

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS HEALTHLEAD PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Healthlead Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Healthlead Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Healthlead Public Company Limited and its subsidiaries and of Healthlead Public Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Matters	Audit Responses
Supplier income recognition The Group receives various type of sales promotion campaign and marketing allowance from suppliers and recognizes these as a reduction in cost of sales. The volume of supplier income transaction is large and requires a detailed understanding of the contractual arrangements and the source of data applying in the supplier income recognition. We have focused our audit on the accuracy of the supplier income recognition due to the large volume of contracts and varying terms with suppliers. Accounting policy of supplier income was disclosed in Note 3.14.3 to the financial statements.	Key audit procedures included: • Understanding the supplier income recognition process and related internal control procedures. • Evaluating the design and implementation of the internal control procedures on the accuracy of supplier income recognition. • Performing the operating effectiveness testing of the internal control procedures over the supplier income consideration. • Performed audit on the accuracy of supplier income on a sample basis, testing the terms and condition of the supplier income agreements, the income calculation basis and input data to ensure that the recorded income is in accordance with the underlying contractual arrangement and properly presented in the financial statements. • Examined, on a sample basis, the confirmation from supplier for the supplier income transactions occurring during the year.

Other Matter

The consolidated financial statement of Healthlead Public Company Limited and its subsidiaries and the separate financial statement of Healthlead Public Company Limited for the year ended December 31, 2021 (before reclassification), were audited by another auditor, whose audit report thereon dated February 25, 2022 expressed an unmodified opinion and addressed other matter paragraph which can be concluded that the Company retrospectively adjusted the surplus from business combination under common control and goodwill, were presented in the consolidated statement of financial position as at December 31, 2020. As the Company reconsidered the transaction of business combination of the group and concluded that it is not a business combination under common control as presented in prior year financial statements.

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

BANGKOK
February 24, 2023

Lasita Magut
Certified Public Accountant (Thailand)
Registration No. 9039
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	146,352,810	705,005,109	48,877,663	669,018,595
Trade and other current receivables	8	23,989,272	21,384,409	3,020,653	3,282,467
Short-term loans to a related company	5	-	-	-	23,014,808
Inventories	9	210,280,856	159,217,264	-	-
Other current financial assets	10	506,965,782	-	506,965,782	-
Current tax assets		2,200,703	1,794,771	2,200,703	1,669,245
Other current assets		557,283	391,431	16,361	67,991
Total Current Assets		890,346,706	887,792,984	561,081,162	697,053,106
NON-CURRENT ASSETS					
Investments in subsidiaries	11	-	-	361,350,396	154,030,298
Investments property	12	16,277,963	-	-	-
Property, plant and equipment	13	166,063,734	73,399,046	2,951,747	2,839,751
Right-of-use assets	14	171,462,818	118,161,972	10,708,362	10,726,409
Goodwill		15,617,283	15,617,283	-	-
Other intangible assets other than goodwill	15	7,812,261	8,581,014	311,639	385,454
Deferred tax assets	16	1,963,417	1,034,593	1,460,808	341,116
Other non-current assets	17	18,640,905	13,715,896	492,450	492,450
Total Non-current Assets		397,838,381	230,509,804	377,275,402	168,815,478
TOTAL ASSETS		1,288,185,087	1,118,302,788	938,356,564	865,868,584

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2022	2021	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	18	151,174,452	117,848,592	3,449,327	3,277,764
Current portion of long-term borrowings					
from financial institutions	19	-	3,934,557	-	-
Current portion of lease liabilities	20	19,702,787	12,372,438	935,543	824,093
Short-term borrowings from a related company	5	-	-	-	5,284,092
Corporate income tax payable		14,748,103	8,903,732	-	-
Other current liabilities		1,470,448	1,414,374	290,085	796,173
Total Current Liabilities		<u>187,095,790</u>	<u>144,473,693</u>	<u>4,674,955</u>	<u>10,182,122</u>
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	19	-	307,981	-	-
Lease liabilities	20	147,641,597	101,413,737	10,192,191	10,240,250
Provision for dismantling and removal cost		4,878,508	-	343,500	-
Non-current provisions for employee benefits	21	4,008,313	4,959,469	3,168,535	1,705,583
Other non-current liabilities		2,573,579	1,258,500	140,862	2,000
Total Non-current Liabilities		<u>159,101,997</u>	<u>107,939,687</u>	<u>13,845,088</u>	<u>11,947,833</u>
TOTAL LIABILITIES		<u>346,197,787</u>	<u>252,413,380</u>	<u>18,520,043</u>	<u>22,129,955</u>
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
272,000,000 ordinary shares of Baht 0.50 each		<u>136,000,000</u>	<u>136,000,000</u>	<u>136,000,000</u>	<u>136,000,000</u>
Issued and paid-up share capital					
272,000,000 ordinary shares of Baht 0.50 each, fully paid		136,000,000	136,000,000	136,000,000	136,000,000
Share premium on ordinary shares	22	647,639,270	647,639,270	647,639,270	647,639,270
Surplus on a business combination under common control		22,151,112	22,151,112	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	13,600,000	7,939,741	13,600,000	7,939,741
Unappropriated		122,596,918	52,159,285	122,597,251	52,159,618
TOTAL SHAREHOLDERS' EQUITY		<u>941,987,300</u>	<u>865,889,408</u>	<u>919,836,521</u>	<u>843,738,629</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,288,185,087</u>	<u>1,118,302,788</u>	<u>938,356,564</u>	<u>865,868,584</u>

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2022	2021	2022	2021
REVENUES					
Revenue from sales		1,519,521,548	1,198,756,055	-	-
Revenue from management fee		-	-	40,683,726	32,241,178
Other income	24	18,691,403	17,615,614	1,594,164	546,793
Total Revenues		<u>1,538,212,951</u>	<u>1,216,371,669</u>	<u>42,277,890</u>	<u>32,787,971</u>
EXPENSES					
Costs of sales		(1,143,267,537)	(922,417,661)	-	-
Distribution costs		(170,728,527)	(124,042,994)	-	-
Administrative expenses		(78,791,486)	(67,270,513)	(32,995,849)	(29,454,674)
Other gains		2,968,038	-	2,968,038	-
Total Expenses		<u>(1,389,819,512)</u>	<u>(1,113,731,168)</u>	<u>(30,027,811)</u>	<u>(29,454,674)</u>
Profit from operating activities		<u>148,393,439</u>	<u>102,640,501</u>	<u>12,250,079</u>	<u>3,333,297</u>
Finance income		166,199	41,941	419,209	49,493
Finance costs		(5,725,454)	(5,337,329)	(526,939)	(648,648)
Share of profit of subsidiaries accounted for using equity method	11	-	-	105,159,906	76,835,574
Profit before income tax		<u>142,834,184</u>	<u>97,345,113</u>	<u>117,302,255</u>	<u>79,569,716</u>
Income tax income (expenses)	26	(24,605,087)	(17,681,133)	926,842	94,264
PROFIT FOR THE YEARS		<u>118,229,097</u>	<u>79,663,980</u>	<u>118,229,097</u>	<u>79,663,980</u>
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss)					
that will not be reclassified to profit or loss					
Share of other comprehensive income of subsidiaries					
using equity method	11	-	-	2,160,192	-
Gains (losses) on re-measurements of defined benefit plans		1,735,994	-	(964,247)	-
Income tax relating to components of other comprehensive income					
that will not be reclassified to profit or loss		(347,199)	-	192,850	-
Other comprehensive income for the years, net of tax		<u>1,388,795</u>	<u>-</u>	<u>1,388,795</u>	<u>-</u>
Total comprehensive income for the years		<u>119,617,892</u>	<u>79,663,980</u>	<u>119,617,892</u>	<u>79,663,980</u>
Profit attributable to:					
Owners of the parent		<u>118,229,097</u>	<u>79,663,980</u>	<u>118,229,097</u>	<u>79,663,980</u>
Profit for the years		<u>118,229,097</u>	<u>79,663,980</u>	<u>118,229,097</u>	<u>79,663,980</u>
Total comprehensive income attributable to:					
Owners of the parent		<u>119,617,892</u>	<u>79,663,980</u>	<u>119,617,892</u>	<u>79,663,980</u>
Total comprehensive income for the years		<u>119,617,892</u>	<u>79,663,980</u>	<u>119,617,892</u>	<u>79,663,980</u>
Earnings per share					
Basic earnings per share	27	<u>0.43</u>	<u>0.39</u>	<u>0.43</u>	<u>0.39</u>

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS					
		Issued and paid-up share capital	Ordinary shares premium	Surplus on business combination under common control	Retained earnings		Total
					Appropriated Legal reserve	Unappropriated	shareholders' equity
Beginning balance as at January 1, 2021		100,000,000	-	22,151,112	3,034,773	15,400,390	140,586,275
Change in shareholder's equity							
Increase in ordinary shares	22	36,000,000	647,639,270	-	-	-	683,639,270
Legal reserve	23	-	-	-	4,904,968	(4,904,968)	-
Dividends paid	30	-	-	-	-	(38,000,117)	(38,000,117)
Profit for the year		-	-	-	-	79,663,980	79,663,980
Ending balance as at December 31, 2021		136,000,000	647,639,270	22,151,112	7,939,741	52,159,285	865,889,408
Beginning balance as at January 1, 2022		136,000,000	647,639,270	22,151,112	7,939,741	52,159,285	865,889,408
Change in shareholder's equity							
Legal reserve	23	-	-	-	5,660,259	(5,660,259)	-
Dividends paid	30	-	-	-	-	(43,520,000)	(43,520,000)
Profit for the year		-	-	-	-	118,229,097	118,229,097
Other comprehensive income for the year		-	-	-	-	1,388,795	1,388,795
Ending balance as at December 31, 2022		136,000,000	647,639,270	22,151,112	13,600,000	122,596,918	941,987,300

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS			
		Issued and paid-up share capital	Ordinary shares premium	Retained earnings	
				Appropriated Legal reserve	Unappropriated
					Total shareholders' equity
Beginning balance as at January 1, 2021		100,000,000	-	3,034,773	15,400,606
Change in shareholder's equity					
Increase in ordinary shares	22	36,000,000	647,639,270	-	-
Legal reserve	23	-	-	4,904,968	(4,904,968)
Dividends paid	30	-	-	-	(38,000,000)
Profit for the year		-	-	-	79,663,980
Ending balance as at December 31, 2021		<u>136,000,000</u>	<u>647,639,270</u>	<u>7,939,741</u>	<u>52,159,618</u>
Beginning balance as at January 1, 2022		136,000,000	647,639,270	7,939,741	52,159,618
Change in shareholder's equity					
Legal reserve	23	-	-	5,660,259	(5,660,259)
Dividends paid	30	-	-	-	(43,520,000)
Profit for the year		-	-	-	118,229,097
Other comprehensive income for the year		-	-	-	1,388,795
Ending balance as at December 31, 2022		<u>136,000,000</u>	<u>647,639,270</u>	<u>13,600,000</u>	<u>122,597,251</u>

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Notes	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the years		118,229,097	79,663,980	118,229,097	79,663,980
Adjustments for					
Income tax expenses (incomes)		24,605,087	17,681,133	(926,842)	(94,264)
Depreciation and amortization		38,091,810	30,934,315	1,881,640	1,647,570
Gain from the termination of the lease		-	(48,851)	-	-
Loss on values in inventories adjustment		852,641	708,691	-	-
Loss on write-off of prepaid withholding tax		409,381	-	283,855	-
Provisions for employee benefits		784,838	988,827	498,705	471,318
Gain on fair value adjustment of other financial assets		(2,968,038)	-	(2,968,038)	-
Loss on disposal of non-current assets		5,223	66,245	-	-
Share of profit from subsidiaries		-	-	(105,159,906)	(76,835,574)
Finance income		(166,199)	(41,941)	(419,209)	(49,493)
Finance costs		5,725,454	5,337,329	526,939	648,648
		<u>185,569,294</u>	<u>135,289,728</u>	<u>11,946,241</u>	<u>5,452,185</u>
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(2,885,085)	(2,905,617)	275,842	(585,693)
Inventories		(51,916,233)	(28,966,015)	-	-
Other current assets		(165,852)	(119,689)	51,630	3,535,649
Other non-current assets		(4,925,009)	(2,499,892)	-	-
Operating liabilities increase (decrease)					
Trade and other current payables		30,004,236	9,957,873	171,563	(596,979)
Other current liabilities		56,074	(7,842,404)	(506,088)	(2,985,405)
Other non-current liabilities		1,315,079	94,000	138,862	(500)
Net cash flows provided by operation		<u>157,052,504</u>	<u>103,007,984</u>	<u>12,078,050</u>	<u>4,819,257</u>
Income tax paid		<u>(20,852,052)</u>	<u>(17,762,627)</u>	<u>(815,313)</u>	<u>(477,983)</u>
Net cash flows provided by operating activities		<u>136,200,452</u>	<u>85,245,357</u>	<u>11,262,737</u>	<u>4,341,274</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for purchase of ordinary shares of a subsidiary		-	-	(100,000,000)	-
Cash paid for purchase of bond		(4,020,790)	-	(4,020,790)	-
Cash received from sell of unit trust		10,016,948	-	10,016,948	-
Cash paid for purchase of unit trust		(510,000,000)	-	(510,000,000)	-
Cash received from disposal of property, plant and equipment		280	20,570	-	-
Cash paid for purchase of property, plant and equipment	6.1	(120,131,794)	(12,805,044)	(595,230)	(591,491)
Cash paid for purchase of intangible assets		(535,470)	(2,002,648)	(27,600)	(208,380)
Cash received from loans to a related company		-	-	23,000,000	-
Dividend received		-	-	-	38,187,382
Interest received		158,269	41,941	426,087	49,493
Net cash flows provided by (used in) investing activities		<u>(624,512,557)</u>	<u>(14,745,181)</u>	<u>(581,200,585)</u>	<u>37,437,004</u>

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Notes	2022	2021	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for bank overdrafts and short-term borrowings					
from financial institutions	6.2	-	(24,000,000)	-	-
Cash received from short-term borrowings from					
a related company	6.2	-	-	-	5,000,000
Cash paid for short-term borrowings from a related company	6.2	-	-	(5,000,000)	(23,014,808)
Cash paid for long-term borrowings from financial institutions	6.2	(4,242,538)	(5,056,903)	-	-
Cash paid for lease liabilities	6.2	(22,541,161)	(16,447,351)	(1,366,800)	(1,292,400)
Cash received from issuance of common stock		-	683,639,270	-	683,639,270
Dividend paid		(43,520,000)	(38,000,117)	(43,520,000)	(38,000,000)
Interest paid	6.2	(36,495)	(475,814)	(316,284)	(5)
Net cash flows provided by (used in) financing activities		<u>(70,340,194)</u>	<u>599,659,085</u>	<u>(50,203,084)</u>	<u>626,332,057</u>
Net increase (decrease) in cash and cash equivalents		(558,652,299)	670,159,261	(620,140,932)	668,110,335
Cash and cash equivalents at beginning of the years		<u>705,005,109</u>	<u>34,845,848</u>	<u>669,018,595</u>	<u>908,260</u>
Cash and cash equivalents at ending of the years		<u><u>146,352,810</u></u>	<u><u>705,005,109</u></u>	<u><u>48,877,663</u></u>	<u><u>669,018,595</u></u>

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

HEALTHLEAD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

1. THE COMPANY'S OPERATIONS AND GENERAL INFORMATION

Healthlead Public Company Limited (“the Company”), is incorporated in Thailand and has its registered office at 99/4, Moo 10, Bang Muang Subdistrict, Bang Yai District, Nonthaburi.

On December 9, 2020, the Company registered the conversion from a private company into a public limited company and listed its share in the Market for Alternative Investment (MAI) on December 3, 2021.

As at December 31, 2022 and 2021, the Company's major and ultimate shareholder is Bhandhukanonda family which is holding 49.80% and 72.22% of the Company's shares, respectively.

The principal businesses of the Company and its subsidiaries together referred to as “the Group” are involved in pharmacy business distributing medicines, medical supplies, cosmeceuticals, supplements, medical devices and other healthcare products as well as in business regarding invention business, developing, importing and distributing innovative healthcare products.

As at December 31, 2022 and 2021, the Group had 36 branches and 26 branches, respectively.

Details of the Group's subsidiaries as at December 31, 2022 and 2021 were as follows:

No.	Name of the entity	Type of business	Country of incorporation	Group ownership interest (%)	
				2022	2021
Direct subsidiaries					
1	Icare Health Co., Ltd.	Distributing medicines, supplements, medical supplies, medical devices	Thailand	100	100
2	Healthiness Co., Ltd.	Importer and distributor of products including dietary supplements, medical devices, and healthcare related products	Thailand	100	100

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards (“TFRSs”) and accounting practices generally accepted in Thailand.
- 2.2 The Group’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements”, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 The consolidated and separate statements of financial position for the year ended December 31, 2021, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Group and the Company for the year then ended which had been previously audited by another auditor.
- 2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

- 2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On August 19, 2022, Thai Financial Reporting Standard No.17 “Insurance Contracts” has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:

Thai Accounting Standard No.37 “Provisions, Contingent Liabilities and Contingent Assets” (“TAS 37”)

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Financial Reporting Standard No.3 “Business Combinations” (“TFRS 3”)

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of Thai Financial Reporting Interpretations Committee No.21 “Levies” (“TFRIC 21”), the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Thai Financial Reporting Standard No.9 “Financial Instruments” (“TFRS 9”)

The amendment clarifies that in applying the “10 percent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The English version of the consolidated and separate financial statements have been prepared from the Thai version of the consolidated and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version consolidated and separate financial statements in accordance with the Thai law is superseded.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

3.1 Basis of preparation of the consolidation financial statements

The consolidated financial statements comprise the Company and its subsidiaries' financial statements.

Business combinations

The Group applies the acquisition method for all business combinations except for the business combination under common control.

The Group's control is achieved when the Group (1) has power over the investee (2) is exposed, or has rights, to variable returns from its involvement with the investee and (3) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Goodwill is measured at the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the net realized amount (fair value) of identifiable assets acquired and liability assumed is higher than the fair value of the consideration transfer, the Group will recognize the surplus as gain in statement of comprehensive income. Subsequent to the initial recognition, goodwill is measured at cost less allowance for impairment. The Group assesses an impairment of goodwill annually, regardless of consideration of indication that such goodwill may be impaired.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognized as other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree or measures using the fair value.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are recognized as expenses when incur.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. Surplus arising from business combination under common control represents the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination. The difference arising from common control transactions is recognized under shareholders' equity until disposal of the investment.

Transactions eliminated on consolidation financial statements

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2022 and 2021 were prepared by using the financial statements of its subsidiaries as of the same date.

3.2 Foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in statement of comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, all deposits at financial institutions with the original maturities of three months or less and highly liquid short-term investments, excluding cash at banks used as collateral.

3.4 Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.6.

3.5 Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories is calculated using first-in first-out method.

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

Allowance for diminution in value of inventories is recorded based on the items that are expected to be unused or unsalable.

3.6 Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost.

Interest income is recognized in profit or loss and is included in the “finance income” line item.

(2) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL.
- Debt instruments that do not meet the amortized cost criteria are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item. Fair value is determined in the manner described in Note 32.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost and trade and other receivables. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group applies simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade and other receivables.

For investments in debt instruments that are measured at amortized cost, the Group recognizes allowance for expected credit loss by applying an expected credit loss model. The Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

3.7 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the equity method.

3.8 Investment properties

Investment properties are properties which are held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labor, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs.

Depreciation is charged as an expense to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each property within 20 years.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits. Any gain or loss arising on derecognition of the investment property calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the statement of comprehensive income in the period in which the property is derecognized.

When the Group uses the cost method to transfer between investment property and owner-occupied property.

3.9 Property, plant and equipment

Property is measured at cost less allowance for impairment losses, if any.

Building and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statement of comprehensive income.

Depreciation is calculated based on the depreciable amount of building and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

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

Buildings	20	years
Building improvements	20	years
Office equipment	5	years
Computer and equipment	3 - 5	years
Furniture and fixtures	5	years
Vehicles	5	years

Leasehold improvements are depreciated according to the useful life of the asset or the lease term whichever is shorter.

No depreciation is provided on land and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.10 Other intangible assets other than goodwill

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses, if any.

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use.

The estimated useful lives are as follows:

Computer software	5 - 10 years
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Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

3.11 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

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

3.12 Provision

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

3.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment is effective.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.14 Revenue and expense

3.14.1 Revenue from sale of goods

Revenue from sale of goods is recognized at point in time when control of the goods is transferred to customers. Revenue from sales are measured at the amount of consideration received or expect to be received for delivered goods after deduction of returns and discounts, excluding value added tax.

3.14.2 Revenue from rendering of services

Service revenue is recognized over time when services have been rendered based on contractual rate agreed with customers.

3.14.3 Supplier income

The Group has agreements with suppliers as normal business practice, whereby volume-related allowances, and sale promotion campaign and marketing allowances. Supplier income is recognized when all obligations are met and can be measured reliably based on the terms of the contract. Most of the income received from suppliers is recognized as a credit in cost of sales. Uncollected amount are presented in the statement of financial position as receivables.

3.14.4 Interest income and other income

Interest income and other income are recognized in the statement of comprehensive income on an accrual basis.

3.14.5 Dividend received

The Company recognized dividend received on the date the Company has a right to receive. The Company recognized dividend received from investment in subsidiaries using the equity method by deduct book value of such investment.

3.15 Expenses

Expenses are recognized on an accrued basis.

3.16 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of comprehensive income using the effective interest method.

3.17 Lease

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

3.18 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.19 Earnings per share

The calculations of basic earnings per share for the year are based on the profit for the year attributable to equity holders divided by the weighted-average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted earnings per share for the year are based on the weighted-average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.20 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4. MANAGEMENT'S JUDGMENT IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with TFRSs requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the Group's accounting policies are as follows:

Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognized to the extent that it is probable that it will be utilized in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

5. RELATED PARTY TRANSACTIONS

Related person or parties of the Company are defined as persons or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related person or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals.

In considering each possible related person or parties relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with related person or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties other than subsidiaries, associates and joint ventures as at December 31, 2022 and 2021 were as follows:

	Name of the entity	Type of business	Country of incorporation / nationality	Nature of relationships
<u>Related companies</u>				
1	Siri Ravee Co., Ltd.	Building rental	Thailand	The same directors/directors are shareholders
2	Pakinpawat Co., Ltd.	Building rental	Thailand	Shareholder and director is a related person to key management
3	Wonjin Beauty Medical Group (Thailand) Co., Ltd.*	Medical clinic	Thailand	Director is a related person to key management
4	Im Oun Food and Service Co., Ltd.**	Restaurant business/restaurant	Thailand	The same directors/directors are shareholders
5	Pharmacy (Lopburi)	Distributing medicines, supplements, medical supplies, and medical devices	Thailand	A shareholder is a related person to the director
<u>Related persons:</u>				
1	Mrs.Mataya Bhandhukanonda		Thailand	Director
2	Mr.Supakorn Bhandhukanonda		Thailand	Director
* Director of Wonjin Beauty Medical Group (Thailand) Co., Ltd. was a related person to key management of the Company and resigned from being the director on June 30, 2022.				
** 2 directors of the Company were directors and shareholders of Im Oun Food and Service Co., Ltd., and sold all shares and resigned from being the director on July 22, 2021.				

Significant transactions with related parties for the years ended December 31, 2022 and 2021 were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Subsidiaries				
Management income	-	-	40,683,726	32,241,178
Rental and service income	-	-	162,000	162,000
Dividend received	-	-	-	38,187,383
Interest received	-	-	277,654	14,808
Interest expenses	-	-	32,192	284,093
Other related parties				
Sale of goods	222,113	226,992	-	-
Rental and service fee*	5,687,352	5,575,752	2,050,200	1,938,600
Utility fee	939,619	870,557	185,565	155,525
Related person				
Rental and service fee*	1,522,500	1,522,500	-	-
Key management personnel				
Remuneration of key management personnel				
Short-term employee benefits	14,096,070	10,957,335	10,609,615	8,939,104
Post-employment benefits	318,544	245,977**	299,505	195,603**
Total	14,414,614	11,203,312	10,909,120	9,134,707

* Rental and service fee, included in the depreciation of the right-of-use assets in accordance with Thai Financial Reporting Standard No. 16 "Leases".

** The Company has adjusted amount disclosed in notes to the financial statements to conform to the disclosure in notes to the financial statements for current period.

The pricing policies are as follows:

Transaction	Pricing policy
Management income	Contract price
Rental and service income	Contract price
Dividend received	Declaration rate
Interest received	Contract price
Interest expenses	Contract price
Sale of goods	Goods cost plus margin
Rental and service fee	Contract price
Utility fee	Contract price

Balances with related parties as at December 31, 2022 and 2021 were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade and other receivables				
Subsidiaries	-	-	2,901,011	1,893,780
Other related parties	-	4,050	-	-
Total	<u>-</u>	<u>4,050</u>	<u>2,901,011</u>	<u>1,893,780</u>
Deposits				
Other related parties	1,774,563	1,774,563	484,650	484,650
Short-term loans to a related company				
Subsidiary				
Principal	-	-	-	23,000,000
Accrued interest income	-	-	-	14,808
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,014,808</u>

As at December 31, 2021, short-term loans to a related company of Baht 23.01 million were promissory notes due at call without collateral, with interest rate at 5.875% per annum (as at December 31, 2022: Nil).

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade and other payables				
Subsidiary	-	-	12,671	-
Other related parties	166,788	180,136	13,922	12,319
Total	<u>166,788</u>	<u>180,136</u>	<u>26,593</u>	<u>12,319</u>
Short-term borrowings from related parties				
Subsidiary				
Principal	-	-	-	5,000,000
Accrued interest expense	-	-	-	284,092
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,284,092</u>

As at December 31, 2021, short-term borrowings from a related company of Baht 5.28 million were promissory notes due at call without collateral, with interest rate at 5.875% per annum (as at December 31, 2022: Nil).

Significant agreements with related parties

Management service agreements

The Company entered into a service agreement with a subsidiary. The latter will provide office service and general management. The agreement duration is 1 year after the effective date and automatically extended after the expiration for 1 year, unless it is terminated by either party giving written notice of termination to the other party. In consideration for these services, the subsidiary is committed to pay monthly fee as specified in the agreement.

The Company entered into a service agreement with a subsidiary. The latter will provide office service and general management. The agreement duration is 1 year after the effective date and automatically extended after the expiration for 1 year, unless it is terminated by either party giving written notice of termination to the other party. In consideration for these services, the subsidiary is committed to pay monthly fixed fee and additional fee as specified in the agreement.

Rental and service agreement

The Company entered into a rental and service agreement with a subsidiary. The latter will provide office area and utilities service. The agreement duration is 2 years 9 months to 3 years after the effective date as specified in the agreement. In case of renewal of the rental agreement, the lessee must inform through written notice to the counter party not less than 3 months before the end of the rental period. In consideration for these services, the subsidiary is committed to pay monthly fee as specified in the agreement.

Other commitments

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Million Baht	2021 Million Baht	2022 Million Baht	2021 Million Baht
Within one year	5.86	2.26	0.70	0.49
Over one year but within five years	10.26	-	1.23	-
Total	16.12	2.26	1.93	0.49

For the years ended December 31, 2022 and 2021, the Group recorded expense according to the non-cancellable operating lease and service agreements in the consolidated statements of comprehensive income of Baht 5.84 million and Baht 5.82 million, respectively. The Company recorded expense according to the non-cancellable operating lease and service agreements in the separate statements of comprehensive income of Baht 0.68 million and Baht 0.65 million, respectively.

6. ADDITIONAL CASH FLOW INFORMATION

6.1 Non-cash transactions of plant and equipment for the years ended December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Other payables and retention payable for purchasing plant and equipment as at January 1,	-	-	-	-
<u>Add</u> Purchase of plant and equipment	123,515,398	12,805,044	595,230	591,491
<u>Less</u> Cash paid for purchase of plant and equipment	(120,131,794)	(12,805,044)	(595,230)	(591,491)
Other payables and retention payable for purchasing plant and equipment as at December 31,	3,383,604	-	-	-

6.2 Reconciliation of liabilities arising from financing activities

Changes in the liabilities arising from financing activities, including both cash and non-cash changes classified as financing activities in the statements of cash flows, were as follows:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance	Financing cash flows		Non-cash	Balance
	as at	Cash received	Cash paid	changes	as at
	January 1, 2022				December 31, 2022
	Baht	Baht	Baht	Baht	Baht
Long-term borrowings from financial institutions	4,242,538	-	(4,242,538)	-	-
Accrued interest expense	61,980	-	(36,495)	(25,485)	-
Lease liabilities	113,786,175	-	(22,541,161)	76,099,370	167,344,384

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance	Financing cash flows		Non-cash	Balance
	as at	Cash received	Cash paid	changes	as at
	January 1, 2021				December 31, 2021
	Baht	Baht	Baht	Baht	Baht
Bank overdrafts and short-term borrowings from financial institutions	24,000,000	-	(24,000,000)	-	-
Long-term borrowings from financial institutions	9,299,441	-	(5,056,903)	-	4,242,538
Accrued interest expense	126,350	-	(475,814)	411,444	61,980
Lease liabilities	109,081,388	-	(16,447,351)	21,152,138	113,786,175

As at December 31, 2022	Balance as at January 1, 2022 Baht	SEPARATE FINANCIAL STATEMENTS			Balance as at December 31, 2022 Baht
		Cash received	Cash paid	Non-cash changes	
		Baht	Baht	Baht	
Short-term borrowings from a related company	5,000,000	-	(5,000,000)	-	-
Accrued interest expense	284,092	-	(316,284)	32,192	-
Lease liabilities	11,064,343	-	(1,366,800)	1,430,191	11,127,734

As at December 31, 2021	Balance as at January 1, 2021 Baht	SEPARATE FINANCIAL STATEMENTS			Balance as at December 31, 2021 Baht
		Cash received	Cash paid	Non-cash changes	
		Baht	Baht	Baht	
Short-term borrowings from a related company	-	5,000,000	-	-	5,000,000
Accrued interest expense	-	-	(5)	284,097	284,092
Lease liabilities	5,529,468	-	(1,292,400)	6,827,275	11,064,343

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash on hand	3,977,074	3,510,470	-	-
Cheque on hand	913,896	-	-	-
Current accounts	40,325,366	23,306,886	96,585	10,000
Savings accounts	101,136,474	678,187,753	48,781,078	669,008,595
Total	146,352,810	705,005,109	48,877,663	669,018,595

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consisted of the following:

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade receivables					
Related companies	5	-	4,050	-	-
Other companies		1,675,149	799,724	-	-
Total trade receivables		1,675,149	803,774	-	-
Other receivables					
Related companies	5	-	-	2,901,011	1,893,780
Other companies		6,230,815	4,349,759	14,028	-
Total other receivables		6,230,815	4,349,759	2,915,039	1,893,780
Prepaid expenses		1,852,829	1,273,949	105,614	98,201
Advance payments		5,000	68,420	-	-
Accrued income		14,088,597	5,437,614	-	-
Revenue Department receivable		48,326	4,970,715	-	1,290,486
Others		88,556	4,480,178	-	-
Total		23,989,272	21,384,409	3,020,653	3,282,467

Aging analysis for trade receivables as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Within credit terms	1,492,761	692,149	-	-
Overdue:				
Less than 3 months	182,388	111,538	-	-
3 - 6 months	-	87	-	-
	<u>1,675,149</u>	<u>803,774</u>	<u>-</u>	<u>-</u>
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Total	<u>1,675,149</u>	<u>803,774</u>	<u>-</u>	<u>-</u>

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors.

9. INVENTORIES

Inventories as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Professional healthcare	130,133,585	106,020,980	-	-
Personal healthcare	32,363,469	16,422,245	-	-
Medical equipment and home healthcare	36,367,902	31,755,943	-	-
Medical food	11,190,410	4,620,818	-	-
Consumables	1,000,233	738,659	-	-
	<u>211,055,599</u>	<u>159,558,645</u>	<u>-</u>	<u>-</u>
<u>Less</u> Allowance for diminution in value of inventories	(774,743)	(341,381)	-	-
Total	<u>210,280,856</u>	<u>159,217,264</u>	<u>-</u>	<u>-</u>

The amount of inventories recognized as expense in the statements of comprehensive income for the years ended December 31, 2022 and 2021 included loss on diminution in value of inventories of Baht 0.85 million and Baht 0.71 million, respectively.

10. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Financial assets mandatorily measured at FVTPL				
Unit trust	502,951,090	-	502,951,090	-
Total	<u>502,951,090</u>	<u>-</u>	<u>502,951,090</u>	<u>-</u>
Financial assets measured at amortized cost				
Bonds	4,014,692	-	4,014,692	-
Total	<u>4,014,692</u>	<u>-</u>	<u>4,014,692</u>	<u>-</u>
Total other current financial assets	<u>506,965,782</u>	<u>-</u>	<u>506,965,782</u>	<u>-</u>

The Group has elected to designate the unit trust as financial assets mandatorily measured at FVTPL according to strategy for trading.

Bond are paying 2.51% of interest per annum and the bonds will mature in May 2023. The counterparties have a minimum AA+ credit rating. At maturity the Group will receive nominal amount of Baht 4 million. Bonds are held by the Group within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence all of those financial assets are classified as at amortized cost.

11. INVESTMENTS IN SUBSIDIARIES

Movements in investments in subsidiaries during the years ended December 31, were as follows:

	SEPARATE FINANCIAL STATEMENTS	
	2022	2021
	Baht	Baht
Subsidiaries		
Balance as at January 1,	154,030,298	115,382,107
Dividends received	-	(38,187,383)
Share of profit from subsidiaries accounted for using equity method	105,159,906	76,835,574
Share of profit from subsidiaries accounted for using equity method - other comprehensive income	2,160,192	-
Invested in share capital of a subsidiary	<u>100,000,000</u>	<u>-</u>
As at December 31,	<u>361,350,396</u>	<u>154,030,298</u>

On March 16, 2022, the Company acquired the increased ordinary shares of Icare Health Co., Ltd. of 1,000,000 shares of Baht 100 each, totalling Baht 100 million, representing percentage of shareholding at 100% of total issued and paid-up share capital. Icare Health Co., Ltd. registered the increase in its share capital with the Ministry of Commerce on March 16, 2022.

Investments in subsidiaries as at December 31, 2022 and 2021 and dividend received for the years ended December 31, were as follows:

Company	SEPARATE FINANCIAL STATMENTS									
	Paid-up capital		Ownership interest		Cost method		Equity method		Dividend received	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Icare Health Co., Ltd.	165	65	100	100	165	65	311	118	-	38
Healthiness Co., Ltd.	35	35	100	100	35	35	50	36	-	-
Total investments in subsidiaries					200	100	361	154	-	38

12. INVESTMENT PROPERTY

Investment property as at December 31, 2022 were as follows (as at December 31, 2021: Nil):

	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at January 1, 2022 Baht	Additions Baht	Disposal/ decrease Baht	Transfer in/ (transfer out) Baht	Balance as at December 31, 2022 Baht
Cost					
Land with building	-	-	-	20,842,376	20,842,376
Total cost	-	-	-	20,842,376	20,842,376
Accumulated depreciation					
Land with building	-	-	-	(4,564,413)	(4,564,413)
Total accumulated depreciation	-	-	-	(4,564,413)	(4,564,413)
Total investment property	<u>-</u>				<u>16,277,963</u>
Depreciation for the year ended December 31, 2022				Baht	<u>-</u>

As at December 31, 2022, the Group transferred land with building at cost and net book value of Baht 20.84 million and Baht 16.28 million, respectively, from land and building to investment property because of change in purpose from owner-occupation to not specify the purpose of future use (see Note 13).

The fair value of land was measured by market approach and fair value of building was measured by replacement cost method.

As at December 31, 2022, the fair values of investment property of the Group is Baht 23.91 million (as at December 31, 2021: Nil).

13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, were as follows:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance	Additions	Disposals/	Transfer in/	Balance
	as at		decrease	(transfer out)/	as at
	January 1, 2022			adjustment	December 31, 2022
	Baht	Baht	Baht	Baht	Baht
Cost					
Land	8,176,160	30,698,077	-	(7,367,711)	31,506,526
Buildings	14,953,223	19,180,000	-	(13,474,665)	20,658,558
Building and leasehold improvements	56,905,819	2,539,183	-	51,719,147	111,164,149
Office equipment	10,099,456	5,539,888	-	1,617,766	17,257,110
Computer and equipment	6,870,533	4,581,748	(6,383)	-	11,445,898
Furniture and fixture	7,526,569	3,627,515	(5,750)	245,519	11,393,853
Vehicles	4,106,449	2,224,299	-	-	6,330,748
Total cost	<u>108,638,209</u>	<u>68,390,710</u>	<u>(12,133)</u>	<u>32,740,056</u>	<u>209,756,842</u>
Accumulated depreciation					
Buildings	(4,317,599)	(1,475,450)	-	4,564,413	(1,228,636)
Building and leasehold improvements	(17,649,481)	(7,083,996)	-	-	(24,733,477)
Office equipment	(4,895,137)	(2,174,336)	-	-	(7,069,473)
Computer and equipment	(2,264,151)	(1,742,356)	3,511	-	(4,002,996)
Furniture and fixture	(3,139,204)	(1,666,267)	3,119	-	(4,802,352)
Vehicles	(3,735,985)	(424,839)	-	-	(4,160,824)
Total accumulated depreciation	<u>(36,001,557)</u>	<u>(14,567,244)</u>	<u>6,630</u>	<u>4,564,413</u>	<u>(45,997,758)</u>
Property, plant and equipment, net	72,636,652				163,759,084
Assets under construction	762,394	55,124,688	-	(53,582,432)	2,304,650
Total property, plant and equipment	<u>73,399,046</u>				<u>166,063,734</u>

CONSOLIDATED FINANCIAL STATEMENTS					
As at December 31, 2021	Balance as at January 1, 2021	Additions	Disposals/ decrease	Transfer in/ (transfer out)/ adjustment	Balance as at December 31, 2021
	Baht	Baht	Baht	Baht	Baht
Cost					
Land	8,176,160	-	-	-	8,176,160
Buildings	14,953,223	-	-	-	14,953,223
Building and leasehold improvements	46,224,285	60,000	-	10,621,534	56,905,819
Office equipment	8,462,952	1,464,360	(107,976)	280,120	10,099,456
Computer and equipment	4,676,128	2,814,365	(23,814)	(596,146)	6,870,533
Furniture and fixture	10,795,098	705,031	(66,132)	(3,907,428)	7,526,569
Vehicles	4,095,701	47,664	(36,916)	-	4,106,449
Total cost	<u>97,383,547</u>	<u>5,091,420</u>	<u>(234,838)</u>	<u>6,398,080</u>	<u>108,638,209</u>
Accumulated depreciation					
Buildings	(3,569,938)	(747,661)	-	-	(4,317,599)
Building and leasehold improvements	(7,777,171)	(9,433,793)	-	(438,517)	(17,649,481)
Office equipment	(3,326,376)	(1,669,398)	74,604	26,033	(4,895,137)
Computer and equipment	(1,331,431)	(1,073,784)	16,045	125,019	(2,264,151)
Furniture and fixture	(2,184,266)	(1,401,001)	20,459	425,604	(3,139,204)
Vehicles	(3,616,039)	(156,861)	36,915	-	(3,735,985)
Total accumulated depreciation	<u>(21,805,221)</u>	<u>(14,482,498)</u>	<u>148,023</u>	<u>138,139</u>	<u>(36,001,557)</u>
Property, plant and equipment, net	75,578,326				72,636,652
Assets under construction	-	7,713,624	-	(6,951,230)	762,394
Total property, plant and equipment	<u>75,578,326</u>				<u>73,399,046</u>
Depreciation for the years ended December 31,					
2022				Baht	<u>14,567,244</u>
2021				Baht	<u>14,482,498</u>

As at December 31, 2022, the Group transferred land with building at cost and net book value of Baht 20.84 million and Baht 16.28 million, respectively, from land and building to investment property because of change in purpose from owner-occupation to not specify the purpose of future use (see Note 12).

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS			
	Balance	Additions	Disposals/	Balance
	as at		decrease	as at
	January 1, 2022			December 31, 2022
	Baht	Baht	Baht	Baht
Cost				
Leasehold improvement	1,631,900	173,166	-	1,805,066
Office equipment	486,496	137,642	-	624,138
Computer	868,585	246,403	-	1,114,988
Furniture and fixture	370,054	38,019	-	408,073
Total cost	<u>3,357,035</u>	<u>595,230</u>	<u>-</u>	<u>3,952,265</u>
Accumulated depreciation				
Leasehold improvement	(149,556)	(86,672)	-	(236,228)
Office equipment	(105,940)	(111,792)	-	(217,732)
Computer	(172,084)	(206,948)	-	(379,032)
Furniture and fixture	(89,704)	(77,822)	-	(167,526)
Total accumulated depreciation	<u>(517,284)</u>	<u>(483,234)</u>	<u>-</u>	<u>(1,000,518)</u>
Total property, plant and equipment	<u>2,839,751</u>			<u>2,951,747</u>

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS			
	Balance	Additions	Disposals/	Balance
	as at		decrease	as at
	January 1, 2021			December 31, 2021
	Baht	Baht	Baht	Baht
Cost				
Leasehold improvement	1,631,900	-	-	1,631,900
Office equipment	368,397	118,099	-	486,496
Computer	439,076	429,509	-	868,585
Furniture and fixture	326,171	43,883	-	370,054
Total cost	<u>2,765,544</u>	<u>591,491</u>	<u>-</u>	<u>3,357,035</u>
Accumulated depreciation				
Leasehold improvement	(6,911)	(142,645)	-	(149,556)
Office equipment	(26,068)	(79,872)	-	(105,940)
Computer	(40,715)	(131,369)	-	(172,084)
Furniture and fixture	(21,168)	(68,536)	-	(89,704)
Total accumulated depreciation	<u>(94,862)</u>	<u>(422,422)</u>	<u>-</u>	<u>(517,284)</u>
Total property, plant and equipment	<u>2,670,682</u>			<u>2,839,751</u>

Depreciation for the years ended December 31,			
2022		Baht	<u>483,234</u>
2021		Baht	<u>422,422</u>

As at December 31, 2022 and 2021, the Group had certain items of plant and equipment that were fully depreciated but are still in use. The cost before deducting accumulated depreciation of those assets amounted to approximately Baht 8.59 million and Baht 6.26 million, respectively.

14. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, were as follows:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2022 Baht	Additions Baht	Decrease Baht	Balance as at December 31, 2022 Baht
Cost				
Leasehold	148,565,533	75,521,189	(1,469,091)	222,617,631
Accumulated depreciation				
Leasehold	(30,403,561)	(22,220,343)	1,469,091	(51,154,813)
Total right-of-use assets	118,161,972			171,462,818

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2021 Baht	Additions Baht	Decrease Baht	Balance as at December 31, 2021 Baht
Cost				
Leasehold	133,802,745	34,265,896	(19,503,108)	148,565,533
Accumulated depreciation				
Leasehold	(16,643,458)	(15,272,419)	1,512,316	(30,403,561)
Total right-of-use assets	117,159,287			118,161,972

Depreciation for the years ended December 31,			
2022		Baht	22,220,343
2021		Baht	15,272,419

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS			
	Balance as at January 1, 2022 Baht	Additions Baht	Decrease Baht	Balance as at December 31, 2022 Baht
Cost				
Leasehold	13,016,133	1,278,944	-	14,295,077
Accumulated depreciation				
Leasehold	(2,289,724)	(1,296,991)	-	(3,586,715)
Total right-of-use assets	10,726,409			10,708,362

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS			
	Balance	Additions	Decrease	Balance
	as at			as at
	January 1, 2021			December 31, 2021
	Baht	Baht	Baht	Baht
Cost				
Leasehold	6,553,409	6,462,724	-	13,016,133
Accumulated depreciation				
Leasehold	(1,142,165)	(1,147,559)	-	(2,289,724)
Total right-of-use assets	5,411,244			10,726,409
Depreciation for the years ended December 31,				
2022			Baht	1,296,991
2021			Baht	1,147,559

15. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill as at December 31, were as follows:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance	Additions	Disposals/	Transfer in/	Balance
	as at		decrease	(transfer out)	as at
	January 1, 2022				December 31, 2022
	Baht	Baht	Baht	Baht	Baht
Cost					
Computer software	16,460,415	535,470	-	-	16,995,885
Accumulated amortization					
Computer software	(7,879,401)	(1,304,223)	-	-	(9,183,624)
Total other intangible assets other than goodwill	8,581,014				7,812,261

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance	Additions	Disposals/	Transfer in/	Balance
	as at		decrease	(transfer out)	as at
	January 1, 2021				December 31, 2021
	Baht	Baht	Baht	Baht	Baht
Cost					
Computer software	13,904,617	2,002,648	-	553,150	16,460,415
Accumulated amortization					
Computer software	(6,561,864)	(1,179,398)	-	(138,139)	(7,879,401)
Total other intangible assets other than goodwill	7,342,753				8,581,014

Amortization for the years ended December 31,				
2022			Baht	1,304,223
2021			Baht	1,179,398

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS			
	Balance	Additions	Disposal	Balance
	as at			as at
	January 1, 2022			December 31, 2022
	Baht	Baht	Baht	Baht
Cost				
Computer software	492,180	27,600	-	519,780
Accumulated amortization				
Computer software	(106,726)	(101,415)	-	(208,141)
Total other intangible assets other than goodwill	385,454			311,639

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS			
	Balance	Additions	Disposal	Balance
	as at			as at
	January 1, 2021			December 31, 2021
	Baht	Baht	Baht	Baht
Cost				
Computer software	283,800	208,380	-	492,180
Accumulated amortization				
Computer software	(29,137)	(77,589)	-	(106,726)
Total other intangible assets other than goodwill	254,663			385,454

Amortization for the years ended December 31,		
2022	Baht	101,415
2021	Baht	77,589

As at December 31, 2022 and 2021, the Group had certain items of other intangible assets other than goodwill that were fully amortized but are still in use. The cost before deducting accumulated amortization of those assets amounted to Baht 4.13 million and Baht 4.13 million, respectively.

16. DEFERRED TAXES

Deferred tax assets as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Deferred tax assets	1,963,417	1,034,593	1,460,808	341,116

Movements of deferred tax assets and liabilities during the years were as follows:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Recognized in	Recognized in other	As at
	January 1,	profit or loss	comprehensive	December 31,
	2022		income	2022
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for diminution in value inventories	68,276	86,672	-	154,948
Lease liabilities	-	2,225,547	-	2,225,547
Provision for dismantling and removal cost	-	975,702	-	975,702
Provisions for employee benefits	966,317	182,544	(347,199)	801,662
Loss carried forward	-	1,264,744	-	1,264,744
Total deferred tax assets	<u>1,034,593</u>	<u>4,735,209</u>	<u>(347,199)</u>	<u>5,422,603</u>
Deferred tax liabilities				
Gain on fair value adjustment of other financial assets	-	(590,218)	-	(590,218)
Right-of-use assets	-	(2,868,968)	-	(2,868,968)
Total deferred tax liabilities	<u>-</u>	<u>(3,459,186)</u>	<u>-</u>	<u>(3,459,186)</u>
Total	<u>1,034,593</u>	<u>1,276,023</u>	<u>(347,199)</u>	<u>1,963,417</u>

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Recognized in	Recognized in other	As at
	January 1,	profit or loss	comprehensive	December 31,
	2021		income	2021
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for diminution in value inventories	337,807	(269,531)	-	68,276
Provisions for employee benefits	794,129	172,188	-	966,317
Total deferred tax assets	<u>1,131,936</u>	<u>(97,343)</u>	<u>-</u>	<u>1,034,593</u>
Total	<u>1,131,936</u>	<u>(97,343)</u>	<u>-</u>	<u>1,034,593</u>

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS			
	As at	Recognized in	Recognized in other	As at
	January 1,	profit or loss	comprehensive	December 31,
	2022		income	2022
	Baht	Baht	Baht	Baht
Deferred tax assets				
Lease liabilities	-	2,225,547	-	2,225,547
Provision for dismantling and removal cost	-	68,700	-	68,700
Provisions for employee benefits	341,116	99,741	192,850	633,707
Loss carried forward	-	1,264,744	-	1,264,744
Total deferred tax assets	<u>341,116</u>	<u>3,658,732</u>	<u>192,850</u>	<u>4,192,698</u>
Deferred tax liabilities				
Gain on fair value adjustment of other financial assets	-	(590,218)	-	(590,218)
Right-of-use assets	-	(2,141,672)	-	(2,141,672)
Total deferred tax liabilities	<u>-</u>	<u>(2,731,890)</u>	<u>-</u>	<u>(2,731,890)</u>
Total	<u>341,116</u>	<u>926,842</u>	<u>192,850</u>	<u>1,460,808</u>

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS			
	As at January 1, 2021 Baht	Recognized in profit or loss Baht	Recognized in other comprehensive income Baht	As at December 31, 2021 Baht
Deferred tax assets				
Provisions for employee benefits	246,852	94,264	-	341,116
Total deferred tax assets	246,852	94,264	-	341,116
Total	246,852	94,264	-	341,116

17. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Deposit	18,017,113	13,329,104	492,450	492,450
Others	623,792	386,792	-	-
Total	18,640,905	13,715,896	492,450	492,450

18. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, were as follows:

Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade payables				
Other companies	131,800,144	107,451,209	-	-
Total trade payables	131,800,144	107,451,209	-	-
Other payables				
Related companies	5 166,788	79,540	26,593	12,319
Other companies	5,339,564	1,567,400	110,617	545,123
Total other payables	5,506,352	1,646,940	137,210	557,442
Advance received	119,472	351,815	-	-
Accrued expenses				
Related companies	5 -	100,596	-	-
Other companies	12,690,348	7,835,719	3,006,406	2,720,322
Revenue Department payable	408,941	207,540	305,711	-
Others	649,195	254,773	-	-
Total	151,174,452	117,848,592	3,449,327	3,277,764

19. BORROWINGS

Borrowings as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Borrowings from financial institutions	-	4,242,538	-	-
Total Borrowings	-	4,242,538	-	-
Non-current	-	307,981	-	-
Current	-	3,934,557	-	-

The other significant condition of the Group's borrowings are as follows:

Interest rate % p.a.	Interest payment	Term of payment (Year)	Guarantee/Collateral	Credit limit	CONSOLIDATED FINANCIAL STATEMENTS	
					2022 Baht	2021 Baht
2	Monthly started from first drawdown from the financial institution	Year 2020 - 2022	Guaranteed by shareholder and director of the Group	3,500,000	-	1,458,334
MLR-1	Monthly started from first drawdown from the financial institution	Year 2017 - 2022	Mortgage land and other current building or/and other building in the future on such land with the Bank under mortgage limit and method designed by the Bank	3,000,000	-	684,807
MLR-1	Monthly started from first drawdown from the financial institution	Year 2018 - 2022	Mortgage land and other current building or/and other building in the future on such land with the Bank under mortgage limit and method designed by the Bank	6,000,000	-	2,099,397
				Total	<u>-</u>	<u>4,242,538</u>

Under the agreement, the Group must comply with certain financial conditions and restrictions as specified in the agreement, such as maintaining Debt to Equity Ratio of not more than 3 to 1, but not less than 0, and maintaining Debt Service Coverage Ratio (DSCR) of not less than 1.25 and a limitation on transferring of assets to be in accordance with the agreement, etc. On April 1, 2022, the Group had make a repayment for the whole amount of such borrowings from the financial institutions, and all collaterals were redeemed on May 20, 2022.

20. LEASE LIABILITIES

Lease liabilities as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Within 1 year	26,652,712	17,132,163	1,404,000	1,292,400
Over 1 to 5 years	95,049,046	59,132,636	5,616,000	5,169,600
Over 5 years	78,408,611	62,664,712	6,669,000	7,431,300
	200,110,369	138,929,511	13,689,000	13,893,300
<u>Less</u> unearned interest expenses	<u>(32,765,985)</u>	<u>(25,143,336)</u>	<u>(2,561,266)</u>	<u>(2,828,957)</u>
Total	167,344,384	113,786,175	11,127,734	11,064,343
Analyzed as:				
Non-current	147,641,597	101,413,737	10,192,191	10,240,250
Current	19,702,787	12,372,438	935,543	824,093
Total	167,344,384	113,786,175	11,127,734	11,064,343

21. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Non-current provisions for employee benefits as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Statement of financial position as at December 31,				
Obligations in statement of financial position:				
Post-employment benefits				
Retirement benefit plan	4,008,313	4,959,469	3,168,535	1,705,583
Total	4,008,313	4,959,469	3,168,535	1,705,583
Statement of comprehensive income for the years ended December 31,				
Recognized in profit or loss:				
Post-employment benefits				
Retirement benefit plan	784,838	988,827	498,705	471,318
Recognized in other comprehensive income:				
Actuarial (gains) losses	(1,735,994)	-	964,247	-
Total	(951,156)	988,827	1,462,952	471,318

Movements in the present value of the defined benefit obligations:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Defined benefit obligations as at January 1,	4,959,469	3,970,642	1,705,583	1,234,265
Current service costs	702,310	932,139	434,357	454,042
Interest costs	82,528	56,688	64,348	17,276
Actuarial (gains) losses				
arising from experience adjustments	(815,600)	-	1,627,355	-
arising from demographic assumptions	(344,882)	-	(395,607)	-
arising from financial assumptions	(575,512)	-	(267,501)	-
Defined benefit obligations as at December 31,	4,008,313	4,959,469	3,168,535	1,705,583

Employee benefit expenses recognized in profit or loss

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Current service costs	702,310	932,139	434,357	454,042
Interest costs	82,528	56,688	64,348	17,276
Total	784,838	988,827	498,705	471,318

The principal actuarial assumptions used to calculate the above employee benefits obligation as at December 31, consisted of the following:

	CONSOLIDATED FINANCIAL STATEMENTS	
	2022	2021
<u>Financial assumptions</u>		
Employee retirement age	60 years	60 years
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017
Disability rate	5% of mortality rate	5% of mortality rate
Employee turnover rate	0 - 22% per annum	0 - 23% per annum
Discount rate	2.41 - 3.58% per annum	1.40% per annum
Expected salary increase rate	3% and 5% per annum	3% and 5% per annum

	SEPARATE FINANCIAL STATEMENTS	
	2022	2021
<u>Financial assumptions</u>		
Employee retirement age	60 years	60 years
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017
Disability rate	5% of mortality rate	5% of mortality rate
Employee turnover rate	0 - 16% per annum	0 - 8% per annum
Discount rate	2.41% per annum	1.40% per annum
Expected salary increase rate	3% and 5% per annum	3% and 5% per annum

Significant actuarial assumptions for the determination of the defined employee benefit obligations were employee turnover rate, discount rate and expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased (decreased) as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Employee turnover rate - increase by 1%	(354,019)	(406,669)	(214,210)	(149,039)
Employee turnover rate - decrease by 1%	115,099	205,337	30,505	65,232
Discount rate - increase by 1%	(327,519)	(376,530)	(202,831)	(141,382)
Discount rate - decrease by 1%	378,995	455,738	226,759	169,074
Expected salary increase rate - increase by 1 %	370,629	542,480	219,906	199,536
Expected salary increase rate - decrease by 1 %	(326,766)	(459,004)	(200,884)	(169,953)

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

Maturity analysis of the benefit payments of the provision for employee benefits obligation as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Within 1 year	-	-	-	-
Over 1 to 5 years	-	-	-	-
Over 5 years	4,008,313	4,959,469	3,168,535	1,705,583
Total	4,008,313	4,959,469	3,168,535	1,705,583

22. SHARE CAPITAL AND CAPITAL SURPLUS

During November 25, 2021 to November 29, 2021, the Company offered to sell 72,000,000 newly issued ordinary shares to the general public at a par value of Baht 0.50 per share, which was sold at a price of Baht 9.80 per share, totaling Baht 706 million, which the Company received the payment for the newly issued ordinary shares in full amount and registered the increase of paid-up capital with the Ministry of Commerce on November 30, 2021. The Company's ordinary shares began trading on the Market for Alternative Investment (MAI) on December 3, 2021.

In addition, in the offering of newly issued ordinary shares, the Company had a share premium of Baht 669.60 million and expenses related to the offering of shares of Baht 21.96 million, which the Company deducted such expenses from premium on ordinary shares. As at December 31, 2022 and 2021, share premium on ordinary shares was Baht 647.64 million.

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

23. LEGAL RESERVE

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

As at December 31, 2022 and 2021, the Company’s legal reserve equaled to Baht 13.60 million and Baht 7.94 million, respectively.

24. OTHER INCOME

Other income for the years ended December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Service income	15,400,421	14,115,434	162,000	162,000
Others	3,290,982	3,500,180	1,432,164	384,793
Total	18,691,403	17,615,614	1,594,164	546,793

25. EXPENSES BY NATURE

The financial statements included an analysis of expenses by function. Expenses by nature for the years ended December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022 Baht	2021* Baht	2022 Baht	2021* Baht
Changes in inventories of finished goods and work in progress	(51,063,592)	(28,257,324)	-	-
Purchased goods available for sales	1,194,331,129	950,674,985	-	-
Employee benefits expenses	134,352,394	100,224,827	22,611,915	18,148,557
Depreciation and amortization expense	38,091,810	30,934,315	1,881,640	1,647,570
Building management expenses	20,964,245	16,162,242	899,281	962,237
Utilities expense	12,758,356	9,607,274	225,978	182,332
Others	43,353,208	34,384,849	7,377,035	8,513,978

* The Company has adjusted amount disclosed in notes to the financial statements to conform to the disclosure in notes to the financial statements for current period.

26. INCOME TAX EXPENSE (INCOME)

Income tax expense (income) recognized in the statements of comprehensive income for the years ended December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Current income tax expense				
Current year	25,500,449	17,583,790	-	-
Under recorded income tax expense in prior year	380,661	-	-	-
Total	25,881,110	17,583,790	-	-
Deferred tax				
Movements in temporary differences	(1,276,023)	97,343	(926,842)	(94,264)
Total	(1,276,023)	97,343	(926,842)	(94,264)
Total income tax expense (income)	24,605,087	17,681,133	(926,842)	(94,264)

Reconciliation of effective tax rate

	CONSOLIDATED FINANCIAL STATEMENTS			
	2022		2021	
	Rate (%)	Amount Baht	Rate (%)	Amount Baht
Profit for the years		118,229,097		79,663,980
Income tax expenses		24,605,087		17,681,133
Profit before income tax expenses		142,834,184		97,345,113
Income tax using applicable tax rate	20	28,566,837	20	19,469,023
Tax effect of non-deductible expense (benefit)				
- Income that are exempt from taxation		(731,818)		(562,800)
- Expenses not deductible for tax purposes		2,051,369		1,476,429
- Expenses for tax incentives		(190,513)		(4,346,746)
- Unused tax losses for the years		-		3,333,834
Loss carried forward		(3,814,765)		(1,785,950)
Adjustments related to deferred tax		(1,276,023)		97,343
Income tax expenses	17.23	24,605,087	18.16	17,681,133

	SEPARATE FINANCIAL STATEMENTS			
	2022		2021	
	Rate (%)	Amount Baht	Rate (%)	Amount Baht
Profit for the years		118,229,097		79,663,980
Income tax expenses		(926,842)		(94,264)
Profit before income tax expenses		117,302,255		79,569,716
Income tax using applicable tax rate	20	23,460,451	20	15,913,943
Tax effect of non-deductible expense (benefit)				
- Income that are exempt from taxation		(21,642,599)		(15,367,115)
- Expenses not deductible for tax purposes		268,815		53,601
- Expenses for tax incentives		(17,577)		(3,934,263)
- Unused tax losses for the years		-		3,333,834
Loss carried forward		(2,069,090)		-
Adjustments related to deferred tax		(926,842)		(94,264)
Income tax income	-	(926,842)	-	(94,264)

27. BASIC EARNINGS PER SHARE

The calculations of earnings per share for the years ended December 31, 2022 and 2021 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of weighted ordinary shares outstanding during the years held by shareholders as follows:

For the years ended December 31,	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	(Baht / shares)			
Basic earnings per share				
Profit attributable to owners of the Company	118,229,097	79,663,980	118,229,097	79,663,980
Weighted-average number of ordinary shares	272,000,000	206,312,328	272,000,000	206,312,328
Basic earnings per share (Baht)	<u>0.43</u>	<u>0.39</u>	<u>0.43</u>	<u>0.39</u>

28. SEGMENT INFORMATION

The Group presented the financial information segment in respect of the Group under management approach. Operating segment is based on the Group's management, the management structure and internal reporting.

Business segment

The Group operates in a single line of business which is the pharmacy business by distributing medicines, medical supplies, cosmeceuticals, supplements, medical devices and other healthcare products including inventing, developing, importing and distributing innovative health products. All of them are classified as health products for external use and dietary supplements. Therefore, the management considers that the Group has only one business segment.

Geographical segment

The Group operates in a single geographic area in Thailand. Therefore, the management considers that the Group has only one geographical segment.

Information about transaction with major customer

For the years ended December 31, 2022 and 2021, there were no revenues from sales with a single external customer contributed to 10% or more to the Group's total revenue.

29. PROVIDENT FUND

In August 2020, the Group set up a provident fund for those employees who have elected to participate. The contributions from the employees are deducted from their monthly salaries, and the Group matches the individuals' contributions. The provident fund is managed by an authorized financial institution in accordance with the Provident Fund Act B.E. 2530 and the Provident Fund Act B.E. 2542 (No. 2).

For the years ended December 31, 2022 and 2021, the Group's contributions recognized in the consolidated statements of comprehensive income were Baht 1.01 million and Baht 0.80 million, respectively, and the Company's contributions recognized in the separate statements of comprehensive income were Baht 0.32 million and Baht 0.22 million, respectively.

30. DIVIDENDS PAID

On March 16, 2021, the Annual General Meeting of the Company passed a resolution to distribute an annual dividend for the year 2020 at Baht 0.07 per share, totaling Baht 14 million, which was paid on March 18, 2021.

On August 16, 2021, the Board of Directors' Meeting no.3/2021 of the Company passed a resolution to distribute the interim dividend from performance for the six-month period ended June 30, 2021 at Baht 0.12 per share, totaling Baht 24 million, which was paid on August 25, 2021.

On April 22, 2022, the Annual General Meeting of the Company passed a resolution to distribute an annual dividend for the year 2021 at Baht 0.16 per share, totaling Baht 43.52 million, which was paid on May 20, 2022.

31. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Group has financial instruments, as defined under the Group of Financial Instruments Standards principally comprise cash and cash equivalents, trade and other current receivables, loans to a related company, other current financial assets, trade and other current payables, borrowings from a related company, borrowings from financial institutions and lease liabilities. The Group has risks associated with these financial instruments and has risk management policies as follows:

31.1 Market risk

31.1.1 Foreign currency risk management

The Group has no foreign exchange risk because the Group does not have transaction with foreign debtors and creditors.

31.1.2 Interest rate risk management

Interest rate risk is the risk that the value of financial assets and liabilities will fluctuate due to changes in market interest rates. However, since the Group's financial assets and liabilities are short-term in nature and bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be low.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

31.2 Credit risk management

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due. The Group is exposed to credit risk primarily with respect to trade receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amount of trade receivables balance as stated in the statement of financial position.

31.3 Liquidity risk management

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

31.3.1 Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS					
	Weighted average effective interest rate	Less than 1 year	2 - 5 years	More than 5 years	Total	Carrying amount
	%	Baht	Baht	Baht	Baht	Baht
Trade and other payables	-	151,174,452	-	-	151,174,452	151,174,452
Lease liabilities	4.47 - 4.97%	26,652,712	95,049,046	78,408,611	200,110,369	167,344,384

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS					
	Weighted average effective interest rate	Less than 1 year	2 - 5 years	More than 5 years	Total	Carrying amount
	%	Baht	Baht	Baht	Baht	Baht
Trade and other payables	-	117,848,592	-	-	117,848,592	117,848,592
Borrowings from financial institutions	2 - 4.47%	3,934,557	307,981	-	4,242,538	4,242,538
Lease liabilities	4.47 - 4.50%	17,132,163	59,132,636	62,664,712	138,929,511	113,786,175

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS					
	Weighted average effective interest rate	Less than 1 year	2 - 5 years	More than 5 years	Total	Carrying amount
	%	Baht	Baht	Baht	Baht	Baht
Trade and other payables	-	3,449,327	-	-	3,449,327	3,449,327
Lease liabilities	4.47 %	1,404,000	5,616,000	6,669,000	13,689,000	11,127,734

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS					
	Weighted average effective interest rate	Less than 1 year	2 - 5 years	More than 5 years	Total	Carrying amount
	%	Baht	Baht	Baht	Baht	Baht
Trade and other payables	-	3,277,764	-	-	3,277,764	3,277,764
Borrowings from a related company	5.875 %	5,284,092	-	-	5,284,092	5,284,092
Lease liabilities	4.47 %	1,292,400	5,169,600	7,431,300	13,893,300	11,064,343

31.3.2 Financing facilities

The Group is using combination of the cash inflows from the financial assets to manage the liquidity.

The table below presents the cash inflows from financial assets:

As at December 31, 2022	CONSOLIDATED FINANCIAL STATEMENTS			Total
	Less than 1 year	2 - 5 years	More than 5	
	Baht	Baht	years Baht	
Trade and other current receivables	23,989,272	-	-	23,989,272
Other current financial assets	506,965,782	-	-	506,965,782

As at December 31, 2021	CONSOLIDATED FINANCIAL STATEMENTS			Total
	Less than 1 year	2 - 5 years	More than 5	
	Baht	Baht	years Baht	
Trade and other current receivables	21,384,409	-	-	21,384,409

As at December 31, 2022	SEPARATE FINANCIAL STATEMENTS			Total
	Less than 1 year	2 - 5 years	More than 5	
	Baht	Baht	years Baht	
Trade and other current receivables	2,020,653	-	-	3,020,653
Other current financial assets	506,965,782	-	-	506,965,782

As at December 31, 2021	SEPARATE FINANCIAL STATEMENTS			Total
	Less than 1 year	2 - 5 years	More than 5	
	Baht	Baht	years Baht	
Trade and other current receivables	3,282,467	-	-	3,282,467
Loans to a related company	23,014,808	-	-	23,014,808

31.4 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

As at December 31, 2022, the Group is not subject to any externally imposed capital requirements.

32. DETERMINATION OF FAIR VALUES

32.1 Financial instruments measured at fair value

Certain financial assets of the Group are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets					Fair value hierarchy	Unit : Baht
	CONSOLIDATED		SEPARATE			Valuation techniques and key inputs in fair value measurements
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS			
	Fair value		Fair value			
	2022	2021	2022	2021		
Other current financial assets						
Investments measured at fair value through profit or loss						
Unit trust	502,951,090	-	502,951,090	-	2	Net asset value of unit trust

32.2 Fair value of financial assets that are not measured at fair value but fair value disclosures are required

Fair value of investment property disclosed in Note 12, the fair value of land was measured by market approach and fair value of building was measured by replacement cost method which classified as Level 3.

32.3 Financial instruments not measured at fair value

As at December 31, 2022 and 2021, fair value of cash and cash equivalents, trade and other current receivables, loans to a related company, other current financial assets measured at amortized cost, trade and other current payables, borrowings from a related company, borrowings from financial institutions of the Group are considered to approximate their respective carrying value in the consolidated and separate statements of financial position since the fair value are predominantly subject to market interest rate and mature in the short-term.

33. COMMITMENTS AND CONTINGENT LIABILITIES

33.1 Capital commitments

As at December 31, 2022 and 2021, the Company had capital commitments in respect of building improvement approximately Baht 2.44 million and Baht 0.08 million, respectively.

33.2 Non-cancellable service agreements

As at December 31, the Group had future minimum lease payments required under non-cancellable service agreements as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Million	Million	Million	Million
	Baht	Baht	Baht	Baht
Within one year	36.40	21.83	0.18	-
Over one year to five years	39.19	8.36	-	-
More than five years	0.81	-	-	-
Total	76.40	30.19	0.18	-

For the years ended December 31, 2022 and 2021, the Group recorded expense according to the non-cancellable service agreements in the consolidated statements of comprehensive income of Baht 37.06 million and Baht 26.61 million, respectively. For the year ended December 31, 2022, the Company recorded expense according to the non-cancellable service agreements in the separate statements of comprehensive income of Baht 0.36 million (For the year ended December 31, 2021: Nil).

34. RECLASSIFICATIONS

Certain reclassifications have been made in the financial statements for the year ended December 31, 2021, to conform to the classification used in current period's financial statements. Such reclassifications have no effect to previously reported net profit, total comprehensive income and shareholders' equity. The reclassifications are as follows:

Account	Previous presentation	Current presentation	Amount	
			CONSOLIDATED	SEPARATE
			FINANCIAL	FINANCIAL
			STATEMENT	STATEMENT
			Baht	Baht
Statement of financial position				
Revenue Department receivable	Other current assets	Trade and other current receivables	4,970,715	1,290,486
Prepaid withholding tax	Other current assets	Current tax assets	966,122	959,683
Prepaid withholding tax	Other non-current assets	Current tax assets		
	- Input tax refundable		814,467	709,562
	- Others		14,182	-
Revenue Department payable	Other current liabilities	Trade and other current payables	207,540	-
Retained earning	Retained earning	Retained earning		
- Unappropriated	- Appropriated	- Unappropriated		
	- Legal reserve - subsidiaries		6,500,000	-
Statement of comprehensive income				
Interest income	Other income	Finance income		
	- Interest income		41,941	49,493
Administrative expense	Cost of management fee	Administrative expense	-	14,343,832
Statement of change in shareholders' equity				
Retained earning	Retained earning	Retained earning		
- Unappropriated	- Appropriated	- Unappropriated		
	- Legal reserve - subsidiaries		6,500,000	-
Statement of cash flows				
Interest paid under lease liabilities	Cash paid for interest expense	Cash paid for lease liabilities	4,925,885	364,550
Cash paid for bank overdrafts and short-term borrowings from financial institutions	Cash paid for interest expense	Cash paid for bank overdrafts and short-term borrowings from financial institutions	61,980	-
Interest paid	Change in trade and other payables	Interest paid	64,370	-

35. EVENT AFTER THE REPORTING PERIOD

On February 24, 2023, the Board of Directors' Meeting No.1/2023 passed a resolution to propose the Annual General Shareholders' Meeting to distribute a dividend from net profit for the year ended December 31, 2022 at Baht 0.18 per share totaling Baht 48.96 million, and to make appropriation of the legal reserve in the amount of Bath 5.66 million. The dividend will be paid on May 11, 2023.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorized for issuance by the Board of Directors of the Company on February 24, 2023.