suppliers of the trends and demand for these pharmaceutical and medical supplies.

Operational Risk

The Company has established the following work procedures: Analyze the workflow of the Vichaivej International Hospital Group, identify problems/risks/collect data, analyze opportunities and the impact of risks, and find key risk prevention strategies according to hospital operation standards, such as Hospital Accreditation (HA) or International Organization for Standardization (ISO).

1) Risk related to medical equipment

A medical equipment task force has been established within the Vichaivej Hospital Group, along with the implementation of medical equipment management software. The group leaders at each hospital have undergone capacity development to ensure efficient operations, reduce maintenance and repair costs, and ensure proper calibration of medical equipment. Additionally, progress is monitored quarterly.

IT Risk

The Vichai Vej Hospital Group has upgraded its infrastructure (IT Infrastructure) by implementing Virtualization technology to reduce management costs, maintenance costs, and increase data processing efficiency. In terms of information system security, external network attack prevention equipment (Firewall) has been added, and a backup data system has been implemented to

ensure information system reliability, security, and continuous patient service. Regarding copyright infringement, the Vichaivej Hospital Group has a policy to only use software that is legally licensed. Additionally, the hospital has plans for continuous improvement of the Hospital Information System (HIS), which is a key factor in adapting to business changes.

Legal Risk

1) Risk of Damages Claims or Lawsuits

As the hospital business involves medical services related to the lives and health of patients, both the company and hospitals within the company's network are at risk of being sued or facing damages claims from medical service recipients. This could potentially impact the reputation and trust of the company and its hospitals. Moreover, the Consumer Protection Act B.E. 2551 establishes a system for adjudicating consumer claims, ensuring quick redress for harmed consumers without the need for proof of liability. Consequently, medical service providers might increasingly file lawsuits or claims against hospitals. The company has medical malpractice insurance and mandates that physicians obtain medical malpractice insurance to mitigate the risk of lawsuits and damages claims. Additionally, there are plans to analyze the workflow processes of each department to identify and implement risk prevention measures in accordance with hospital operation standards, such as the Hospital Accreditation (HA) system or International Organization for Standardization (ISO) standards.

2) Risks from Changes in Standards or Regulations Applicable to the Company in the Future

Announcements of new laws or regulations, including the consideration of draft laws protecting individuals harmed by public health services, aim to compensate harmed individuals promptly without requiring proof of liability. Additionally, the establishment of funds to compensate individuals harmed by public health services may require hospitals to contribute funds according to criteria established by the Committee for the Protection of Victims of Public Health Services. Therefore, the company cannot guarantee that changes in various rules, new laws or regulations, or the introduction of new policies related to its business operations in the future will not impact its operations and business opportunities.

3) Risks of Privacy Data Breaches

The hospital assures the protection of personal data and patient privacy in all dimensions, including cyber privacy and security. All patient data is confidential and will not be disclosed unless required by law or with patient consent. The hospital has established procedures to protect user data, cybersecurity, and user account management. Staff members are trained on standards and practices for managing privacy and cybersecurity risks to prevent harm to the company. In 2022, there were no issues related to breaches of marketing communication regulations by the hospital, no complaints from supervisory agencies, and no cases of customer privacy data breaches, lost data, or data theft.

5.5. List of the Board of Directors

Assoc. Prof. Vichai Vanadurongwan	Chairman of the Board
Ass. Prof. Saisunee Vanadurongwan	Chief Executive Officer / Vice Chairman
Mr. Virah Mavichak	Independent Director

MR. Visut Montriwat	Independent director / Chairman of Audit Committee
Mr. Surin Premmamornkit	Independent director / Audit Committee
MD., MPH., Ph.D Porntep Siriwanarangsun	Independent director / Audit Committee
Mr. Tinnawat Mahataradol	Director
Ms. Nopporn Tirawattanagool	Director
Ms. Vilawan Vanadurongwan	Director
M.D. Mongkon Wanitphakdeedecha	Director
Mr. Prut Rojmahamongkol	Director
Asst. Prof., M.D. Bavornrat Vanadurongwan	Director

5.6. List of executives

Ass. Prof., M.D. Saisunee Vanadurongwan	Chief Executive Officer
M.D. Mongkon Wanitphakdeedecha	Deputy Chief Executive Officer
Mr. Prut Rojmahamongkol	Deputy Chief Executive Officer
Ph.D., Teerawan Vanadurongwan	Deputy Chief Executive Officer
Ph., D. Sakda Tangchitwatanakorn	Chief Financial Officer
Nichapa Roenthongdee	Finance Accounting Manager

5.7. List of the first 10 share holders

No.	Name	No. of shares	%Paid-up capital
1	BBTV Equity Co., Ltd.,	114,240,000	20.02
2	Asst. Prof., M.D. Bavornrat Vanadurongwan	90,000,000	15.77
3	Asst. Prof., M.D. Pat Rojmahamonghol	78,556,000	13.77
4	M.D. Rungsima Wantiphakdeedecha	78,555,999	13.77
5	Ms. Patcharapan Vanadurongwan	28,000,000	4.91
6	Dr. Sitthiwat Kamkangwong	7,950,000	1.39
7	Dr. Asso.Prof.Vichai Vanadurongwan	4,792,320	0.84
8	Mrs. Plernchit Vanavanichkul	4,490,000	0.79
9	Ms. Woranan Panchavorayan	4,000,000	0.70
10	M.D. Mongkon Wanitphakdeedeche.	3,940,107	0.69
	รวม	414,524,426	73.00

6. Opinion of the Board of Directors about the adequacy of working capital

Detail	Million Baht
Equity	Not exceeding 902.12
Right Offering (Full – amount)	Not exceeding 304.35
Cash flow from operations	Not less than 597.76
Debt from financial institutions	Not less than 1,507.94
Total	Not exceeding 2,410.06

If the Company receives capital from issuing and offering additional ordinary shares to existing shareholders (Right Offering) that is insufficient for the construction of a new hospital project, the Company may utilize cash flows from its operations to further increase its capital. This would be done to provide additional capital to Saivichai Development, or the Company may seek additional funding from financial institutions. Alternatively, the Company may use funds from issuing and offering warrants to purchase ordinary shares of the Company (VIH-W1) to increase capital for Saivichai Development. In this regard, the Company's board of directors believes that the Company will be able to capitalize to operate its business after the transaction.

7. Material lawsuits or claims that are pending

None

8. Benefits or related transactions between the Company and directors, executives and shareholders who directly or indirectly hold shares of 10% or more, specify the nature of the transaction or benefits

The company does not have any related party transactions or arrangements involving the company registered with the board of directors, executives, and shareholders holding direct and indirect shares of 10 percent or more.

9. Summary of important contracts in the past 2 years

Contract	Location	Start – End date of the contract
Land (VIN)	Title deed: 16846 Land plot number: 1484 Address: 1484 Phetkasem Road, Nong Kang Plu Subdistrict, Nong Khaem District, Bangkok 10160	1 December 2012 – 31 July 2035
Building (VIN)	6 units office building 456, 456/1, 456/2, 456/3, 456/4, 456/5 Phetkasem Road, Nong Kang Plu Subdistrict, Nong Khaem District, Bangkok 10160	1 April 2023 – 31 March 2026