

**VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Vibhavadi Medical Center Public Company Limited

Opinion

I have audited the consolidated financial statements of Vibhavadi Medical Center Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2019, the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Vibhavadi Medical Center Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2019, the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Vibhavadi Medical Center Public Company Limited and its subsidiaries as at December 31, 2019, its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Vibhavadi Medical Center Public Company Limited as at December 31, 2019, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Revenue recognition from general medical treatment

The Group has the revenue from general medical treatment that is considered as a significant account to the financial statements. The consolidated financial statements amounted Baht 6,450.68 million (93.86% of total revenues) and the separate financial statements amounted Baht 2,436.55 million (83.81% of total revenues). The amount of money is derived from a large number of transactions including the medical treatment expenses that have many components such as revenue from the sale of medicines and medical supplies, medical services revenue, patient room revenue, etc. It also includes the discounts for parties. The conditions specified in the agreement with the parties are diverse. Therefore, the Group is exposed to the risks associated with the value and period of revenue recognition.

I have audited the revenue recognition of the Group by assessing information system and testing the internal control system relating to the revenue cycle, inquiring the responsible persons, understanding and selecting the sample to test the operation of control designed by the Group. Moreover, I conducted the sampling of sales and service transactions that occurred during the year to check with sales and service documentation and cut-off audit of the revenue recognition. It includes the comparative analysis of subgroup data of revenue account, analysis of key revenue ratios with historical and industry group data to check the irregularities that may incur in sales and service transactions throughout the accounting period, especially the accounts made through the general voucher.

Revenue recognition from Social Security

The subsidiaries have the revenue from Social Security by entering into medical service provider agreement under Social Security Act, B. E. 2533. The revenues from Social Security in the consolidated financial statements represent 9.32% of total revenues. The subsidiaries will receive the money from the Social Security Office in terms of insured persons who select the medical treatment with the hospitals. In addition, the subsidiaries will also gain the income from medical service fee for the cases with burden of disease risk and high-cost disease but the additional revenue from earnings each time has to be approved by the Social Security Office. However, the consideration process of the Social Security Office takes a long time. In the event that the subsidiaries have already provided the medical service to the insured persons, the subsidiaries have its right to gain the medical treatment fee according to the medical service agreement. The management then consider the estimation of medical service revenue for the cases with burden of disease risk and high-cost disease. This is significant estimation requiring the management to apply the high judgment. The specialists' opinion is also needed in considering the severity rate of the disease to estimate the revenue. I therefore focus with respect to the revenue recognition from Social Security as it has a significant risk to the financial statements.

I made an understanding for the process of estimating the medical service revenue for the cases with burden of disease risk and high-cost disease by investigating the sources and reliability of the insured persons' information used in calculating the revenue estimate, assessing the appropriateness of severity rate of the disease by comparing with rules, method and conditions as announced by the Social Security Office, testing the calculation of revenue estimation for medical service in case burden of disease risk and high-cost disease including the comparison of receipts during the period and analyzing the difference cause compared to the estimated medical service revenue and reviewing the receiving of medical service fee for the cases with burden of disease risk and high-cost disease after the end of period.

Other Information

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

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

(Miss Sulalit Ardsawang)
Certified Public Accountant
Registration No. 7517

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 27, 2020

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2019	2018	2019	2018	
Current assets						
	Cash and cash equivalents	5	602,855,047	307,120,538	70,346,919	41,300,531
	Trade receivables	4, 6	592,595,058	677,690,317	131,271,650	129,772,592
	Short-term loans to related parties	4, 7	305,125,000	336,300,000	117,419,494	108,000,000
	Inventories	8	174,559,361	165,281,199	49,432,004	44,240,911
	Other current assets	4	43,657,426	39,191,012	13,598,981	19,889,331
	Total current assets		1,718,791,892	1,525,583,066	382,069,048	343,203,365
Non-current assets						
	Fixed deposits pledged as collateral	9	36,252,346	44,487,957	-	-
	Available-for-sale investments	4, 10	6,314,275,539	3,657,315,239	3,674,474,522	1,349,069,720
	Investments in associates	11	2,353,951,866	2,260,253,320	1,777,365,788	1,777,365,788
	Investments in subsidiaries	12	-	-	1,998,150,070	1,984,004,789
	Other long-term investments	13	971,836,651	879,848,051	726,821,891	473,121,891
	Long-term loans to related parties	4	24,000,000	29,625,000	-	-
	Long-term loans to other persons		5,370,000	3,985,000	-	-
	Investment property	14	376,959,359	248,232,481	297,380,686	166,464,083
	Property, plant and equipment	15	7,024,739,789	6,125,498,640	1,295,948,091	1,335,105,197
	Goodwill	16	723,215,731	723,215,731	-	-
	Intangible assets		7,305,354	11,746,660	2,750,076	4,490,814
	Deferred tax assets	17	27,156,447	25,222,960	-	-
	Advance payment for assets		38,687,428	5,681,610	-	-
	Other non-current assets		7,312,284	6,685,475	5,112,224	4,698,928
	Total non-current assets		17,911,062,794	14,021,798,124	9,778,003,348	7,094,321,210
	Total assets		19,629,854,686	15,547,381,190	10,160,072,396	7,437,524,575

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	18	2,677,944,206	1,585,794,960	2,045,000,000	915,000,000
Trade payables	4	342,149,832	311,116,646	109,712,596	100,164,501
Current portion of long-term liabilities					
Long-term loans from financial institutions	21	843,183,339	743,114,286	447,679,053	489,460,000
Liabilities under finance lease agreements	22	4,952,300	9,427,241	4,464,212	8,201,400
Short-term loans from related parties	4, 19	633,053,818	589,853,818	-	-
Short-term loans from other persons	20	70,800,000	68,400,000	-	-
Payable from acquisition of assets	4	89,305,075	57,418,098	1,148,032	15,402,618
Accrued doctor fee		178,189,331	168,464,355	81,413,327	77,309,358
Accrued expenses	4	76,334,388	76,556,768	23,649,754	18,744,904
Accrued dividends		20,919,323	17,730,727	12,048,712	11,284,614
Income tax payable		84,977,134	77,994,533	44,953,519	41,083,220
Advance received from social security office	28	251,324,642	54,606,133	-	-
Advance received from shares	4	36,378,150	-	-	-
Payable from transfer share	4, 12	-	-	185,845,281	-
Other current liabilities	4	49,504,782	43,910,654	11,733,506	8,227,001
Total current liabilities		5,359,016,320	3,804,388,219	2,967,647,992	1,684,877,616
Non-current liabilities					
Long-term loans from financial institutions	21	2,660,207,169	1,362,239,812	1,375,573,360	578,201,716
Liabilities under finance lease agreements	22	8,292,719	10,399,315	7,354,911	8,973,425
Long-term loans from related parties	4, 19	176,000,000	192,000,000	176,000,000	192,000,000
Liabilities under operating lease agreements		78,752,461	72,942,845	-	-
Deferred tax liabilities	17	699,937,849	566,610,070	107,907,433	34,857,813
Employee benefit obligations	23	241,720,015	149,136,803	72,541,329	53,467,632
Other non-current liabilities	4	34,260,782	14,177,750	25,761,851	10,701,129
Total non-current liabilities		3,899,170,995	2,367,506,595	1,765,138,884	878,201,715
Total liabilities		9,258,187,315	6,171,894,814	4,732,786,876	2,563,079,331

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Shareholders' equity					
Share capital	24				
Authorized share capital					
14,937,849,936 ordinary shares, Baht 0.10 each		1,493,784,994	1,493,784,994	1,493,784,994	1,493,784,994
Issued and paid-up share capital					
13,264,617,278 ordinary shares, Baht 0.10 each		1,326,461,728		1,326,461,728	
13,199,368,250 ordinary shares, Baht 0.10 each			1,319,936,825		1,319,936,825
Share premium accounts		2,438,325,437	2,379,358,913	2,438,325,437	2,379,358,913
Retained earnings					
Appropriated					
Legal reserve	25	149,378,499	146,449,093	149,378,499	146,449,093
Unappropriated		2,464,706,000	2,195,567,576	1,023,110,009	844,528,660
Other components of shareholders' equity	10, 11.3	1,409,714,749	1,066,013,176	490,009,847	184,171,753
Total equity attributable to owners of the parent		7,788,586,413	7,107,325,583	5,427,285,520	4,874,445,244
Non-controlling interests		2,583,080,958	2,268,160,793	-	-
Total shareholders' equity		10,371,667,371	9,375,486,376	5,427,285,520	4,874,445,244
Total liabilities and shareholders' equity		19,629,854,686	15,547,381,190	10,160,072,396	7,437,524,575

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2019

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues					
Revenues from medical treatment	4	6,450,680,338	6,367,334,641	2,436,546,704	2,388,302,063
Rental and service income	4	95,213,190	106,709,959	34,305,865	18,063,112
Dividend income	4, 10, 11, 12, 13	210,425,919	80,820,750	369,333,425	288,386,625
Gain on sale of investments		180,526	4,008,054	-	571,658
Other income	4	116,161,383	96,363,078	66,997,591	54,442,460
Total revenues		6,872,661,356	6,655,236,482	2,907,183,585	2,749,765,918
Expenses					
Cost of medical treatment	4	4,678,123,924	4,425,382,098	1,587,913,190	1,547,692,204
Cost of rental and service	4	100,459,102	104,107,740	18,724,476	16,433,125
Administrative expenses	4	953,466,030	915,851,845	392,703,708	376,964,320
Finance costs		201,101,377	159,694,158	111,798,669	68,788,667
Total expenses		5,933,150,433	5,605,035,841	2,111,140,043	2,009,878,316
Share of profit of associates	11.2	259,733,939	15,623,584	-	-
Profit before income tax expenses		1,199,244,862	1,065,824,225	796,043,542	739,887,602
Income tax expenses	31	206,445,299	189,415,821	82,387,041	86,990,564
Profit for the year		992,799,563	876,408,404	713,656,501	652,897,038
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss					
Unrealized gain (loss) on valuation of available-for-sale investments	10	737,195,256	(286,854,580)	382,297,617	40,316,558
Income tax relating to items that may be reclassified	31	(147,439,051)	57,370,916	(76,459,523)	(8,063,312)
Share of other comprehensive income (loss) of associates	11.3	(100,932,506)	(74,231,875)	-	-
		488,823,699	(303,715,539)	305,838,094	32,253,246
Items that will not be reclassified to profit or loss					
Actuarial gain (loss) on define employee benefit plans	23	(33,017,126)	329,810	(5,213,964)	-
Income tax relating to items that will not be reclassified	31	6,603,425	(65,962)	1,042,793	-
		(26,413,701)	263,848	(4,171,171)	-
Other comprehensive income (loss) for the year, net of income tax		462,409,998	(303,451,691)	301,666,923	32,253,246
Total comprehensive income for the year		1,455,209,561	572,956,713	1,015,323,424	685,150,284

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2019

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2019	2018	2019	2018
	Profit attributable to				
	Owners of the parent	809,045,597	723,672,451	713,656,501	652,897,038
	Non-controlling interests	183,753,966	152,735,953	-	-
		<u>992,799,563</u>	<u>876,408,404</u>	<u>713,656,501</u>	<u>652,897,038</u>
	Total comprehensive income attributable to				
	Owners of the parent	1,134,550,074	558,313,044	1,015,323,424	685,150,284
	Non-controlling interests	320,659,487	14,643,669	-	-
		<u>1,455,209,561</u>	<u>572,956,713</u>	<u>1,015,323,424</u>	<u>685,150,284</u>
	Earnings per share				
	Basic earnings per share				
	Attributable to owners of the parent	<u>0.0612</u>	<u>0.0548</u>	<u>0.0540</u>	<u>0.0495</u>
	Diluted earnings per share				
	Attributable to owners of the parent	<u>0.0550</u>	<u>0.0489</u>	<u>0.0485</u>	<u>0.0442</u>

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

Baht												
Consolidated financial statements												
Equity attributable to owners of the parent										Non-controlling	Total	
	Issued and paid-up share capital	Share premium account	Retained earnings		Other components of shareholders' equity				Total equity of the parent	interests	Shareholders' equity	
			Appropriated	Unappropriated	Unrealized gain (loss) on valuation of available-for-sale investments - net of income tax	Unrealized gain (loss) on investment in associate	Unrealized loss on investment in associates	Difference from change in shareholding proportion in subsidiary				Total other components shareholders' equity
Notes												
Balance as at January 1, 2018	1,319,693,385	2,377,168,913	131,969,339	1,952,926,137	863,285,391	353,351,764	(592,389)	15,591,664	1,231,636,430	7,013,394,204	2,354,059,267	9,367,453,471
Increase in share capital	24	243,440	2,190,000	-	-	-	-	-	-	2,433,440	-	2,433,440
Legal reserve	25	-	-	14,479,754	(14,479,754)	-	-	-	-	-	-	-
Dividend paid	26	-	-	-	(466,815,106)	-	-	-	-	(466,815,106)	(100,542,143)	(567,357,249)
Total comprehensive income for the year												
Profit for the year		-	-	-	723,672,451	-	-	-	-	723,672,451	152,735,953	876,408,404
Other comprehensive income for the year, net of income tax												
Actuarial loss on define employee benefit plans		-	-	-	263,848	-	-	-	-	263,848	-	263,848
Loss on valuation of available-for-sale investment		-	-	-	-	(91,391,379)	-	-	(91,391,379)	(91,391,379)	(138,092,284)	(229,483,663)
Share of other comprehensive loss of associates		-	-	-	-	-	(74,231,875)	-	(74,231,875)	(74,231,875)	-	(74,231,875)
Balance as at December 31, 2018	1,319,936,825	2,379,358,913	146,449,093	2,195,567,576	771,894,012	279,119,889	(592,389)	15,591,664	1,066,013,176	7,107,325,583	2,268,160,793	9,375,486,376

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2019

Baht													
Consolidated financial statements													
Equity attributable to owners of the parent										Non-controlling	Total		
	Issued and paid-up share capital	Share premium account	Retained earnings		Other components of shareholders' equity				Total equity of the parent	interests	Shareholders' equity		
			Appropriated	Unappropriated	Unrealized gain (loss) on valuation of available-for-sale investments - net of income tax	Unrealized gain (loss) on investment in associate	Unrealized loss on investment in associates	Difference from change in shareholding proportion in subsidiary				Total other components shareholders' equity	
Notes													
Balance as at January 1, 2019	1,319,936,825	2,379,358,913	146,449,093	2,195,567,576	771,894,012	279,119,889	(592,389)	15,591,664	1,066,013,176	7,107,325,583	2,268,160,793	9,375,486,376	
Increase in share capital	24	6,524,903	58,966,524	-	-	-	-	-	-	65,491,427	-	65,491,427	
Legal reserve	25	-	-	2,929,406	(2,929,406)	-	-	-	-	-	-	-	
Dividend paid	26	-	-	-	(518,780,671)	-	-	-	-	(518,780,671)	(85,038,555)	(603,819,226)	
Non - controlling interest increased from acquisition of investments in subsidiaries		-	-	-	-	-	-	-	-	-	79,299,233	79,299,233	
Total comprehensive income for the year													
Profit for the year		-	-	-	809,045,597	-	-	-	-	809,045,597	183,753,966	992,799,563	
Other comprehensive income for the year, net of income tax													
Actuarial loss on define employee benefit plans		-	-	-	(16,091,939)	-	-	-	-	(16,091,939)	(10,321,762)	(26,413,701)	
Gain on valuation of available-for-sale investment		-	-	-	-	442,367,856	-	-	-	442,367,856	147,388,349	589,756,205	
Share of other comprehensive loss of associates		-	-	-	(2,105,157)	-	(98,666,283)	-	-	(98,666,283)	(100,771,440)	(100,932,506)	
Balance as at December 31, 2019		1,326,461,728	2,438,325,437	149,378,499	2,464,706,000	1,214,261,868	180,453,606	(592,389)	15,591,664	1,409,714,749	7,788,586,413	2,583,080,958	10,371,667,371

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2019

		Baht					
		Separate financial statements					
		Issued and paid-up share capital	Share premium account	Retained earnings		Other components of equity	Total shareholder's equity
				Appropriated Legal reserve	Unappropriated	Unrealized gain on valuation of available- for-sale investments - net of income tax	
Notes							
		1,319,693,385	2,377,168,913	131,969,339	681,200,994	151,918,507	4,661,951,138
	24	243,440	2,190,000	-	-	-	2,433,440
	25	-	-	14,479,754	(14,479,754)	-	-
	26	-	-	-	(475,089,618)	-	(475,089,618)
Total comprehensive income for the year							
		-	-	-	652,897,038	-	652,897,038
Other comprehensive income for the year, net of income tax							
		-	-	-	-	32,253,246	32,253,246
		1,319,936,825	2,379,358,913	146,449,093	844,528,660	184,171,753	4,874,445,244
	24	6,524,903	58,966,524	-	-	-	65,491,427
	25	-	-	2,929,406	(2,929,406)	-	-
	26	-	-	-	(527,974,575)	-	(527,974,575)
Total comprehensive income for the year							
		-	-	-	713,656,501	-	713,656,501
Other comprehensive income for the year, net of income tax							
		-	-	-	-	305,838,094	305,838,094
		-	-	-	(4,171,171)	-	(4,171,171)
		1,326,461,728	2,438,325,437	149,378,499	1,023,110,009	490,009,847	5,427,285,520

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Cash flows from operating activities</u>				
Profit for the year	992,799,563	876,408,404	713,656,501	652,897,038
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities				
Bad debts and doubtful accounts	8,624,856	6,790,508	223,771	125,142
Depreciation	408,348,771	407,171,145	125,312,364	136,632,798
Amortization of intangible assets	5,035,840	5,368,703	2,223,556	2,223,816
Gain on disposal of equipment	(36,689)	(532,442)	(19,817)	(168,223)
Loss from write-off of fixed assets	25,046	4,791	25,046	5
(Gain) loss on sale investments	7,571,747	434,015	56,087	(571,658)
Share of profit of associates	(259,733,939)	(15,623,584)	-	-
Dividend income	(210,425,919)	(80,820,750)	(369,333,425)	(288,386,625)
Loss from impairment of investment in related company	11,400	7,080	-	-
Write-off withholding tax at source	97,144	-	-	-
Expense for employee benefit	65,651,116	22,635,069	16,879,134	7,690,588
Interest incomes	(15,050,305)	(17,087,501)	(5,885,035)	(7,936,223)
Interest expenses	201,101,377	159,694,158	111,798,669	68,788,667
Income tax expenses	206,445,299	189,415,821	82,387,041	86,990,564
Profit from operating activities before change in operational assets and liabilities	1,410,465,307	1,553,865,417	677,323,892	658,285,889
(Increase) decrease in operational assets				
Trade receivables	76,470,403	(164,801,731)	(1,722,829)	(8,995,189)
Inventories	(9,278,161)	(10,678,083)	(5,191,093)	(1,828,628)
Other current assets	(3,283,985)	(4,776,146)	385,538	(6,707,703)
Other non-current assets	(589,412)	(593,954)	(413,296)	(340,169)
Increase (decrease) in operational liabilities				
Trade payables	31,033,186	2,333,392	9,548,095	1,080,167
Accrued doctor fee	9,724,976	(1,999,291)	4,103,968	3,643,519
Accrued expenses	(1,643,594)	6,797,659	3,303,322	(3,140,848)

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Advance received	196,785,395	54,606,133	-	-
Other current liabilities	5,672,946	2,472,994	3,506,506	(455,401)
Liabilities under operating lease contracts	5,809,616	1,993,748	-	-
Employee benefit obligations paid	(6,085,030)	(7,036,832)	(3,019,401)	(3,541,124)
Other non-current liabilities	20,083,030	(6,822,972)	15,060,722	58,962
Cash receipt from operation	1,735,164,677	1,425,360,334	702,885,424	638,059,475
Interest received	492,947	509,280	410,350	455,607
Interest paid	(11,084)	(17,095)	-	-
Income tax paid	(209,088,124)	(228,193,026)	(80,883,852)	(88,891,831)
Net cash provided by operating activities	1,526,558,416	1,197,659,493	622,411,922	549,623,251
<u>Cash flows from investing activities</u>				
(Increase) decrease in short-term loan to related company	(15,220,000)	(42,300,000)	(3,220,000)	52,000,000
(Increase) decrease in fixed deposits pledged as collateral	8,235,611	(1,046,311)	-	-
Cash paid for available-for-sale investments	(1,962,541,102)	(483,135,144)	(1,944,585,440)	(357,040,469)
Cash received from sale for available-for-sale investment	35,204,312	121,846,082	1,422,168	1,660,793
Cash received sale investment in associates	-	(25,000,000)	-	(25,000,000)
Cash received from sale investment in subsidiary	(29,276,701)	-	-	-
Cash paid for other long-term investments	(92,000,000)	(4,500,000)	(82,000,000)	(4,500,000)
Cash received from sale of other long-term investments	-	80,000,000	-	-
(Decrease) in share subscription payable	(1,385,000)	(3,985,000)	-	-
Cash paid for acquisition of Investment property	(101,861)	-	(101,861)	-
Cash paid for acquisition of property, plant and equipment	(1,358,414,060)	(473,479,794)	(224,986,290)	(140,015,150)
Cash received from disposal of equipment	937,507	6,826,891	19,823	5,168,224
Cash paid for acquisition of intangible assets	(614,063)	(6,791,789)	(482,818)	(3,215,184)
Cash paid for advance payment of assets	24,262,682	-	-	-
Dividend received	289,722,708	152,835,305	369,333,425	288,386,625
Interest received	13,357,630	15,923,613	5,180,002	7,318,396
Net cash by used in investing activities	(3,087,832,337)	(662,806,147)	(1,879,420,991)	(175,236,765)

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Cash flows from financing activities</u>				
Increase in bank overdrafts and short-term loans				
from financial institutions	1,092,149,246	554,262,100	1,130,000,000	145,000,000
Increase (decrease) in short-term loans from related parties	32,420,000	(32,500,000)	(16,000,000)	8,000,000
Increase (decrease) in short-term loans from other persons	2,400,000	(138,250,000)	-	-
Cash received from long-term loans from financial institutions	2,364,858,130	430,000,000	1,414,858,130	430,000,000
Cash paid for long-term loans from financial institutions	(966,821,719)	(731,812,569)	(659,267,433)	(434,178,284)
Cash paid for liabilities under finance lease agreements	(9,964,263)	(9,169,659)	(8,738,427)	(8,325,807)
Cash received from paid-up for share capital	65,491,427	2,433,440	65,491,427	2,433,440
Cash received advance from shares	36,378,150	-	-	-
Cash received from share payment	57,790,000	750,000	-	-
Dividend paid	(614,824,534)	(574,210,674)	(527,210,475)	(474,045,268)
Interest paid	(202,868,007)	(161,823,458)	(113,077,765)	(70,705,041)
Net cash provided by (used in) financing activities	1,857,008,430	(660,320,820)	1,286,055,457	(401,820,960)
Net increase (decrease) in cash and cash equivalents	295,734,509	(125,467,474)	29,046,388	(27,434,474)
Cash and cash equivalents, at the beginning of the year	307,120,538	432,588,012	41,300,531	68,735,005
Cash and cash equivalents, at the end of the year	602,855,047	307,120,538	70,346,919	41,300,531
<u>Supplement disclosures of cash flows information</u>				
1. Reconciliation of cash paid for acquisition of property, plant and equipment				
Acquisition of property, plant and equipment for the year	(1,401,021,257)	(506,347,469)	(216,995,053)	(156,184,188)
Interest expenses are recongnized to fixed assets	7,375,469	1,257,824	2,880,624	1,257,824
Decrease in advance payment of assets	-	4,496,687	-	-
Increase in liabilities under financial lease agreements	3,382,725	5,236,560	3,382,726	3,492,509
Increase (decrease) in payable from acquisition of assets	31,849,003	21,876,604	(14,254,587)	11,418,705
Cash paid for acquisition of property, plant and equipment	(1,358,414,060)	(473,479,794)	(224,986,290)	(140,015,150)
2. Reconciliation of proceed from disposal of equipment				
Disposal of equipment	937,507	1,826,891	19,823	168,224
Decrease in receivable from disposal of equipment	-	5,000,000	-	5,000,000
Cash received from disposal of equipment	937,507	6,826,891	19,823	5,168,224

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
3. Reconciliation of dividend received				
Dividend income for the year	289,722,708	152,835,305	369,333,425	288,386,625
(Increase) decrease accrued dividend	-	-	-	-
Dividend received	289,722,708	152,835,305	369,333,425	288,386,625
4. Reconciliation of dividend paid				
Dividend paid for the year	(617,481,252)	(575,631,763)	(527,974,574)	(475,089,619)
Increase in accrued dividend	2,656,718	1,421,089	764,099	1,044,351
Dividend paid	(614,824,534)	(574,210,674)	(527,210,475)	(474,045,268)

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. GENERAL INFORMATION

The Company was registered as a public company incorporated and resident in Thailand.

The principal business operations of the Company is to provide the medical services known as “Vibhavadi Hospital”.

The Company’s registered office is located at 51/3 Ngam Wong Wan Road, Latyao sub-district, Chatuchak district, Bangkok.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for preparation of the financial statements

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

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

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Basis for the preparation of consolidated financial statements

2.2.1 The consolidated financial statements have included the financial statements of Vibhavadi Medical Center Public Co., Ltd., subsidiaries and associated companies as follows;

Name of Company	Type of business	Percentage of holding % of share capital		Head office location
		2019	2018	
<u>Direct subsidiary and associated companies</u>				
<u>Subsidiary companies</u>				
Princeton Park Suites Co., Ltd.	Hotel	99.99	99.99	Bangkok
Chiang Mai Ram Medical Business Public Co., Ltd.	Hospital	83.55	83.55	Chiang Mai
Beauty Design Center Co., Ltd. **	Beauty Business	50.00	-	Bangkok
<u>Associated company</u>				
Vibharam Hospital Co., Ltd.	Hospital	40.75	40.75	Bangkok
Thippayabadin Co., Ltd.	Trading medical instruments	33.33	33.33	Bangkok
Bangpo General Hospital Co., Ltd.	Hospital	28.57	28.57	Bangkok

Company name	Type of business	Percentage of holding % of share capital		Head office location
		2019	2018	
<u>Indirect subsidiary and associated companies</u>				
<u>held by Chiang Mai Ram Medical Business Public Co., Ltd.</u>				
<u>Subsidiary company</u>				
Chiang Mai Ram Hospital Co., Ltd.	Hospital	47.09	47.09	Chiang Mai
Hariphunchai Memorial Co., Ltd.	Hospital	72.43	72.43	Lamphun
<u>held by Princeton Park Suites Co., Ltd.</u>				
<u>Subsidiary company</u>				
Beauty Design Center Co., Ltd. **	Beauty Business	-	50.00	Bangkok
<u>held by Chiang Mai Ram Hospital Co., Ltd.</u>				
<u>Subsidiary company</u>				
Thepanya Business Co., Ltd.	Hospital	47.09	47.09	Chiang Mai
Ramkhamhaeng Chiangmai Hospital Co., Ltd.*	Hospital	45.14	-	Chiang Mai
<u>Associated company</u>				
Khelang Nakorn Hospital Co., Ltd.	Hospital	11.99	11.99	Lampang
Pawo Hospital Co., Ltd.	Hospital	23.54	23.54	Tak

* According to the Board of Directors' subsidiary Meeting No. 7/2018 dated December 25, 2018, it had the resolution for Chiang Mai Ram Medical Business Public Co., Ltd. and Chiang Mai Ram Hospital Co., Ltd. to invest in Ramkhamhaeng Chiangmai Hospital Co., Ltd. On March 1, 2019, its subsidiary had held the shares in such company for 18% and the indirect subsidiary - Chiang Mai Ram Hospital Co., Ltd. had held the shares for 63% totaled 81%. From investing and having control over such business, it had resulted for Ramkhamhaeng Chiangmai Hospital Co., Ltd. to be considered as the subsidiary of Chiang Mai Ram Hospital Co., Ltd. The subsidiaries have adopted the financial statements of such companies to prepare the consolidated financial statements from the first quarter of 2019, onwards.

On May 2, 2019, such company has call up Baht 7 per share, from its subsidiary - Chiang Mai Ram Medical Business Public Co., Ltd. had paid for the shares amounted Baht 50.40 million and from the indirect subsidiary - Chiang Mai Ram Hospital Co., Ltd. had paid for the shares amounted Baht 179.79 million totaled Baht 230.19 million, resulting in indirect subsidiary - Chiang Mai Ram Hospital Co., Ltd. held in that company to increase from 63.00% to 63.85% totaled 81.85%.

And on July 26, 2019, such company has registered the capital increase for 4 million shares at Baht 10 per share, amounted Baht 40.00 million. Its subsidiary - Chiang Mai Ram Medical Business Public Co., Ltd. had paid the shares amounted Baht 7.20 million and from the indirect subsidiary, Chiang Mai Ram Hospital Co., Ltd. had paid the shares amounted Baht 25.82 million totaled Baht 33.02 million, resulting in the indirect subsidiary - Chiang Mai Ram Hospital Co., Ltd. held in such company to increase from 63.85% to 63.91% totaled 81.91%.

** According to the Board of Directors' Extra Meeting No. 4/2019 dated September 25, 2019, it had the adjustment of investment structure to approved the Princeton Park Suites Co., Ltd. transfer all of shares of Beauty Design Center Co., Ltd., of shareholding 50 percent to be considered as the subsidiary and Legacy Golf (Thailand) Co., Ltd. of shareholding 10 percent to be considered as the other long-term investments to the company as discussed in Note 12 to the financial statements.

- 2.2.2 Accounting policy for subsidiary companies will utilize the same policy as Vibhavadi Medical Center Public Company Limited.
- 2.2.3 Outstanding balances and significant transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- 2.2.4 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately from the portion of owners of the parent.

2.3 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

2.4 Financial reporting standards that will become effective in the future

During the year, the Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial reporting standard interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

TFRS 16 Leases

These TFRSs supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

3. ACCOUNTING POLICIES

3.1 Recognition of revenues

Revenue from hospital operations which mainly consists of revenues for medical expenses, rental fee, medication fee and will be recognized when the service is provided to customers or medication has been delivered.

Revenue for medical expenses in social security system and the National Health Security Office has been recorded in accordance with rules, methods and conditions as specified units. Service revenue is recognized when service is provided to customers.

Interest income is recognized over the period of time in consideration of the effective rate.

Dividend income is recognized when the right to receive the dividend is established.

Other revenues are recognized on accrual basis.

3.2 Recognition of expenses

Expenses are recognized on an accrual basis.

3.3 Cash and cash equivalents

Cash and cash equivalents consist of cash and deposits at financial institutions with an original maturity of 3 months or less and excluded cash at banks which are used for guarantee.

3.4 Trade and other receivables and allowance for doubtful accounts

Trade and other receivables are stated at the amount expected to be collectible, allowance for doubtful accounts estimate from those trade and other receivables which are likely to be uncollectible.

3.5 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is calculated on first-in first-out basis.

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

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

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

3.6 Investments

Available-for-sale investments

Available-for-sale investments are investments in marketable equity securities to be held for an indefinite period of time, which may be sold in response to liquidity needs, presented as long-term investment unless management has intended to hold the investment for less than 1 year, presented as temporary investment.

Available-for-sale investments are stated at fair value. Fair value of listed securities are calculated on the financial statement date by the latest bid of the last working day of the period and fair value of unit trusts are calculated on net asset value of unit trust at the last working day of the period which announced by the fund management company. Changes in the fair value of available-for-sale investments are recorded as a separate item under the other components of equity, and will be recorded as gain or losses in the statement of comprehensive income when the investment are sold. Average method is used for computation of cost of investments. When the decline in fair value of the investments in the securities of each type is permanent, the losses declining from such valuation will be loss of impairment and recognized included in calculating gain or losses for the period.

Investments in associates and subsidiaries

Associates are those companies in which the Company has significant influence over the associates, that is the Company has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associated are stated by equity method in consolidated financial statements. In case of the associates have capital deficiencies the recognition of Company's portion on such investments will be equal to zero only.

Subsidiaries are those companies in which the Company has the power to control the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights.

Investments in associates and subsidiaries are stated at cost net from allowance on impairment (if any). Loss on impairment of investment will be recognized as loss in the statement of comprehensive income in the separate financial statements and investments in associates and subsidiaries are stated at equity in the consolidated financial statements.

General investments - investment in related parties and other companies

Related parties are those companies in which the Company has shareholding less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons.

Other companies are those companies in which the Company has shareholding but has no power to govern or participate in setting up any policy.

General investments in related parties and other companies are stated at cost net from allowance on impairment (if any). Loss on impairment of investment will be recognized as loss in the statement of comprehensive income.

Investment in debt securities which the Company intent and able to hold investment to maturity. Investment in debt securities is stated at amortized cost , presented as long - term investment unless management has intended to hold over 1 year.

3.7 Goodwill

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

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

Goodwill is the excess of the cost of the business combination over the Company's interest in the fair value of the identifiable net assets of the subsidiary. If the Company's interest in the fair

value of the identifiable net assets of the subsidiary exceeds the cost of the business combination, the excess is immediately recognized as gain in profit or loss.

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

3.8 Investment property

Investment property is stated at cost less accumulated depreciation and allowance on impairment (if any).

Depreciation of investment property under building for rent category is calculated by the straight-line method over the estimated useful life of 20 years. Depreciation of investment property is included in determining income.

3.9 Property, plant and equipment

Land is stated at cost. Plant and equipments are stated at cost less accumulated depreciation and allowance on impairment (if any).

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

Expenditure related to improvement, life renewal or improvement of assets which will cause the present replacement prices of the assets materially increased will be combined as cost prices of assets.

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line method over the useful lives.

Plant and equipments for the subsidiary company, which were taken in 1990, are calculated on sinking fund method, plant and equipments which were acquired after 2002, are calculated on a straight-line method over their approximate useful lives.

Plant and equipments for the subsidiary company, which were taken in 1994, are calculated on sinking fund method, plant and equipments which were acquired after 2002, are calculated on a straight-line method over their approximate useful lives.

Medical instruments of the Company, which were taken before 2013, are calculated on straight-line method over their approximate useful lives, medical instruments which were taken until 2013, are calculated on a double declining balance method.

Their approximate useful lives of plant and equipment were as follows:

<u>Type of fixed assets</u>	<u>Years</u>
Land improvements	10

Buildings and building improvements	10-50
Medical instruments and office appliances	5-25
Furniture, fixture and equipment	3-25
Appliances health center	5-10
Vehicles	5-10

Do not depreciate for construction in progress.

Review the residual value and useful lives of the assets every year.

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

Depreciation is included in determining income.

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

3.10 Borrowing costs

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

3.11 Intangible assets

Intangible assets are deferred computer software which is stated at cost less accumulated amortization and allowance on impairment (if any). Amortization is calculated on a straight-line method for 3-10 years.

3.12 Impairment of assets

As at the statement of financial position date, the Company and its subsidiaries assess whether there is an indication of asset impairment. If any such indication exists, the Company and its subsidiaries will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

3.13 Operation lease contracts

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

3.14 Financial lease contracts

The contract of lease assets carried the risk and owner remuneration is mainly transferred to lessors will be classified as financial leased contract. The contract of financial lease is recorded as capital expenditure by fair value of leased asset or present value of minimum amount which has to repay in accordance with the leased contract whichever amount is lower. The amount which has to repay in each time is divided as liability portion and financial expenditure so that fixed interest rate over outstanding liability obligation burden in accordance with the financial leased contract will be recorded as long term liability. Interest payable will be recorded in the statement of income throughout the leased contract life. Asset which acquired by financial leased contract will be depreciated in accordance with the estimated useful life of those assets.

3.15 Trade and other payables

Trade and other payables were shown in cost method.

3.16 Financial instruments

The Company and its subsidiaries have no policy to speculate in or engage in the trading of any financial derivative instruments.

Financial instruments carried in the balance sheet include deposits at financial institutions, trade receivable, trade payable, bank overdrafts, short-term loans from financial institutions, long-term loans, accrued income tax and expenses and finance lease payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

3.17 Using of accounting estimation

Preparation of financial statements in conformity with the financial reporting standards requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

3.18 Provisions

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

3.19 Appropriation of retained earnings

The appropriation of retained earnings is attributable to the Public Company Act B.E. 2535 (1992). The Company will appropriate retained earnings at least 5% of its annual net income as legal reserve.

3.20 Employee benefits

Short-term employment benefits

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

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law. The Company treats these severance payment obligations as a defined benefit plan.

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

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

3.21 Related parties

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

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

3.22 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

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

Deferred tax

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

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognized for the following temporary difference; the initial recognition goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

3.23 Basic earnings per share

Basic earnings per share are calculated by dividing profit for the year with the weighted average number of the issued and paid-up shares at the end of the period.

3.24 Significant accounting judgements and estimates

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

3.24.1 Accrued revenues from hospital operations

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

3.24.2 Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

3.24.3 Impairment of investment in subsidiary

In determining reviews the impairment of investment which requires management to prepare projections of the cash flows expected to be generated by the investment in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

3.24.4 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement in evaluating the conditions and details of the agreement whether significant risk and rewards of ownership of the leased asset has been transferred.

3.24.5 Investment property/Depreciation

In determining depreciation of investment property, the management is required to make estimates of the useful lives and residual values of the investment property and to review the useful lives and residual values when there are any changes.

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

In determining the fair value disclosure of investment property, the management used the income approach supported by current and previous valuations by an independent appraiser.

3.24.6 Property, plant and equipment/Depreciation

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

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

3.24.7 Goodwill and intangible assets

In recording the initial recognition and measurement of goodwill and other intangible assets as at the acquired date and subsequent impairment testing, the management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

3.24.8 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. Such transactions were concluded on commercial terms and agreed upon bases which were ordinary course of business and summarized below:

Nature of relationships

Nature of relationships with related parties, whether directly or indirectly are as follows:

Name of parties	Nature of relationships
<u>Subsidiary companies</u>	
Princeton Park Suites Co., Ltd.	Shareholding and directorship
Chiang Mai Ram Medical Business Public Co., Ltd.	Shareholding and directorship
Beauty Design Center Co., Ltd.	Shareholding and directorship (since September 25, 2019 onward)
<u>Indirect subsidiary companies</u>	
Chiang Mai Ram Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Medical Business Public Co., Ltd.
Hariphunchai Memorial Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Medical Business Public Co., Ltd.
Ramkhamhaeng Chiangmai Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Hospital Co., Ltd. and Chiang Mai Ram Medical Business Public Co., Ltd.
Theppanya Business Co., Ltd.	Shareholding by Chiang Mai Ram Hospital Co., Ltd.
<u>Associated companies</u>	
Vibharam Hospital Co., Ltd.	Shareholding and directorship
Thippayabadin Co., Ltd.	Shareholding and directorship
Bangpo General Hospital Co., Ltd.	Shareholding and directorship
<u>Indirect associated companies</u>	
Khelang Nakorn Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Hospital Co., Ltd. and directorship
Pawo Hospital Co., Ltd.	Shareholding by Theppanya Business Co., Ltd. and directorship
<u>Related companies</u>	
Chao Phaya Hospital Public Co., Ltd.	Inter-shareholding and directorship
Synphaet Hospital Co., Ltd.	Inter-shareholding and directorship
Supalerk U-Thong Hospital Co., Ltd.	Shareholding
Nawanakorn Medical Co., Ltd.	Shareholding
Innovation Technology Co., Ltd.	Shareholding and directorship

Name of parties	Nature of relationships
<u>Related companies</u>	
Seriruk Hospital Co., Ltd.	Shareholding and directorship
Legacy Golf (Thailand) Co., Ltd	Share held by subsidiary and directorship
Vibharam - Pakkred Hospital Co., Ltd.	Share held by associate and directorship
Vibharam (Amatanakorn) Hospital Co., Ltd.	Share held by associate and directorship
Vibharm - Chaiprakarn Hospital Co., Ltd.	Share held by associate and directorship
Ramkhamhaeng Hospital Public Co., Ltd.	Shareholder and directorship
Sikarin Public Co., Ltd.	Shareholder and directorship
F & S 79 Co., Ltd.	Shareholder and directorship
Phayao Ram Hospital Co., Ltd.	Shareholder and directorship
Khonkaen Ram Hospital Co., Ltd.	Shareholder and directorship
Bhumpanya International Co., Ltd.	Shareholder and directorship
Chaiyapum Ram Hospital Co., Ltd.	Shareholder and directorship
Piyasiri Co., Ltd.	Shareholder and directorship
Phrae Prommit Hospital Co., Ltd.	Shareholder and directorship
Gassan Chiangmai Property Co., Ltd.	Shareholder and directorship
Gassan Khuntan Golf and Resort Co., Ltd.	Shareholder and directorship
Gassan Marina Golf Club Co., Ltd.	Shareholder and directorship

Pricing policy

Business transaction	Pricing policies
Income from medical treatment	At normal business prices; the same as other entities
Rental and service income	At contract prices which are agreed upon
Other revenue	At normal business prices; the same as other entities
Loans to	At market interest rates or approximates
Loans from	At market interest rates or approximates
Purchase inventory	At prices which had been agreed upon
Purchase/Disposal of fixed assets	At prices which had been agreed upon

The balances at the end of the year were as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables				
Subsidiary companies	-	-	204,412	112,803
Associated companies	349,399	1,530,552	41,670	4,500
Related companies	596,823	662,577	557,665	658,420
Total	<u>946,222</u>	<u>2,193,129</u>	<u>803,747</u>	<u>775,723</u>
Short-term loans to				
Subsidiary companies	-	-	11,419,494	-
Associated companies	15,000,000	15,000,000	15,000,000	15,000,000
Related companies	290,125,000	321,300,000	91,000,000	93,000,000
Total	<u>305,125,000</u>	<u>336,300,000</u>	<u>117,419,494</u>	<u>108,000,000</u>
Interest receivable (other non-current assets)				
Subsidiary companies	-	-	211,560	-
Associated companies	60,514	118,470	60,514	118,470
Related companies	30,845,531	29,693,114	186,747	142,997
Less Allowance for doubtful accounts	<u>(28,938,675)</u>	<u>(28,938,675)</u>	<u>-</u>	<u>-</u>
Total	<u>1,967,370</u>	<u>872,909</u>	<u>458,821</u>	<u>261,467</u>
Other receivables (other current assets)				
Subsidiary companies	-	-	-	5,361,005
Related companies	-	7,704	-	7,704
Total	<u>-</u>	<u>7,704</u>	<u>-</u>	<u>5,368,709</u>
Capital decrease receivable (other current assets)				
Subsidiary companies	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,199,494</u>
Prepaid expenses				
Associated companies	-	3,780,000	-	3,780,000
Related companies	1,168,750	1,125,000	1,168,750	1,125,000
Total	<u>1,168,750</u>	<u>4,905,000</u>	<u>1,168,750</u>	<u>4,905,000</u>
Available-for-sale investments				
Related companies	<u>5,852,630,872</u>	<u>3,318,674,320</u>	<u>3,257,107,872</u>	<u>1,074,969,720</u>
Long-term loans to				
Related companies	53,228,730	58,853,730	-	-
Less Allowance for doubtful accounts	<u>(29,228,730)</u>	<u>(29,228,730)</u>	<u>-</u>	<u>-</u>
Total	<u>24,000,000</u>	<u>29,625,000</u>	<u>-</u>	<u>-</u>
Trade payables				
Associated companies	14,609	-	-	-
Related companies	29,485,559	17,620,994	2,433,556	646,845
Total	<u>29,500,168</u>	<u>17,620,994</u>	<u>2,433,556</u>	<u>646,845</u>

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term loans from				
Related persons	633,053,818	589,853,818	-	-
Payable from acquisition of assets				
Related persons	11,890,210	33,878,468	30,000	6,072,468
Accrued expenses				
Subsidiary companies	-	-	991,042	409,648
Associated companies	642,067	-	-	-
Related companies	122,290	368,976	-	-
Total	764,357	368,976	991,042	409,648
Advance received from shares				
Related persons	36,378,150	-	-	-
Payable from transfer share				
Subsidiary companies	-	-	185,845,281	-
Accrued interest (current liabilities)				
Related persons	111,473	18,589	-	-
Other payables				
Associated companies	3,400	-	3,400	-
Related companies	1,376,211	1,459,430	1,123,133	949,370
Total	1,379,611	1,459,430	1,126,533	949,370
Long-term loans from				
Related companies	176,000,000	192,000,000	176,000,000	192,000,000
Retention deposit (other non-current liabilities)				
Related companies	1,442,235	-	1,442,235	-
Deposit (other non-current liabilities)				
Subsidiary companies	-	-	200,000	200,000

Significant business transactions for the years ended December 31, 2019 and 2018 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Income from medical treatment				
Subsidiary companies	-	-	764,026	300,606
Associated companies	661,910	379,508	357,722	121,528
Related companies	2,069,095	1,778,534	2,034,007	1,778,534
Total	2,731,005	2,158,042	3,155,755	2,200,668
Rental and service income				
Subsidiary companies	-	-	2,609,858	2,688,323
Related companies	53,000	87,500	53,000	87,500
Total	53,000	87,500	2,662,858	2,775,823

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Dividend income				
Subsidiary companies	-	-	179,792,800	157,985,800
Associated companies	-	-	67,450,085	67,450,085
Related companies	200,969,649	74,452,540	114,738,849	59,080,740
Total	<u>200,969,649</u>	<u>74,452,540</u>	<u>361,981,734</u>	<u>284,516,625</u>
Interest income				
Subsidiary companies	-	-	211,560	-
Associated companies	654,544	2,682,169	654,544	2,682,169
Related companies	14,639,060	12,741,441	4,372,262	4,798,447
Total	<u>15,293,604</u>	<u>15,423,610</u>	<u>5,238,366</u>	<u>7,480,616</u>
Other income				
Associated companies	1,200	1,900	-	-
Related companies	-	24,400	-	24,400
Total	<u>1,200</u>	<u>26,300</u>	<u>-</u>	<u>24,400</u>
Cost of medical treatment				
Associated companies	4,164,264	1,982,704	2,435,560	330,472
Related companies	36,468,776	43,047,327	453,388	16,848,151
Total	<u>40,633,040</u>	<u>45,030,031</u>	<u>2,888,948</u>	<u>17,178,623</u>
Service expense				
Subsidiary companies	-	-	331,000	-
Associated companies	934,234	-	934,234	-
Related companies	11,680,568	12,057,439	11,680,568	12,057,439
Total	<u>12,614,802</u>	<u>12,057,439</u>	<u>12,945,802</u>	<u>12,057,439</u>
Miscellaneous expenses				
Subsidiary companies	-	-	5,543,886	2,973,864
Related companies	3,886,437	5,187,450	334,608	70
Total	<u>3,886,437</u>	<u>5,187,450</u>	<u>5,878,494</u>	<u>2,973,934</u>
Interest expenses				
Related persons	28,142,019	34,637,853	5,460,397	6,575,096
Purchase of inventories				
Related companies	87,531,346	55,070,813	-	-
Purchase of assets				
Related companies	76,264,488	60,598,860	41,562,378	8,364,031
Dividend paid				
Related companies	80,191,580	97,907,422	37,299,912	33,569,921
Management benefit expense				
Short-term benefits	112,291,934	106,795,688	47,991,549	47,709,200
Post-term benefits	28,548	26,098	-	-
Total	<u>112,320,482</u>	<u>106,821,786</u>	<u>47,991,549</u>	<u>47,709,200</u>

Management benefit expenses

Management benefit expenses represents the benefits paid to the Company and its subsidiaries management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company and its subsidiaries management are the persons who are defined under the Securities and Exchange Act. The management is comprised managing director or the managements who have the top position at the management level from the four lists following by the manager level.

5. CASH AND CASH EQUIVALENT

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	8,830,090	9,148,509	4,954,363	5,075,373
Bank deposit - saving accounts	578,007,730	295,846,451	67,829,150	39,952,656
Bank deposit - current accounts	15,301,430	1,410,899	(2,436,594)	(3,732,021)
Bank deposit - fix accounts, three-months	715,797	714,679	-	4,523
Total	<u>602,855,047</u>	<u>307,120,538</u>	<u>70,346,919</u>	<u>41,300,531</u>

Cash at bank - current account with credit balance, the Company has made an agreement to allow the bank to automatically transfer funds from savings account to such current account, in case of an overdraft.

6. TRADE RECEIVABLES

Trade receivables classified by aging were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accrued income	225,934,377	354,373,605	-	-
Trade receivables				
Not yet due	262,150,885	222,216,895	113,039,038	113,659,924
Over due period				
Less than and up to 3 months	99,366,853	89,051,023	16,690,542	13,741,844
Over 3 months up to 6 months	13,713,765	13,863,430	1,217,142	1,888,546
Over 6 months up to 12 months	8,393,502	9,736,005	324,928	482,278
Over 12 months	48,631,759	64,665,170	1,419,583	1,195,812
Total	658,191,141	753,906,128	132,691,233	130,968,404
<u>Less: Allowance for doubtful accounts</u>	<u>(65,596,083)</u>	<u>(76,215,811)</u>	<u>(1,419,583)</u>	<u>(1,195,812)</u>
Net	<u>592,595,058</u>	<u>677,690,317</u>	<u>131,271,650</u>	<u>129,772,592</u>

For the years ended December 31, 2019 and 2018, the movement of allowance for doubtful accounts were as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Allowance for doubtful accounts - beginning	(76,215,811)	(86,371,905)	(1,195,812)	(1,070,670)
(Increase) decrease reserve during the year	(8,624,856)	(6,790,508)	(223,771)	(182,134)
Bad debt	19,244,584	16,946,602	-	56,996
Allowance for doubtful accounts - ending	<u>(65,596,083)</u>	<u>(76,215,811)</u>	<u>(1,419,583)</u>	<u>(1,195,812)</u>

7. SHORT-TERM LOANS TO RELATED PARTIES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Related parties	<u>305,125,000</u>	<u>336,300,000</u>	<u>117,419,494</u>	<u>108,000,000</u>

Changes in the short-term loans to related parties for the years ended December 31, 2019 and 2018 were summarized as follows:

	Interest rate per annum (%)	Baht			
		Consolidated financial statements			As at December 31, 2019
		As at December 31, 2018	Transaction during the year		
			Increase	Decrease	
Khonkaen Ram Hospital Co., Ltd.	7.00	18,000,000	-	-	18,000,000
Gassan Marina Golf Club Co., Ltd.	4.50	76,000,000	52,000,000	(40,000,000)	88,000,000
Gassan Chiangmai Property Co., Ltd.	4.50	7,500,000	-	-	7,500,000
Ramkhamhaeng Hospital Chiangmai Co., Ltd.	3.75 - 4.25	46,800,000	-	(46,800,000)	-
Phayao Ram Hospital Co., Ltd	8.00	-	5,625,000	-	5,625,000
Legacy Golf (Thailand) Co., Ltd	4.50	80,000,000	-	-	80,000,000
Thippayabadin Co., Ltd.	4.75	15,000,000	-	-	15,000,000
Innovation Technology Co., Ltd.	4.25 - 4.80	93,000,000	10,000,000	(12,000,000)	91,000,000
Total		<u>336,300,000</u>	<u>67,625,000</u>	<u>(98,800,000)</u>	<u>305,125,000</u>

	Interest rate per annum (%)	Baht			
		Consolidated financial statements			As at December 31, 2018
		As at December 31, 2017	Transaction during the year		
			Increase	Decrease	
Khonkaen Ram Hospital Co., Ltd.	7.00	18,000,000	-	-	18,000,000
Vibharam (Amatanakorn) Hospital Co., Ltd.	4.50	30,000,000	-	(30,000,000)	-
Gassan Marina Golf Club Co., Ltd.	4.50	86,000,000	-	(10,000,000)	76,000,000
Gassan Chiangmai Property Co., Ltd.	4.50	-	7,500,000	-	7,500,000
Ramkhamhaeng Hospital Chiangmai Co., Ltd.	3.75 - 4.25	-	49,200,000	(2,400,000)	46,800,000
Legacy Golf (Thailand) Co., Ltd	4.50	-	80,000,000	-	80,000,000
Thippayabadin Co., Ltd.	4.75	65,000,000	20,000,000	(70,000,000)	15,000,000
Innovation Technology Co., Ltd.	4.25 - 4.80	95,000,000	83,000,000	(85,000,000)	93,000,000
Total		<u>294,000,000</u>	<u>239,700,000</u>	<u>(197,400,000)</u>	<u>336,300,000</u>

		Baht			
		Separate financial statements			
	Interest rate per annum (%)	As at December	Transaction during the year		As at December
		31, 2018	Increase	Decrease	31, 2019
Princeton Park Suites Co., Ltd.	4.00	-	21,299,494	(9,880,000)	11,419,494
Thippayabadin Co., Ltd.	4.75	15,000,000	-	-	15,000,000
Innovation Technology Co., Ltd.	4.25 - 4.80	93,000,000	10,000,000	(12,000,000)	91,000,000
Total		<u>108,000,000</u>	<u>31,299,494</u>	<u>(21,880,000)</u>	<u>117,419,494</u>

		Baht			
		Separate financial statements			
	Interest rate per annum (%)	As at December	Transaction during the year		As at December
		31, 2017	Increase	Decrease	31, 2018
Thippayabadin Co., Ltd.	4.75	65,000,000	20,000,000	(70,000,000)	15,000,000
Innovation Technology Co., Ltd.	4.25 - 4.80	95,000,000	83,000,000	(85,000,000)	93,000,000
Total		<u>160,000,000</u>	<u>103,000,000</u>	<u>(155,000,000)</u>	<u>108,000,000</u>

The Company and its subsidiaries have loans to related parties in the form of promissory note and bill of exchange due at call. The interest will be paid every month. The said loan had no security.

8. INVENTORIES

Consisted of:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Medicines and medical supplies		168,550,271	158,419,165	47,648,555	42,337,959
Office supplies and other supplies		4,853,283	5,722,906	1,275,554	1,529,553
Stationeries		714,726	566,619	408,664	253,716
Cuisine		441,081	572,509	99,231	119,683
Total		<u>174,559,361</u>	<u>165,281,199</u>	<u>49,432,004</u>	<u>44,240,911</u>

9. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at December 31, 2019 and 2018, the subsidiary pledged fixed deposit amounted to Baht 36.25 million and Baht 44.89 million, respectively which carried the period of 6 months and 12 months, interest rate at 0.55% - 1.00% per annum and 0.55% - 1.00% per annum, respectively to guarantee to electricity using, Post Office Department and Social Security Office.

10. AVAILABLE-FOR-SALE INVESTMENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Unit trust	780,080	766,088	-	-
Common stock	6,313,495,459	3,656,549,151	3,674,474,522	1,349,069,720
Total	6,314,275,539	3,657,315,239	3,674,474,522	1,349,069,720

10.1 Unit trust consisted of :

	Baht			
	Consolidated financial statements			
	Investments		Dividend income	
	2019	2018	2019	2018
Unit trust	733,519	733,519	-	-
<u>Add</u> Unrealized gain on valuation of available-for-sale investments	46,561	32,569	-	-
Total	780,080	766,088	-	-

10.2 Common stock consisted of :

	Baht			
	Consolidated financial statements			
	Investments		Dividend income	
	2019	2018	2019	2018
Investments in marketable equity security - common stock	3,781,551,934	1,861,786,890	160,833,441	32,014,510
<u>Add</u> Unrealized gain on valuation of available-for-sale investments	2,531,943,525	1,794,762,261	-	-
Total	6,313,495,459	3,656,549,151	160,833,441	32,014,510

	Baht			
	Separate financial statements			
	Investments		Dividend income	
	2019	2018	2019	2018
Investment in marketable equity security - common stock	3,061,962,214	1,118,855,029	75,948,062	15,719,500
<u>Add</u> Unrealized gain on valuation of available-for-sale investments	612,512,308	230,214,691	-	-
Total	3,674,474,522	1,349,069,720	75,948,062	15,719,500

The movement of investments in marketable equity security - common stock for the years ended December 31, 2019 and 2018, were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning book value	3,656,549,151	3,578,788,239	1,349,069,720	952,801,829
Purchase investments	1,962,541,103	483,134,950	1,944,585,441	357,040,469
Sale investments	(42,776,059)	(118,510,298)	(1,478,256)	(1,089,135)
Changes in fair value	737,181,264	(286,863,740)	382,297,617	40,316,557
Ending book value	6,313,495,459	3,656,549,151	3,674,474,522	1,349,069,720

Changes in unrealized gain on remeasuring available-for-sale investments for the years ended December 31, 2019 and 2018, were as follows :

	Baht		
	As at December	Transaction during the year	As at December
	31, 2018	Increase (decrease)	31, 2019
<u>Consolidated/Separate financial statements</u>			
The separate			
- Sikarin Public Co., Ltd.	234,191,512	304,040,037	538,231,549
- Thai Nakarin Hospital Public Co., Ltd.	560,435	(54,825,956)	(54,265,521)
- Ramkhamhaeng Hospital Public Co., Ltd.	-	133,450,381	133,450,381
- Other companies	(4,537,256)	(366,845)	(4,904,101)
Total	230,214,691	382,297,617	612,512,308
<u>Consolidated financial statements</u>			
<u>Direct subsidiary company</u>			
Princeton Park Suites Co., Ltd.			
- Other companies	(6,645,352)	6,645,352	-
<u>Indirect subsidiary company</u>			
Chiang Mai Ram Hospital Co., Ltd.			
- Ramkhamhaeng Hospital Public Co., Ltd.	1,571,110,600	351,818,400	1,922,929,000
- Other companies	82,322	(3,580,105)	(3,497,783)
Total	1,794,762,261	737,181,264	2,531,943,525

	Baht		
	As at December	Transaction during the year	As at December
	31, 2017	Increase (decrease)	31, 2018
<u>Consolidated/Separate financial statements</u>			
The separate			
- Sikarin Public Co., Ltd.	191,791,548	42,399,964	234,191,512
- Thai Nakarin Hospital Public Co., Ltd.	(2,543,608)	3,104,043	560,435
- Other companies	650,194	(5,187,450)	(4,537,256)
Total	189,898,134	40,316,557	230,214,691

	Baht		
	As at December 31, 2017	Transaction during the year Increase (decrease)	As at December 31, 2018
<u>Consolidated financial statements</u>			
<u>Direct subsidiary company</u>			
Princeton Park Suites Co., Ltd.			
- Other companies	(5,761,564)	(883,788)	(6,645,352)
<u>Indirect subsidiary company</u>			
Chiang Mai Ram Hospital Co., Ltd.			
- Ramkhamhaeng Hospital Public Co., Ltd.	1,888,437,000	(317,326,400)	1,571,110,600
- Other companies	9,052,431	(8,970,109)	82,322
Total	2,081,626,001	(286,863,740)	1,794,762,261

Ramkhamhaeng Hospital Public Co., Ltd.

As at December 31, 2019, the Company has pledged this share of Ramkhamhaeng Hospital Co., Ltd. in the amount of shares 10,000,000, with a financial institution to secure the credit facilities as discussed in Note 20 to the financial statements.

11. INVESTMENTS IN ASSOCIATES

11.1 Investments in associated companies accounted for using the cost and equity method which consisted of :

Name of company	Type of business	Paid-up capital (Baht)		Proportion of share holding (%)	
		2019	2018	2019	2018
<u>Consolidated financial statements / Separate financial statements</u>					
<u>Direct associated company</u>					
Vibharam Hospital Co., Ltd.	Hospital	1,654,803,530	1,654,803,530	40.75	40.75
Thippayabadin Co., Ltd.	Trading medical instrument	450,000,000	450,000,000	33.33	33.33
Bangpo General Hospital Co., Ltd.	Hospital	350,000,000	350,000,000	28.57	28.57
<u>Consolidated financial statements</u>					
<u>Indirect associated companies</u>					
Khelang Nakorn Hospital Co., Ltd.	Hospital	89,708,200	89,708,200	11.99	11.99
Pawo Hospital Co., Ltd.	Hospital	11,625,750	11,625,750	23.54	23.54

Name of company	Baht			
	At equity method		At cost method	
	2019	2018	2019	2018
<u>Consolidated financial statements / Separate financial statements</u>				
<u>Direct associated company</u>				
Vibharam Hospital Co., Ltd.	1,844,434,138	1,762,781,223	1,304,865,788	1,304,865,788
Thippayabadin Co., Ltd.	70,726,462	81,845,306	172,500,000	172,500,000
Bangpo General Hospital Co., Ltd.	312,300,353	300,791,832	300,000,000	300,000,000
Total			1,777,365,788	1,777,365,788

Name of company	Baht			
	At equity method		At cost method	
	2019	2018	2019	2018
<u>Consolidated financial statements</u>				
<u>Indirect associated companies</u>				
Khelang Nakorn Hospital Co., Ltd.	110,655,531	101,804,620	30,882,500	30,882,500
Pawo Hospital Co., Ltd.	15,835,382	13,030,339	29,813,600	29,813,600
<u>Less</u> Allowance for impairment of investments				
in Pawo Hospital Co., Ltd.	-	-	(13,978,218)	(16,783,261)
Total	<u>2,353,951,866</u>	<u>2,260,253,320</u>	<u>1,824,083,670</u>	<u>1,821,278,627</u>

11.2 Share of profit (loss) of associates for the years ended December 31, 2019 and 2018 were as follows :

Name of company	Baht	
	Consolidated financial statements	
	2019	2018
<u>Direct associated company</u>		
Vibharam Hospital Co., Ltd.	240,537,147	83,383,159
Thippayabadin Co., Ltd.	(11,118,845)	(76,581,223)
Bangpo General Hospital Co., Ltd.	11,508,521	(1,924,845)
<u>Indirect associated companies</u>		
Khelang Nakorn Hospital Co., Ltd.	16,002,073	13,356,202
Pawo Hospital Co., Ltd.	2,805,043	(2,609,709)
Total	<u>259,733,939</u>	<u>15,623,584</u>

The share of profit (loss) of directly associated company - Vibharam Hospital Company Limited as shown above for the years ended December 31, 2019 and 2018, were the net amount of the elimination each transaction for Baht 9.19 million and Baht 8.27 million, respectively, as a result of acquiring the dividend that the Company has paid to the associated company.

11.3 Share of other comprehensive income (loss) of associates for the years ended December 31, 2019 and 2018 were as follows :

Name of company	Baht	
	Consolidated financial statements	
	2019	2018
<u>Direct associated company</u>		
Vibharam Hospital Co., Ltd.		
Loss on remeasuring available-for -sale investments	(98,666,283)	(74,231,875)
Actuarial loss on define employee benefit plans	(1,961,766)	-
<u>Indirect associated companies</u>		
Khelang Nakorn Hospital Co., Ltd.		
Actuarial loss on define employee benefit plans	(304,457)	-
Total	<u>(100,932,506)</u>	<u>(74,231,875)</u>

11.4 Dividend income from investment in associated companies for the years ended December 31, 2019 and 2018 were as follows :

Name of company	Baht	
	2019	2018
<u>Consolidated /separate financial statements</u>		
<u>Direct associated company</u>		
Vibharam Hospital Co., Ltd.	67,450,085	67,450,085
<u>Consolidated financial statements</u>		
<u>Indirect associated companies</u>		
Khelang Nakorn Hospital Co., Ltd.	6,846,705	4,564,470
Total	74,296,790	72,014,555

Summarized financial information in respect of Vibharam Hospital Co., Ltd. (Associated company) of the material associate;

	Baht	
	2019	2018
Current assets	1,388,504,810	1,546,617,269
Non-current assets	8,692,710,885	8,295,662,905
Current liabilities	2,408,809,572	2,507,952,876
Non-current liabilities	1,762,923,145	1,730,463,494
Revenue	4,884,914,393	4,022,576,847
Profit for the year	626,134,445	224,749,392
Other comprehensive loss for the year	(335,458,461)	(439,357,780)
Total comprehensive income (loss) for the year	290,675,984	(214,618,388)

Reconciliation of the above summarized financial information to the carrying amount of the interest in Vibharam Hospital Co., Ltd. recognized in the consolidated financial statements;

	Baht	
	2019	2018
Net assets	5,141,775,089	5,039,341,866
Proportion of the interest	40.75	40.75
Other adjustments		
- Unrealized profit from investment available-for-sale Vibhavadi Medical Center Public Company Limited in the financial statements of the associate that is not included and received as share of profit from investment in associated in Company's financial statements	(268,543,182)	(305,318,794)
- Other	(17,703,971)	(14,568,207)
Carrying amount of the interest	1,844,434,138	1,762,781,223

Aggregate information of associates that are not individually material

	Baht	
	2019	2018
The share of profit (loss) from continuing operations	19,196,792	(67,759,615)
The share of total comprehensive income (loss)	(304,457)	-
Aggregate carrying amount of the interests in these associates	509,517,728	497,472,097

Investment in Vibharam Hospital Co., Ltd.

As at December 31, 2019 and 2018, the Company has pledged the share certificate of Vibharam Hospital Co., Ltd. in the amount of shares 25,160,358, with a financial institution to secure the credit facilities as discussed in Note 18 to the financial statements.

12. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of :

Name of company	Type of business	Paid-up capital (Baht)		Proportion of share holding (%)	
		2018	2017	2018	2017
<u>Shareholding by the Company</u>					
Princeton Park Suites Co., Ltd.	Hotel	260,000,000	260,000,000	99.99	99.99
Chiang Mai Ram Medical Business Public Co., Ltd.	Hospital	402,312,500	402,312,500	83.55	83.55
Beauty Design Center Co., Ltd.	Beauty Business	7,500,000	-	50.00	-
<u>Shareholding by direct subsidiary companies</u>					
Chiang Mai Ram Hospital Co., Ltd.	Hospital	400,000,000	400,000,000	47.09	47.09
Hariphunchai Memorial Co., Ltd. (shareholding by Chiang Mai Ram Medical Business Public Co., Ltd.)	Hospital	150,000,000	150,000,000	72.43	72.43
Ramkhamhaeng Chiangmai Hospital Co., Ltd. (shareholding by Chiang Mai Ram Hospital Co., Ltd. and Chiang Mai Ram Medical Business Public Co., Ltd.)	Hospital	440,000,000	-	45.14	-
Beauty Design Center Co., Ltd. (shareholding by Princeton park Suites Co., Ltd.)	Beauty Business	-	7,500,000	-	50.00
<u>Shareholding by indirect subsidiary company</u>					
Theppanya Business Co., Ltd. (shareholding by Chiang Mai Ram Hospital Co., Ltd.)	Hospital	236,000,000	236,000,000	47.09	47.09

Name of company	Baht					
	At equity method		At cost method		Dividend income	
	2019	2018	2019	2018	2019	2018
Princeton Park Suites Co., Ltd.	214,194,918	235,028,503	345,537,651	345,537,651	-	-
Chiang Mai Ram Medical Business Public Co., Ltd.	3,696,846,032	3,620,421,382	1,638,467,138	1,638,467,138	174,792,800	157,985,800
Beauty Design Center Co., Ltd.	7,651,158	-	14,145,281	-	5,000,000	-
Total	3,918,692,108	3,855,449,885	1,998,150,070	1,984,004,789	179,792,800	157,985,800

The subsidiaries that have material non-controlling interests

The Company has consolidated Chiang Mai Ram Medical Business Public Co., Ltd. that have material non-controlling interest:

Name of Company	Place of incorporation and principal place of business	Proportion of ownership		Baht			
		interests and voting rights held		Comprehensive income		Accumulated	
		by non-controlling interests		allocated to		non-controlling interests	
		2018	2018	non-controlling interests		2019	2018
		2018	2018	2019	2018	2019	2018
Chiang Mai Ram Medical Business Public Co. .Ltd.	Thai	16.45	16.45	308,008,330	10,418,908	2,566,337,786	2,259,068,779
Beauty Design Center Co., Ltd.	Thai	50.00	50.00	12,651,158	4,224,761	16,743,172	9,092,014
Total				<u>320,659,488</u>	<u>14,643,669</u>	<u>2,583,080,958</u>	<u>2,268,160,793</u>

Summarized financial information in respect of Chiang Mai Ram Medical Business Public Co., Ltd. amounts before intragroup eliminations.

	Baht	
	2019	2018
Current assets	1,228,018,433	1,086,268,558
Non-current assets	8,922,992,537	7,580,291,487
Current liabilities	2,560,582,025	2,106,674,765
Non-current liabilities	1,987,770,293	1,346,165,908
Non-Controlling interests	1,894,062,605	1,596,600,520
Revenue	4,059,252,192	3,995,769,800
Profit attributable to the non-controlling interests	171,102,808	148,511,192
Other comprehensive income (loss) to the non-controlling interests	136,905,522	(138,092,285)
Dividends paid to non-controlling interests	34,409,180	31,100,582
Net cash provided by from operating activities	904,525,374	641,880,862
Net cash used in investing activities	(1,046,378,513)	(327,349,478)
Net cash provided by (used in) financing activities	401,063,670	(417,118,176)
Net cash increase (decrease)	<u>259,210,531</u>	<u>(102,586,792)</u>

Princeton Park Suites Co., Ltd.

On September 25, 2019, the Board of Directors of the Company had a resolution to adjust the investment structure for the subsidiary - Princeton Park Suites Co., Ltd. to transfer the total shares of Beauty Design Center Co., Ltd. which as direct subsidiary of 100,000 shares or shareholding 50 percent with the book

value of Baht 14.15 million and shares of Legacy Golf (Thailand) Co., Ltd. which as other long-term investment, directly to the company of 13,000,000 shares or shareholding 10 percent with the book value Baht 71.70 million, directly to the company. As at December 31, 2019, the Company has not yet paid for such shares that have been transferred in the amount of Baht 185.85 million.

Chiang Mai Ram Medical Business Public Co., Ltd.

On December 25, 2018, Board of directors of the its subsidiaries, resolved to approve Chiang Mai Ram Medical Business Public Co., Ltd. and Chiang Mai Ram Hospital Co., Ltd. to invest in the ordinary shares of Ramkhamhaeng Chiangmai Hospital Co., Ltd. which is a newly established company on October 30, 2018 with the registered capital of Baht 1 million. On March 1, 2019, the registered capital has been increased to Baht 400 million. Chiang Mai Ram Medical Business Public Co., Ltd. and Chiang Mai Ram Hospital Co., Ltd. will invest in such company 18% and 63% of the shares issued and paid up of such company, respectively. On February 27, 2019, such company has call up 30% of registered capital from Chiang Mai Ram Medical Business Public Co., Ltd. amounted Baht 21.60 million and from its subsidiary, Chiang Mai Ram Hospital Co., Ltd. amounted Baht 75.60 million totaling of Baht 97.20 million. The capital increase has been registered by Ramkhamhaeng Chiangmai Hospital Co., Ltd. on March 1, 2019.

The carrying amounts of net asset of Ramkhamheang Chiangmai Hospital Co., Ltd. as at March 1, 2019, which was the nearest date to the acquisition date included in the Company's consolidated financial statement are available as follows :

	<u>Baht</u>
<u>Assets</u>	
Cash and cash equivalents	21,123,299
Other current assets	700,037
Property, plant and equipment	40,594,859
Advance payment of assets	57,268,500
<u>Liabilities</u>	
Accrued expenses	<u>(517,047)</u>
Net assets	119,169,648
<u>Less</u> Non-controlling interests	<u>(23,209,233)</u>
Share of net assets aquired	95,960,415
Excess of investment over the acquirer's interest in the book value of the acquiree's net assets	<u>1,239,585</u>
Total purchase consideration - cash	97,200,000
<u>Less</u> Transfer loans for payment capital	(46,800,000)
Cash and cash equivalents in subsidiary acquired	<u>(21,123,299)</u>
Cash outflow on acquisition of investment, net of cash and cash equivalents acquired	<u><u>29,276,701</u></u>

The subsidiaries identifies the fair value of assets and liabilities that consolidated on the acquisition date by the book value of Ramkhamheang Chiangmai Hospital Co., Ltd. So, the Company recorded excess of investment over the acquirer's interest in the book value of the acquiree's net assets as expenses in the statement of comprehensive income.

On May 2, 2019, such company has call up Baht 7 each, Chiang Mai Ram Medical Business Public Co.,Ltd. paid amounted Baht 50.40 million and Chiang Mai Ram Hospital Co., Ltd. paid amounted Baht 179.79 million totaled amounted Baht 230.19 million, resulting in subsidiary - Chiang Mai Ram Hospital Co., Ltd. held in such company to increase from 63.00% to 63.85% totaled of the subsidiary group are 81.85% .

On July 26, 2019, such company has registered the capital increase for 4 million shares at Baht 10 per share, amounted Baht 40.00 million. Chiang Mai Ram Medical Business Public Co., Ltd. had paid the share amounted Baht 7.20 million and from its subsidiary, Chiang Mai Ram Hospital Co., Ltd. amounted Baht 25.82 million totaled Baht 33.02 million, resulting in subsidiary - Chiang Mai Ram Hospital Co., Ltd. held in such company to increase from 63.85% to 63.91% totaled 81.91% and the difference from purchasing shares in the subsidiary from non-controlling interests was amount Baht 14,418.20, represented as shareholders' equity in consolidated financial statements. The Company and its subsidiary have already paid for the shares in the full amount.

On December 4, 2019, the subsidiary - Ramkhamhaeng Chiangmai Hospital Co., Ltd. has a resolution to increase the registered capital for 56 million shares at Baht 10.00 per share amounted to Baht 560.00 million. Chiang Mai Ram Medical Business Public Company Limited has paid the shares amounted to Baht 40.32 million and the subsidiary - Chiang Mai Ram Hospital Co., Ltd. has paid the shares amounted to Baht 146.48 million. Resulting from such transaction, the Company has the advance payment for shares subscription of Baht 40.32 million stated in the separate financial statements and has the advance received for shares subscription of Baht 36.38 million in the consolidated financial statements. The subsidiary - Ramkhamhaeng Chiangmai Hospital Co., Ltd. has registered the capital increase with the Department of Business Development on February 14, 2020.

As at December 31, 2019 and 2018, the Company has pledged this shares of Chiang Mai Ram Medical Business Public Co., Ltd. in the amount of shares 1,755,000,000 and shares 1,680,000,000, respectively, with a financial institution to secure the credit facilities as discussed in Notes 18 and 21 to the financial statements.

As at December 31, 2019 and 2018, the subsidiary has pledged share of Chiang Mai Ram Hospital Co., Ltd. and Hariphunchai Memorial Co., Ltd. in the total amount of shares 43,005,000 with a financial institution to secure the credit facilities as discussed in Note 18 to the financial statements.

13. OTHER LONG-TERM INVESTMENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
General investments	961,836,651	879,848,051	716,821,891	473,121,891
Investment in debt securities held to maturity	10,000,000	-	10,000,000	-
Total	971,836,651	879,848,051	726,821,891	473,121,891

13.1 General investments consisted of :

Name of company	Type of Business	Paid-up capital (Baht)		Proportion of share holding (%)	
		2019	2018	2019	2017
<u>Related companies (shareholding and co-director)</u>					
<u>Separate financial statements</u>					
Chao Phaya Hospital Public Co., Ltd.	Hospital	589,019,360	589,019,360	7.69	7.69
Supalerk U-thong Hospital Co., Ltd.	Hospital	50,000,000	50,000,000	6.00	6.00
Innovation Technology Co., Ltd.	Consulting	75,000,000	75,000,000	7.00	7.00
Seriruk Hospital Co., Ltd.	Hospital	100,000,000	100,000,000	10.00	10.00
Synphaet Hospital Co., Ltd.	Hospital	1,000,000,000	910,000,000	10.00	10.00
Nawanakorn Medical Co., Ltd.	Hospital	375,000,000	375,000,000	4.43	4.43
Legacy Golf (Thailand) Co., Ltd. *	Golf course	1,300,000,000	-	10.00	-
<u>Consolidated financial statements</u>					
Phayao Ram Hospital Co., Ltd.	Hospital	7,500,000	7,500,000	2.36	2.36
Khonkaen Ram Hospital Co., Ltd.	Hospital	80,000,000	80,000,000	3.54	3.54
Bhumpanya International Co., Ltd.	Education	600,000,000	600,000,000	4.71	4.71
Chaiyapum Ram Hospital Co., Ltd.	Hospital	558,000,000	558,000,000	0.10	0.10
Nan-Ram Hospital Co., Ltd.	Hospital	150,000,000	-	3.14	-
Legacy Golf (Thailand) Co., Ltd. *	Golf course	-	1,300,000,000	-	10.00
Gassan Marina Golf Club Co., Ltd.	Golf course and hotel	2,000,000,000	2,000,000,000	4.61	4.61
<u>Other company (shareholding but not co-director)</u>					
<u>Consolidated financial statements</u>					
Phitsanulok Inter Medical Co, Ltd.	Hospital	160,000,000	160,000,000	2.06	2.06

General investments using the cost method and dividend consisted of :

Name of company	Baht			
	At cost method		Dividend income	
	2019	2018	2019	2018
<u>Related companies (shareholding and co-director)</u>				
<u>Separate financial statements</u>				
Chao Phaya Hospital Public Co., Ltd.	78,862,491	78,862,491	10,871,822	9,059,852
Supalerk U-thong Hospital Co., Ltd.	3,875,000	3,875,000	-	-
Innovation Technology Co., Ltd.	8,290,000	8,290,000	575,000	525,000
Seriruk Hospital Co., Ltd.	10,000,000	10,000,000	-	-
Synphaet Hospital Co., Ltd.	429,000,000	357,000,000	33,200,000	36,400,000
Nawanakorn Medical Co., Ltd.	18,094,400	18,094,400	1,495,665	1,246,388
Legacy Golf (Thailand) Co., Ltd. *	171,700,000	-	-	-
Total	719,821,891	476,121,891	46,142,487	47,231,240
<u>Less Allowance for impairment of investments</u>				
Supalerk U-thong Hospital Co., Ltd	(3,000,000)	(3,000,000)		
Net - in separate financial statements	716,821,891	473,121,891	46,142,487	47,231,240
<u>Consolidated financial statements</u>				
Phayao Ram Hospital Co., Ltd.	375,000	375,000	2,250,000	375,000
Khonkaen Ram Hospital Co., Ltd.	13,050,000	13,050,000	1,200,000	1,200,000
Bhumpanya International Co., Ltd.	60,000,000	60,000,000	-	-
Chaiyapum Ram Hospital Co., Ltd.	1,200,000	1,200,000	-	-
Nan-Ram Hospital Co., Ltd.	10,000,000	-	-	-
Legacy Golf (Thailand) Co., Ltd. *	-	171,700,000	-	-
Gassan Marina Golf Club Co., Ltd.	220,000,000	220,000,000	-	-
Total	304,625,000	466,325,000	3,450,000	1,575,000
<u>Less Allowance for impairment of investments</u>				
Bhumpanya International Co., Ltd.	(60,000,000)	(60,000,000)		
Chaiyapum Ram Hospital Co., Ltd.	(618,240)	(606,840)		
Total	(60,618,240)	(60,606,840)		
Net	244,006,760	405,718,160	3,450,000	1,575,000
<u>Other company (shareholding but not co-director)</u>				
<u>Consolidated financial statements</u>				
Phitsanulok Inter Medical Co., Ltd.	1,008,000	1,008,000	-	-
Net - in consolidated financial statements	961,836,651	879,848,051	49,592,487	48,806,240

* discussed in Note 12 to the financial statements.

Investment in Synphaet Hospital Co., Ltd.

On July 25, 2019, the Company is eligible to purchase the shares of Synphaet Hospital Co., Ltd. according to the existing ratio for 900,000 shares at Baht 80 per share amount Baht 72.00 million.

Investment in Nan-Ram Hospital Co., Ltd.

At the Board of Directors' meeting No.9/2019 held on September 19, 2019 of indirect subsidiary, Chiang Mai Ram Hospital Co., Ltd., it has invested in Nan-Ram Hospital Co., Ltd., totalling 1,000,000 shares of Baht 10 per share in the amount of Baht 10.00 million at share holding 6.67% . The indirect subsidiary has already paid for the shares in the full amount.

13.2 Investment in debt securities held to maturity consisted of

	Baht	
	Consolidated/Separate financial statements	
	2019	2018
Callable and secured debenture of DEES Supreme Co., Ltd. No.1/2019 (Interest rate 7.25% per annum due in August 14, 2021 the debenture issuer can redeem before maturity)	10,000,000	-
Total	10,000,000	-

14. INVESTMENT PROPERTY

Investment property consisted of:

	Baht				
	Consolidated financial statements				
	Balance as at December 31, 2018	Transaction during the year			Balance as at December 31, 2019
	Increase	Decrease	Transfer in (out)		
<u>At cost</u>					
Land	171,553,809	-	-	-	171,553,809
Buildings for rent	101,555,630	146,862	-	134,450,828	236,153,320
Total	273,109,439	146,862	-	134,450,828	407,707,129
<u>Less</u> Accumulated depreciation					
Buildings for rent	(24,876,958)	(5,870,812)	-	-	(30,747,770)
Investment property - net	248,232,481				376,959,359
	Baht				
	Consolidated financial statements				
	Balance as at December 31, 2017	Transaction during the year			Balance as at December 31, 2018
	Increase	Decrease	Transfer in (out)		
<u>At cost</u>					
Land	166,920,476	-	-	4,633,333	171,553,809
Buildings for rent	86,773,749	-	-	14,781,881	101,555,630
Total	253,694,225	-	-	19,415,214	273,109,439
<u>Less</u> Accumulated depreciation					
Buildings for rent	(20,447,620)	(3,706,486)	-	(722,852)	(24,876,958)
Investment property - net	233,246,605				248,232,481

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2018	Increase	Decrease	Transfer in (out)	December 31, 2019
<u>At cost</u>					
Land	150,770,000	-	-	-	150,770,000
Buildings for rent	35,863,884	146,862	-	134,450,828	170,461,574
Total	186,633,884	146,862	-	134,450,828	321,231,574
<u>Less</u> Accumulated depreciation					
Buildings for rent	(20,169,801)	(3,681,087)	-	-	(23,850,888)
Investment property - net	<u>166,464,083</u>				<u>297,380,686</u>
	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2017	Increase	Decrease	Transfer in (out)	December 31, 2018
<u>At cost</u>					
Land	150,770,000	-	-	-	150,770,000
Buildings for rent	35,863,884	-	-	-	35,863,884
Total	186,633,884	-	-	-	186,633,884
<u>Less</u> Accumulated depreciation					
Buildings for rent	(18,376,607)	(1,793,194)			(20,169,801)
Investment property - net	<u>168,257,277</u>				<u>166,464,083</u>

During 2019, the Company transferred the some of property, plant and equipment “Vi Plaza” which is building for rent to the investment property as discussed in Note 15 to the financial statements.

During 2018, a subsidiary transferred the some of property, plant and equipment which is land and building for rent to the investment property as discussed in Note 15 to the financial statements.

The Company’s investment property is land and buildings for rent. In 2018, the Company’ investment property had its fair value in the amount of Baht 182.10 million, which was appraised by independent appraisal.

Investment property of the Company are mortgaged as collateral of credit facilities from financial institutions as discussed in Note 18 to the financial statements.

15. PROPERTY, PLANT AND EQUIPMENT

Consisted of :

	Baht				
	Consolidated financial statements				
	Balance as at December 31, 2018	Transaction during the year			Balance as at December 31, 2019
	Increase	Decrease	Transfer in (out)		
<u>At cost</u>					
Land and land improvements	3,173,580,458	585,604,330	-	4,719,231	3,763,904,019
Building and building improvement	3,485,737,783	160,079,157	(1,741,016)	17,249,909	3,661,325,833
Medical instruments and office appliances	1,747,211,749	109,927,012	(64,930,754)	4,621,847	1,796,829,854
Furniture fixture and equipment	1,433,968,556	32,986,973	(16,637,959)	12,909,613	1,463,227,183
Appliances health center	9,700,932	293,822	(81,200)	-	9,913,554
Vehicle	141,767,262	9,526,870	(2,145,887)	-	149,148,245
Assets in progress	150,791,252	538,703,108	-	(173,996,428)	515,497,932
Total	<u>10,142,757,992</u>	<u>1,437,121,272</u>	<u>(85,536,816)</u>	<u>(134,495,828)</u>	<u>11,359,846,620</u>
<u>Less Accumulated depreciation</u>					
Land improvements	(17,956,315)	(2,253,343)	-	-	(20,209,658)
Building and building improvement	(1,744,718,988)	(168,644,062)	1,741,013	-	(1,911,622,037)
Medical instruments and office appliances	(1,209,206,739)	(110,279,733)	64,360,868	-	(1,255,125,604)
Furniture fixture and equipment	(931,907,162)	(108,142,050)	16,491,506	-	(1,023,557,706)
Appliances health center	(17,278,245)	(447,618)	81,199	-	(17,644,664)
Vehicle	(96,191,903)	(12,691,624)	1,936,365	-	(106,947,162)
Total	<u>(4,017,259,352)</u>	<u>(402,458,430)</u>	<u>84,610,951</u>	<u>-</u>	<u>(4,335,106,831)</u>
Properly, plant and equipment, net	<u>6,125,498,640</u>				<u>7,024,739,789</u>

	Baht				
	Consolidated financial statements				
	Balance as at December 31, 2017	Transaction during the year			Balance as at December 31, 2018
	Increase	Decrease	Transfer in (out)		
<u>At cost</u>					
Land and land improvements	3,086,950,724	91,263,067	-	(4,633,333)	3,173,580,458
Building and building improvement	3,456,668,194	11,561,317	(1,664,920)	19,173,192	3,485,737,783
Medical instruments and office appliances	1,624,290,614	132,570,913	(11,666,916)	2,017,138	1,747,211,749
Furniture fixture and equipment	1,298,841,188	65,551,609	(3,122,083)	72,697,842	1,433,968,556
Appliances health center	9,508,332	192,600	-	-	9,700,932
Vehicle	138,318,286	10,471,597	(8,196,621)	1,174,000	141,767,262
Assets in progress	65,898,939	194,736,366	-	(109,844,053)	150,791,252
Total	<u>9,680,476,277</u>	<u>506,347,469</u>	<u>(24,650,540)</u>	<u>(19,415,214)</u>	<u>10,142,757,992</u>
<u>Less Accumulated depreciation</u>					
Land improvements	(16,139,153)	(1,817,162)	-	-	(17,956,315)
Building and building improvement	(1,584,105,500)	(163,001,258)	1,664,918	722,852	(1,744,718,988)
Medical instruments and office appliances	(1,106,663,846)	(113,208,729)	10,665,836	-	(1,209,206,739)
Furniture fixture and equipment	(824,449,566)	(110,281,526)	2,823,930	-	(931,907,162)
Appliances health center	(16,624,982)	(653,263)	-	-	(17,278,245)
Vehicle	(89,903,869)	(14,484,650)	8,196,616	-	(96,191,903)
Total	<u>(3,637,886,916)</u>	<u>(403,446,588)</u>	<u>23,351,300</u>	<u>722,852</u>	<u>(4,017,259,352)</u>
Properly, plant and equipment, net	<u>6,042,589,361</u>				<u>6,125,498,640</u>

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2018	Increase	Decrease	Transfer in (out)	December 31, 2019
<u>At cost</u>					
Land and land improvements	484,206,727	-	-	-	484,206,727
Building and building improvement	1,455,990,941	1,428,974	-	14,455,608	1,471,875,523
Medical instruments and office appliances	538,683,096	16,405,321	(1,750,000)	4,621,847	557,960,264
Furniture fixture and equipment	273,885,817	8,901,820	(651,410)	1,719,142	283,855,369
Vehicle	9,700,932	293,822	(81,200)	-	9,913,554
Appliances health center	74,939,599	4,656,725	-	-	79,596,324
Assets in progress	123,559,587	185,308,389	-	(155,292,425)	153,575,551
Total	<u>2,960,966,699</u>	<u>216,995,051</u>	<u>(2,482,610)</u>	<u>(134,495,828)</u>	<u>3,040,983,312</u>
<u>Less Accumulated depreciation</u>					
Land improvements	(3,636,535)	(459,237)	-	-	(4,095,772)
Building and building improvement	(885,808,312)	(66,648,497)	-	-	(952,456,809)
Medical instruments and office appliances	(430,615,784)	(31,894,802)	1,749,997	-	(460,760,589)
Furniture fixture and equipment	(239,701,454)	(14,669,557)	626,363	-	(253,744,648)
Vehicle	(17,278,245)	(447,619)	81,199	-	(17,644,665)
Appliances health center	(48,821,172)	(7,511,566)	-	-	(56,332,738)
Total	<u>(1,625,861,502)</u>	<u>(121,631,278)</u>	<u>2,457,559</u>	<u>-</u>	<u>(1,745,035,221)</u>
Property, plant and equipment, net	<u>1,335,105,197</u>				<u>1,295,948,091</u>

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2017	Increase	Decrease	Transfer in (out)	December 31, 2018
<u>At cost</u>					
Land and land improvements	484,206,727	-	-	-	484,206,727
Building and building improvement	1,442,721,156	1,825,986	-	11,443,799	1,455,990,941
Medical instruments and office appliances	515,762,473	20,994,485	(91,000)	2,017,138	538,683,096
Furniture fixture and equipment	264,689,278	8,517,554	(133,750)	812,735	273,885,817
Vehicle	9,508,332	192,600	-	-	9,700,932
Appliances health center	77,428,407	3,489,568	(7,152,376)	1,174,000	74,939,599
Assets in progress	17,843,263	121,163,996	-	(15,447,672)	123,559,587
Total	<u>2,812,159,636</u>	<u>156,184,189</u>	<u>(7,377,126)</u>	<u>-</u>	<u>2,960,966,699</u>
<u>Less Accumulated depreciation</u>					
Land improvements	(3,177,298)	(459,237)	-	-	(3,636,535)
Building and building improvement	(818,159,638)	(67,648,674)	-	-	(885,808,312)
Medical instruments and office appliances	(392,505,814)	(38,200,967)	90,997	-	(430,615,784)
Furniture fixture and equipment	(220,730,790)	(19,104,413)	133,749	-	(239,701,454)
Vehicle	(16,624,982)	(653,263)	-	-	(17,278,245)
Appliances health center	(47,200,496)	(8,773,050)	7,152,374	-	(48,821,172)
Total	<u>(1,498,399,018)</u>	<u>(134,839,604)</u>	<u>7,377,120</u>	<u>-</u>	<u>(1,625,861,502)</u>
Property, plant and equipment, net	<u>1,313,760,618</u>				<u>1,335,105,197</u>

During 2019, the Company has objective to use some of building in Vi Plaza from operation assets to rental assets instead. Therefore, the company transferred property and equipment to the investment property at cost of Baht 134.45 million, starting from October 9, 2019 onwards.

During 2018, the subsidiary has changed the objective to use some of building in Chiangmai Ram Health Center from operation assets to rental assets instead. Therefore, the subsidiary transferred property, plant and equipment to the investment property at net book value of Baht 18.69 million, starting from July 1, 2018 onwards.

As at December 31, 2019 and 2018, land with construction, plant and medical equipment of the Company and its subsidiaries with net book value of Baht 2,715.42 million and Baht 1,954.86 million (the Separate amount of Baht 322.24 million and Baht 350.61 million), respectively, were mortgaged as collateral of credit facilities from financial institutions as discussed in Note 18 and 21 to the financial statements.

As at December 31, 2019 and 2018, the Company and its subsidiaries had fixed assets with the depreciation fully calculated but still in use which had a cost value of Baht 1,841.04 million and Baht 1,648.32 million (the Separate amount of Baht 690.33 million and Baht 569.03 million), respectively.

As at December 31, 2019 and 2018, medical instruments and vehicle of the Company and its subsidiaries acquired under finance leases, have net book value of Baht 14.73 million and Baht 20.51 million (the Separate amount of Baht 12.80 million and Baht 15.99 million), respectively.

As at December 31, 2019 and 2018, the Company and its subsidiary had interest expense which is borrowing costs amounting to Baht 4.49 million and Baht 1.26 million (the Separate amount of Baht 2.88 million and Baht 1.26 million), respectively, with a capitalization at the rate 3.00 - 3.50 per annum and 2.75% per annum (the Separate amount of rate 3.00% per annum and 2.75% per annum), respectively.

Chiang Mai Ram Medical Business Public Co., Ltd.

On November 19, 2018, the subsidiary - Ramkhamhaeng Chiangmai Hospital Co., Ltd. had entered into the letter of agreement to buy to sell of land for 8 plots together with buildings with Sukhumvit Asset Management Co., Ltd. The land is situated in Tha Sala, Mueang Chiangmai District, Chiangmai with the total area of 12-0-62 rais (or equal to 4,862 square wah). The total selling price is Baht 381.79 million. The buyer is responsible the fees for registration of land ownership transfers and other expenses related to the transfer of land ownership. The seller is responsible for the withholding tax and specific business tax. The subsidiary had deposited the land amounted Baht 38.18 million.

During the year 2019, the subsidiary had to pay the remaining portion of land fee and other expenses related to the transfer of land ownership total amounted Baht 348.46 million. The total cost of land is Baht 386.64 million and registered of land ownership transfers on May 17, 2019.

16. GOODWILL

Consisted of:

	Baht	
	Consolidated financial statements	
	2019	2018
1. Goodwill from acquisition investment in Chiang Mai Ram Medical Business Public Co., Ltd. by the Company	424,723,212	424,723,212
2. Goodwill in the consolidated financial statements of Chiang Mai Ram Medical Business Public Co., Ltd., which is a reverse acquisition of Chiang Mai Ram Medical Business Public Co., Ltd., the legal parent but considered to be the acquires for accounting purpose, whose controlled by Chiang Mai Ram Hospital Co., Ltd., the legal subsidiary company but considered to be the acquirer for accounting purpose, after ordinary share exchange on February 25, 2008.	89,343,728	89,343,728
3. Goodwill from acquisition investment in Hariphunchai Memorial Hospital Co., Ltd. by Chiang Mai Ram Medical Business Public Co., Ltd.	209,148,791	209,148,791
Total	<u>723,215,731</u>	<u>723,215,731</u>

17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as follow :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets	27,156,447	25,222,960	14,792,182	10,948,689
Deferred tax liabilities	(699,937,849)	(566,610,070)	(122,699,615)	(45,806,502)
Deferred tax assets (liabilities) - net	<u>(672,781,402)</u>	<u>(541,387,110)</u>	<u>(107,907,433)</u>	<u>(34,857,813)</u>

Changes for the years ended December 31, 2019 and 2018 were summarized as follows:

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December 31, 2018	In profit or loss	In other comprehensive income	December 31, 2019
Deferred tax assets:				
Trade receivables	13,865,194	(6,892,858)	-	6,972,336
Employee benefits obligations	29,827,360	11,913,216	6,603,426	48,344,002
Straight line method of rental	14,604,569	1,145,923	-	15,750,492
Unrealized loss on remeasuring available-for-sale investments	1,329,071	-	(1,329,071)	-
Other	385,230	-	-	385,230
Total	<u>60,011,424</u>	<u>6,166,281</u>	<u>5,274,355</u>	<u>71,452,060</u>
Deferred tax liabilities:				
Financial lease contracts	(236,436)	(433,590)	-	197,154
Unrealized gain on remeasuring available-for-sale investments	477,592,211	-	(146,109,980)	623,702,191
Fair value adjustment of assets regarding business combinations	124,042,759	3,708,642	-	120,334,117
Total	<u>601,398,534</u>	<u>3,275,052</u>	<u>(146,109,980)</u>	<u>744,233,462</u>
Deferred tax assets (liabilities) - net	<u>(541,387,110)</u>			<u>(672,781,402)</u>

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December 31, 2017	In profit or loss	In other comprehensive income	December 31, 2018
Deferred tax assets:				
Trade receivables	16,178,812	(2,313,618)	-	13,865,194
Employee benefits obligations	26,773,675	3,119,647	(65,962)	29,827,360
Straight line method of rental	14,229,819	374,750	-	14,604,569
Unrealized loss on remeasuring available-for-sale investments	1,152,313	-	176,758	1,329,071
Other	385,230	-	-	385,230
Total	<u>58,719,849</u>	<u>1,180,779</u>	<u>110,796</u>	<u>60,011,424</u>
Deferred tax liabilities:				
Financial lease contracts	(184,449)	51,987	-	(236,436)
Unrealized gain on remeasuring available-for-sale investments	534,786,369	-	57,194,158	477,592,211
Fair value adjustment of assets regarding business combinations	127,865,860	3,823,101	-	124,042,759
Total	<u>662,467,780</u>	<u>3,875,088</u>	<u>57,194,158</u>	<u>601,398,534</u>
Deferred tax assets (liabilities) - net	<u>(603,747,931)</u>			<u>(541,387,110)</u>

	Baht			
	Separate financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December 31, 2018	In profit or loss	In other comprehensive income	December 31, 2019
Deferred tax assets:				
Trade receivables	239,163	44,754	-	283,917
Employee benefits obligations	10,693,526	2,771,946	1,042,793	14,508,265
Straight line method of rental	16,000	(16,000)	-	-
Total	<u>10,948,689</u>	<u>2,800,700</u>	<u>1,042,793</u>	<u>14,792,182</u>
Deferred tax liabilities:				
Financial lease contracts	(236,436)	(433,590)	-	197,154
Unrealized gain on remeasuring available-for-sale investments	46,042,938	-	(76,459,523)	122,502,461
Total	<u>45,806,502</u>	<u>(433,590)</u>	<u>(76,459,523)</u>	<u>122,699,615</u>
Deferred tax assets (liabilities) - net	<u>(34,857,813)</u>			<u>(107,907,433)</u>

	Baht			
	Separate financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December 31, 2017	In profit or loss	In other comprehensive income	December 31, 2018
Deferred tax assets:				
Trade receivables	214,134	25,029	-	239,163
Employee benefits obligations	9,863,633	829,893	-	10,693,526
Straight line method of rental	40,000	(24,000)	-	16,000
Total	<u>10,117,767</u>	<u>830,922</u>	<u>-</u>	<u>10,948,689</u>
Deferred tax liabilities:				
Financial lease contracts	(184,450)	51,986	-	(236,436)
Unrealized gain on remeasuring available-for-sale investments	37,979,627	-	(8,063,311)	46,042,938
Total	<u>37,795,177</u>	<u>51,986</u>	<u>(8,063,311)</u>	<u>45,806,502</u>
Deferred tax assets (liabilities) - net	<u>(27,677,410)</u>			<u>(34,857,813)</u>

18. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bank overdrafts	2,944,206	4,169,960	-	-
Short-term loans from financial institutions	2,675,000,000	1,581,625,000	2,045,000,000	915,000,000
Total	2,677,944,206	1,585,794,960	2,045,000,000	915,000,000

As at December 31, 2019 and 2018, the Company and its subsidiaries had overdraft and short-term loan facilities with several domestic financial institutions amounted to Baht 3,515 million and Baht 4,495 million (the Separate amount of Baht 2,565 million and Baht 3,350 million), respectively. The interest bear at the rates of MOR and 2.38 - 4.20% per annum and rates of MOR and 2.50 - 4.20% per annum, respectively, and guaranteed by the investment property of the Company as discussed in Note 14 to the financial statements, land with construction and buildings of the Company and its subsidiaries as discussed in Note 15 to the financial statements and guaranteed by the shares of Vibharam Hospital Co., Ltd. of the Company as discussed in Note 11 to the financial statements, guaranteed by the shares of Chiang Mai Ram Medical Business Public Co., Ltd. of the Company and the shares of Chiang Mai Ram Hospital Co., Ltd. and Hariphunchai Memorial Co., Ltd. of the subsidiary as discussed in Note 12 to the financial statements.

19. LOANS FROM RELATED PARTIES

Changes in the loans from related parties for the years ended December 31, 2019 and 2018 were summarized as follows:

	Baht			
	Consolidated financial statements			As at December 31, 2019
	As at December 31, 2018	Transaction during the year		
	Increase	Decrease		
<u>Related persons</u>				
Company's directors and relative				
Short-term	589,853,818	64,000,000	(20,800,000)	633,053,818
Long-term	192,000,000	312,000,000	(328,000,000)	176,000,000
Total	781,853,818	376,000,000	(348,800,000)	809,053,818
<u>Baht</u>				
<u>Consolidated financial statements</u>				
As at December 31, 2017	Transaction during the year		As at December 31, 2018	
	Increase	Decrease		
<u>Related persons</u>				
Company's directors and relative				
Short-term	630,353,818	136,000,000	(176,500,000)	589,853,818
Long-term	184,000,000	320,000,000	(312,000,000)	192,000,000
Total	814,353,818	456,000,000	(488,500,000)	781,853,818

	Baht			As at December 31, 2019
	Separate financial statements			
	As at December 31, 2018	Transaction during the year		
	Increase	Decrease		
<u>Related persons</u>				
Company's directors and relative				
Long-term	192,000,000	312,000,000	(328,000,000)	176,000,000

	Baht			As at December 31, 2018
	Separate financial statements			
	As at December 31, 2017	Transaction during the year		
	Increase	Decrease		
<u>Related persons</u>				
Company's directors and relative				
Long-term	184,000,000	320,000,000	(312,000,000)	192,000,000

Related persons

As at December 31, 2019 and 2018, the Company had loans from related persons in term of promissory notes, by issuing the 11 and 10 promissory notes, respectively which is due within 2 years and interest payable on quarterly basis at the interest rate of 3.00% - 3.50% per annum and 3.00% - 3.75% per annum, respectively, under the condition that lenders are able to call for their loans before maturity and the Company can repay its loans before maturity

As at December 31, 2019 and 2018, the subsidiaries had short-term loans from related parties in term of promissory notes for a period of repayment 3 months and interest at the rates of 3.50% - 4.50% per annum and rate of 3.25% - 4.50% per annum, respectively. Such loans have on any securities guaranteed.

20. SHORT-TERM LOANS FROM OTHER PERSONS

Changes in the short-term loans from other persons for the years ended December 31, 2019 and 2018 were summarized as follows:

	Baht			As at December 31, 2019
	Consolidated financial statements			
	As at December 31, 2018	Transaction during the year		
	Increase	Decrease		
Other persons	68,400,000	6,000,000	(3,600,000)	70,800,000

	Baht			As at December 31, 2018
	Consolidated financial statements			
	As at December 31, 2017	Transaction during the year		
	Increase	Decrease		
Other persons	206,650,000	1,500,000	(139,750,000)	68,400,000

As at December 31, 2019 and 2018, the subsidiaries had short-term loans from other persons in term of promissory notes for a period of repayment 3 months and interest at the rates of 3.75% - 4.00% per annum and rate of 3.75% - 4.50% per annum, respectively. Such loan has no any securities guaranteed.

21. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Long-term loans	3,503,390,508	2,105,354,098	1,823,252,413	1,067,661,716
<u>Less</u> Current portion	<u>(843,183,339)</u>	<u>(743,114,286)</u>	<u>(447,679,053)</u>	<u>(489,460,000)</u>
Net	<u>2,660,207,169</u>	<u>1,362,239,812</u>	<u>1,375,573,360</u>	<u>578,201,716</u>

Changes in the long-term loans from the financial institutions for the years ended December 31, 2019 and 2018 were as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Balance, beginning of the year	2,105,354,098	2,407,166,667	1,067,661,716	1,071,840,000
Addition loan during the year	2,364,858,130	430,000,000	1,414,858,130	430,000,000
Repayment of loan during the year	<u>(966,821,720)</u>	<u>(731,812,569)</u>	<u>(659,267,433)</u>	<u>(434,178,284)</u>
Balance, end of the year	<u>3,503,390,508</u>	<u>2,105,354,098</u>	<u>1,823,252,413</u>	<u>1,067,661,716</u>

As at December 31, 2019 and 2018, the Company and its subsidiaries had long-term loan facilities from local commercial banks in the amount of Baht 7,035 million and Baht 4,850 million (the Separate amount of Baht 3,315 million and Baht 2,200 million), respectively, consist of:

The Company had loans from a local commercial bank consist of:

The first loan: On August 25, 2010, the Company entered into a loan agreement in Baht currency with a local commercial bank to obtain Baht 300 million credit facility. Principal will repay by monthly basis at Baht 3.5 million. The loan has grace period for fully facility or 2 years after withdrawal the first installment of loan and to be repaid within 84 months. As at December 31, 2018, the Company was withdrawn amount of Baht 300 million and loan balance of Baht 30.50 million and in 2019, the Company had fully paid the principal.

The loan was repaid interest on monthly basis which bear interest at the rates are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Interest rate (per annum)</u>
In the first - second year	MLR - 2.00%
In the third - fifth year	MLR - 1.75%
In the sixth - seventh year	MLR - 1.50%
After October 10, 2016	FDR - 2.10%

The second loan: On May 20, 2015, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million (withdrawal at once). The principal will be repaid by monthly basis at Baht 3.70 million and has grace period for 7 months after first withdrawal. The loan has a term of repayment within 54 months and the first installment of loans on November 2015, bear interest at the rate of 3.80% per annum. As at December 31, 2019 and 2018, loan balance of Baht 15.00 million and Baht 59.40 million, respectively.

The third loan: On October 9, 2015 the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million (withdrawal at once). The principal will be repaid by monthly basis at Baht 3.70 million and has grace period for 7 months after first withdrawal. The loan has a term of repayment within 54 months and the first installment of loans on April 2016, bear interest at the rate of 3.80% per annum. As at December 31, 2019 and 2018, loan balance of Baht 3.50 million and Baht 77.90 million, respectively.

The fourth loan: On October 26, 2016, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million has been withdrawal amounting to Baht 160 million. The principal will be repaid by monthly basis at Baht 4.17 million and has grace period for 12 months after first withdrawal. The loan has a term of repayment within 60 months and the first installment of loans on October 2017, bear interest at the rate of 3.90% per annum. As at December 31, 2019 and 2018, loan balance of Baht 56.58 million and Baht 141.62 million, respectively.

The fifth loan: On June 16, 2017, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million which has been withdrawn amounting to Baht 200 million. The loan has a term of repayment within 36 months. The principal will be repaid by monthly basis at Baht 6.67 million after withdrawal the sixth installment of loan. The interest at the rate of short-term THBFIX 6 month (6M THBFIX) plus 1.35% per annum. The

Company has entered into hedging agreement from interest rate with such bank at the fixed interest rate of 3.60% per annum. As at December 31, 2019 and 2018, loan balance of Baht 39.92 million and Baht 119.95 million, respectively.

The sixth loan: On July 17, 2017, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million which has been withdrawn amounting to Baht 165 million. The loan has a term of repayment within 36 months. The principal will be repaid by monthly basis at Baht 6.67 million after withdrawal the sixth installment of loan. The interest at the rate 3.60% per annum. As at December 31, 2019 and 2018, loan balance of Baht 4.92 million and Baht 84.96 million, respectively.

The seventh loan: On September 11, 2017, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 200 million which has been withdrawn amounting to Baht 190 million. The loan has a term of repayment within 36 months. The principal will be repaid by monthly basis at Baht 6.33 million after withdrawal the sixth installment of loan. The interest at the rate 3.40% per annum for the first Baht 50 million and 3.25% for Baht 140 million. As at December 31, 2019 and 2018, loan balance of Baht 43.33 million and Baht 123.33 million, respectively.

The eighth loan: On July 15, 2018, the Company entered into a loan agreement with a local commercial bank in the credit facility amount of Baht 200 million which has been withdrawn fully amount. The loan has a term of repayment within 36 months. The principal will be repaid by monthly basis at Baht 6.67 million after withdrawal the sixth installment of loan. The interest at the rate of short-term THBFIX 6 month (6M THBFIX) plus 1.35% per annum. The Company has entered into hedging agreement from interest rate with such bank at the fixed interest rate of 3.40% per annum. As at December 31, 2019 and 2018, loan balance of Baht 119.96 million and Baht 200.00 million, respectively.

The ninth loan: On November 1, 2018, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 300 million which has been withdrawn amounting to Baht 230 million. The loan has a term of repayment within 36 months after withdrawal the first installment of loan. The interest at the rate 3.60% per annum. As at December 31, 2019 and 2018, loan balance of Baht 220.00 million and Baht 230.00 million, respectively.

The tenth loan: On February 12, 2019, the Company entered into a loan agreement with a local commercial bank in the credit facility amount of Baht 420 million which has been withdrawn fully amount. The loan has a term of repayment within 60 months. The interest at the rate of 1 year fixed deposit plus 1.75% per annum. As at December 31, 2019, loan balance of Baht 372.80 million.

The loan was repaid principal on monthly basis are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Repaid by monthly (Million Baht)</u>
Installment 1-24	4.72
Installment 25-59	8.57
Installment 60	Repay the rest of principal and interest under the loan agreement

The eleventh loan: On February 14, 2019, the Company entered into a loan agreement with a local commercial bank in the credit facility amount of Baht 800 million which has been withdrawn fully amount. The loan has a repayment term of 84 months with the principal payment monthly at Baht 10.26 million per month after withdrawal the sixth installment. The interest at the rate MLR minus 3.60% per annum. As at December 31, 2019, loan balance of Baht 752.38 million.

The twelfth loan: On November 19, 2019 the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 194.86 million which has been withdrawn fully amount. The loan has a repayment term of 60 months with the principal payment quarterly at Baht 10.00 million per 3 months after withdrawal. The interest at the rate 3.80% per annum. As at December 31, 2019, loan balance of Baht 194.86 million.

Its subsidiaries had loans from the local commercial bank consist of:

Chiang Mai Ram Medical Business Public Co.,Ltd.

The thirteenth loan: On August 26, 2016, Chiang Mai Ram Medical Business Public Co.,Ltd. Has entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount Baht 370 million which has been withdrawn amounting to Baht 370 million. The loan has a tem of repayment within 60 months. The principal will be repaid by monthly basis at Baht 6.17 million, bear interest at the rate of 3 month fixed deposit plus per 2% annum. As at December 31, 2019 and 2018, loan balance of Baht 123.20 million and Baht 197.24 million, respectively

The fourteenth loan: On August 16, 2019, the subsidiary entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 1,200 million which has been withdrawn amounting to Baht 400 million. The loan has a term of repayment within 72 months by starting the loan repayment from the 9th month since the contract date. The interest at the rate of MLR - 3.668% per annum. As at December 31, 2019, loan balance of Baht 400.00 million.

The loan was repaid principal on monthly basis are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Repaid by monthly (million baht)</u>
Installment 1 - 71	8.30
Installment 72	Repay the rest of principal and interest under the loan agreement

Chiang Mai Ram Hospital Co., Ltd

The fifteenth loan: On April 6, 2012, Chiang Mai Ram Hospital Co., Ltd., entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 485 million which has been withdrawn amounting to Baht 350 million. The loan has a term of repayment within 60 months. The principal will be repaid by monthly basis at Baht 5.9 million, bear interest at the rate of 3 month fixed deposit plus 3% per annum.

On May 16, 2015 Chiang Mai Ram Hospital Co.,Ltd has withdrawn amounting to Baht 120 million. The loan has a term of repayment within 60 months after withdrawal the first installment of loan. The principal will be repaid by monthly basis at Baht 2.5 million of and has grace period for 7 months, bear interest at the rate of 3 month fixed deposit 2% per annum. As at December 31, 2018, loan balance of Baht 27.50 million and in 2019, the Company had fully paid the principal.

The sixteenth loan: On June 17, 2016, Chiang Mai Ram Hospital Co.,Ltd. Has entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount Baht 250 million which has been withdrawn amounting Baht 250 million. The loan has a repayment term of 60 months with the principal payment monthly at Baht 4.20 per month at the interest rate of MLR minus 2% per annum. As at December 31, 2019 and 2018, loan balance of Baht 73.60 million and Baht 124.00 million, respectively.

The seventeenth loan: On May 24, 2017, Chiang Mai Ram Hospital Co., Ltd., entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 600 million which has been withdrawn amounting to Baht 600 million. The loan has a term of repayment within 84 months. The interest at the rate of 1 year fixed deposit plus 1.75% per annum. As at December 31, 2019 and 2018, loan balance of Baht 413.40 million and Baht 495.50 million, respectively.

The loan was repaid principal on monthly basis are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Repaid by monthly (million baht)</u>
Installment 1-24	5.50
Installment 25-83	7.80
Installment 84	Repay the rest of principal and interest under the loan agreement

The eighteenth loan: On March 14, 2019, Chiang Mai Ram Hospital Co., Ltd., entered into a loan agreement with a local commercial bank in the credit facility amount of Baht 250 million which has been withdrawn fully amount. The loan has a term of repayment within 60 months. The interest at the rate of 1 year fixed deposit plus 1.75% per annum. As at December 31, 2019, loan balance of Baht 212.20 million.

The loan was repaid principal on monthly basis are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Repaid by monthly (million baht)</u>
Installment 1 - 59	4.20
Installment 60	Repay the rest of principal and interest under the loan agreement

The nineteenth loan: On August 16, 2019, the Company entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 800 million which has been withdrawn amounting to Baht 300 million. The loan has a term of repayment within 72 months by starting the loan repayment from the 9th month since the contract date. The interest at the rate of MLR - 3.668% per annum. As at December 31, 2019, loan balance of Baht 300.00 million.

The loan was repaid principal on monthly basis are as follows:

<u>After withdrawal the first installment of loan</u>	<u>Repaid by monthly (million baht)</u>
Installment 1 - 71	4.75
Installment 72	Repay the rest of principal and interest under the loan agreement

Thepanya Business Co.,Ltd.

The twentieth loan: On June 2, 2017, Thepanya Business Co., Ltd., entered into a loan agreement in Baht currency with a local commercial bank in the credit facility amount of Baht 250 million which has been withdrawn amounting to Baht 250 million. The loan has a term of repayment within 84 months. The principal will be repaid by monthly basis at Baht 2.98 million after withdrawal the first installment of loan. The interest at the rate 3.50% per annum. As at December 31, 2019 and 2018, loan balance of Baht 157.74 million and Baht 193.45 million, respectively.

These long-term loans from the financial institutions were secured by the mortgage of the Company's and its subsidiaries' land with construction, plant and medical equipment as discussed in Note 15 to the financial statements and pledged this share of Ramkhamhaeng Hospital Public Co., Ltd. in Note 10 to the financial statements and pledged this share of Chiang Mai Ram Medical Business Public Co., Ltd. in Note 12 to the financial statements and transferred the right to receive rent and service income of the Company to secure the financial institutions. However, the loan of the subsidiary in the amount of Baht 8 million were unsecured.

22. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Liabilities under finance lease agreements	13,245,019	19,826,556	11,819,123	17,174,825
<u>Less Current portion</u>	<u>(4,952,300)</u>	<u>(9,427,241)</u>	<u>(4,464,212)</u>	<u>(8,201,400)</u>
Net	<u>8,292,719</u>	<u>10,399,315</u>	<u>7,354,911</u>	<u>8,973,425</u>

	Baht					
	Consolidated financial statements					
	2019			2018		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	4,952,300	445,657	5,397,957	9,427,241	696,887	10,124,128
1 - 5 years	8,292,719	396,525	8,689,244	10,399,315	586,583	10,985,898
Total	<u>13,245,019</u>	<u>842,182</u>	<u>14,087,201</u>	<u>19,826,556</u>	<u>1,283,470</u>	<u>21,110,026</u>

	Baht					
	Separate financial statement					
	2019			2018		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	4,464,212	336,577	4,800,789	8,201,400	527,340	8,728,740
1 - 5 years	7,354,911	290,333	7,645,244	8,973,425	380,948	9,354,373
Total	<u>11,819,123</u>	<u>626,910</u>	<u>12,446,033</u>	<u>17,174,825</u>	<u>908,288</u>	<u>18,083,113</u>

As at December 31, 2019 and 2018, the Company and its subsidiaries had outstanding financial leases agreements with several local leasing companies comprised of 10 agreements and 15 agreements, respectively as follows:

The Company had outstanding finance leases agreements of vehicle and medical equipment of 8 agreements and 13 agreements, respectively, in the total leases amount of Baht 19.65 million and Baht

38.31 million, respectively with a term of payment in 48 - 60 months, and repaid in monthly of Baht 0.36 million and Baht 0.60 million, respectively.

The subsidiaries had outstanding finance leases agreements of vehicle of 2 agreements in the total leases amount of Baht 4.68 million with a term of payment in 36-60 months, and repaid in monthly of Baht 0.10 million.

Under the term of leases agreement referred to above the Company and its subsidiaries will have to comply with certain conditions and restrictions as specified in the leases agreements.

23. EMPLOYEE BENEFIT OBLIGATIONS

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Defined benefit obligations at the beginning of the year	149,136,803	133,868,376	53,467,632	49,318,168
Benefits paid by the plan	(6,085,030)	(7,036,832)	(3,019,401)	(3,541,124)
Past service costs and interest				
- change a considered a post-employment plan amendment	36,825,219	814,396	8,247,818	-
Current service costs and interest	28,825,897	21,820,673	8,631,316	7,690,588
Actuarial (gain) loss on define employee benefit plans	33,017,126	(329,810)	5,213,964	-
Defined benefit obligations at the end of the year	<u>241,720,015</u>	<u>149,136,803</u>	<u>72,541,329</u>	<u>53,467,632</u>

Expenses recognized in the statement of comprehensive income

For the years ended December 31, 2019 and 2018

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Past service costs and interest	36,825,219	814,396	8,247,818	-
Current service costs				
Cost of medical treatment	14,612,789	11,305,862	4,308,690	3,753,970
Administrative expenses	7,028,072	5,207,099	2,122,627	1,941,094
Management benefit expenses	28,548	26,098	-	-
Interest on obligation	7,156,488	5,281,614	2,199,999	1,995,524
Total	<u>65,651,116</u>	<u>22,635,069</u>	<u>16,879,134</u>	<u>7,690,588</u>

Gain (loss) from the estimate based on actuarial principles recognized in the other comprehensive income for the years ended December 31, 2019 and 2018 arise from :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Improvement from experience	(10,812,402)	1,927,826	(489,722)	-
Demographic assumption	12,603,449	(2,039,677)	13,465,010	-
Financial assumption	(34,808,173)	441,661	(18,189,252)	-
Total	(33,017,126)	329,810	(5,213,964)	-

Principal actuarial assumptions in the estimates base on the actuarial principles.

	Percentage			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.67 - 2.76	2.76 - 3.63	1.85	3.52
Salary increase rate	3.00 - 6.12	3.00 - 6.70	6.00	5.40
Employee turnover rate	0.00 - 26.37	0.00 - 26.37	0.00 - 20.45	0.00-23.13
Disability rate	10.00 of mortality rate	10.00 of mortality rate	10.00 of mortality rate	10.00 of mortality rate
Mortality rate	100.00 of mortality rate according to Thai mortality table 2017 male and female tables	100.00 of mortality rate according to Thai mortality table 2017,2018 male and female tables	100.00 of mortality rate according to Thai mortality table 2017 male and female tables	100.00 of mortality rate according to Thai mortality table 2008 male and female tables

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2019 and 2018 are summarized below:

	Baht			
	Consolidate financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate				
1% Increase	(33,830,333)	(16,472,654)	(8,131,815)	(4,707,475)
1% Decrease	39,134,788	19,827,675	9,780,064	5,510,135
Salary increase rate				
1% Increase	37,489,350	22,476,114	9,270,346	6,460,713
1% Decrease	(31,275,871)	(18,863,453)	(7,912,471)	(5,582,814)
Turnover rate				
10% Increase	(11,716,664)	(5,677,954)	(3,942,156)	(1,845,515)
10% Decrease	12,918,266	6,247,375	4,403,269	2,069,867

On April 5, 2019, the Labour Protection Act has been enacted in the Royal Gazette. The Labour Protection Act includes a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. This Act shall

come into force after the expiration of thirty days from the enacted date in the Royal Gazette onwards. This change is considered a post-employment benefits plan amendment. The effect of the change is recognized past service costs as expenses in the income statement.

24. SHARE CAPITAL

At the Annual General Meeting of Shareholders of the company for the year 2015 held on April 28, 2015, the shareholders approved an issuance of the warrant to purchase of ordinary share of Vibhavadi Medical Center Public Company Limited No. 2 (VIBHA-W2) at the amount of 1,048,097,120 units to the Company's existing shareholders at a ratio of 12 existing shares per 1 warrant and on June 15, 2015, the Company issued such warrants at free of charge to the Company's existing shareholders on a proportion basis. Details of which are as follows:

Type of warrant	:	Warrants to purchase of ordinary shares of Vibhavadi Medial Center Public Company Limited Series#2 (VIBHA-W2)
Type	:	Transferable named certificate
Offering / Allocation	:	Offered to existing shareholders
Amount of warrants	:	1,048,093,059 units
Offering price	:	Baht 0 per unit
Terms of warrants	:	5 years from the issuing date
Exercise ratio	:	1 unit of warrant per new 1 ordinary share
Exercise price	:	Baht 1.00 per share
Exercise period	:	On the last business day of September throughout the warrant term
First exercise date	:	September 30, 2015
Last exercise date	:	June 12, 2020

At the Annual General Meeting of Shareholders of the Company for the year 2017 held on April 27, 2017, the shareholders approved an issuance of the warrant to purchase of ordinary share of Vibhavadi Medical Center Public Company Limited No. 2 (VIBHA-W3) at the amount of 1,012,587,386 units to the Company's existing shareholders at a ratio of 13 existing shares per 1 warrant and on June 15, 2017, the Company issued such warrants at free of charge to the Company's existing shareholders on a proportion basis. Details of which are as follows:

Type of warrant	:	Warrants to purchase of ordinary shares of Vibhavadi Medial Center Public Company Limited Series#3 (VIBHA-W3)
Type	:	Transferable named certificate
Offering / Allocation	:	Offered to existing shareholders
Amount of warrants	:	1,012,582,207 units
Offering price	:	Baht 0 per unit
Terms of warrants	:	5 years from the issuing date
Exercise ratio	:	1 unit of warrant per new 1 ordinary share
Exercise price	:	Baht 3.00 per share
Exercise period	:	On the last business day of September throughout the warrant term
First exercise date	:	September 30, 2017
Last exercise date	:	June 14, 2022

At the Annual General Meeting of Shareholders of the Company for the year 2018 held on April 26, 2018, the meeting has resolved to approved the annual dividend payment at the rate of Baht 0.036 per share or 90.66 percent of the Company's net profit (based on the Company's separate financial statements). Since the condition of rights adjustment pursuant to Clause 5.5 of the warrants covenants of rights and duties of the issuer and holders of the warrants to purchase ordinary shares of the company no.2 and 3 (VIBHA-W2 and VIBHA-W3), effective date for adjust on May 9, 2018.

Therefore, the Company will have adjustment of rights of the warrants to purchase ordinary shares of the Company No.2 and 3 (VIBHA-W2 and VIBHA-W3). The Exercise price and Exercise ratio as follows:

1. VIBHA-W2

- New Exercise price : Baht 0.999 per share
- New Exercise ratio : 1 warrant shall be entitled to purchase 1.00086 ordinary shares

2. VIBHA-W3

- New Exercise price : Baht 2.997 per share
- New Exercise ratio : 1 warrant shall be entitled to purchase 1.00086 ordinary shares

And at the Annual General Meeting of Shareholders of the Company for the year 2017 held on April 27, 2017, and the Extraordinary General Meeting No.1/2017 held on November 21, 2017, to allocate the warrants to purchase ordinary shares of the Company to directors and employees of the company and/or its subsidiaries (ESOP-W2) amount 300 million units and on June 15, 2018, the Company issued such warrants at free of charge. Details of which are as follows:

- Type of warrant : warrants to purchase ordinary shares of the Company to directors and employees of the company and/or its subsidiaries (ESOP-W2)
- Offering / Allocation : Offered to the Company to directors and employees of the company and/or its subsidiaries
- Amount of warrants : 300,000,000 units
- Offering price : Baht 0 per unit
- Terms of warrants : 5 years from the issuing date
- Exercise ratio : 1 unit of warrant per new 1 ordinary share
- Exercise price : Baht 3.00 per share
- Exercise period : On the last business day of September throughout the warrant term
- First exercise date : September 28, 2018
- Last exercise date : June 14, 2023

Movements of the Company's warrants during the year are as follows :-

Warrant	Units			
	Number of warrants outstanding as at	Number of warrants issued during	Number of warrants exercised during	Number of warrants outstanding as at
	December 31, 2018	the year	the year	December 31, 2019
VIBHA-W2	426,696,746	-	(65,039,132)	361,657,614
VIBHA-W3	1,011,777,778	-	(153,846)	1,011,623,932
ESOP-W2	300,000,000	-	-	300,000,000
Total	1,738,474,524	-	(65,192,978)	1,673,281,546

The exercises warrants for the years ended December 31, 2019 and 2018 and registration of share increasing for exercised warrants were summarized as follows:

Warrant	Exercise date	Registration of share increasing date	Number of Exercised warrant	Baht		
				Consolidated / Separate financial statements		
				2019		
				Share capital increase	Share premium account	Amount
VIBHA-W2	September 30, 2019	October 11, 2019	65,039,132	6,509,505	58,520,450	65,029,955
VIBHA-W3	September 30, 2019	October 11, 2019	153,846	15,398	446,074	461,472
			65,192,978	6,524,903	58,966,524	65,491,427

Warrant	Exercise date	Registration of share increasing date	Number of Exercised warrant	Baht		
				Consolidated / Separate financial statements		
				2018		
				Share capital increase	Share premium account	Amount
VIBHA-W2	September 28, 2018	October 22, 2018	2,433,662	243,366	2,187,860	2,431,226
VIBHA-W3	September 28, 2018	October 22, 2018	738	74	2,140	2,214
			2,434,400	243,440	2,190,000	2,433,440

25. LEGAL RESERVE

Under the provisions of the Limited Public Company Act B.E 2535, the Company is required to appropriate at least 5 % of its annual net income after deduction of the deficit brought forward (if any) as legal reserve until the reserve equal to 10 % of authorized share capital. The reserve is not available for dividend distribution. As at December 31, 2019 and 2018, the Company appropriated the legal reserve amounted to Baht 2.92 million and Baht 14.48 million, respectively.

26. APPROPRIATION OF RETAINED EARNING

For the Company

At the Annual General Meeting of shareholders of the Company for the year 2019, held on April 29, 2019, the shareholders approved the dividend payment of for the performance result of the fiscal year 2018, at the rate of Baht 0.040 per share, totaling Baht 527.97 million and the appropriation of profits as a legal reserve in the amount of Baht 14.48 million. The Company fixed the names of shareholders who are entitled to received dividend, whose names appear in the Register of Shareholders on May 9, 2019. The dividend was paid to the shareholders on May 23, 2019.

At the Annual General Meeting of shareholders of the Company for the year 2018 held on April 26, 2018, the shareholders approved the dividend payment of for the performance result of the fiscal year 2017, at the rate of Baht 0.036 per share, totaling Baht 475.09 million and the appropriation of profits as a legal reserve in the amount of Baht 0.33 million. The Company fixed the names of shareholders who are entitled to received dividend, whose names appear in the Register of Shareholders on May 10, 2018. The dividend was paid to the shareholders on May 25, 2018.

For the subsidiary company - Chiang Mai Ram Medical Business Public Co., Ltd.

At the Annual General Meeting of Shareholders of a direct subsidiary for the year 2019, held on April 29, 2019, the shareholders approved the dividend payment for the operating result from January 1, 2018 to December 31, 2018 at Baht 0.052 per share to shareholders of 4,023.13 million ordinary shares amounting to Baht 209.20 million. The shareholders whose names appear in the Share Register as at March 15, 2019, shall be entitled to receive the dividends. The dividends was paid to the shareholders on May 15, 2019.

At the Annual General Meeting of Shareholders of a direct subsidiary for the year 2018 held on April 26, 2018, the shareholders approved the dividend payment for the operating result from January 1, 2017 to December 31, 2017 at Baht 0.047 per share to shareholders of 4,023.13 million ordinary shares amounting to Baht 189.09 million. The shareholders whose names appear in the Share Register as at March 15, 2018, shall be entitled to receive the dividends. The subsidiary paid the dividends to the shareholders on May 22, 2018.

For the indirect subsidiary company - Chiang Mai Ram Hospital Co., Ltd.

At the Annual General Meeting of the shareholder's subsidiary company for the year 2019, held on April 27, 2019, the shareholders approved to pay dividend for the year 2018 from the operating result since January 1, 2018 to December 31, 2018 at the rate of Baht 2.50 per share, totaling Baht 100.00 million. The dividend was paid to shareholders on May 15, 2019.

At the Annual General Meeting of the shareholder's subsidiary company for the year 2018 held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1, 2017 to December 31, 2017 at the rate of Baht 3.75 per share, totaling Baht 150.00 million. The dividend paid to the shareholders on May 22, 2018.

For the indirect subsidiary company - Theppanya Business Co., Ltd.

At the Annual General Meeting of the shareholder's subsidiary company for the year 2018 held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1, 2017 to December 31, 2017 at the rate of Baht 2.00 per share, totaling Baht 9.42 million. The dividend paid to the shareholders on May 22, 2018.

For the indirect subsidiary company - Hariphunchai Memorial Hospital Co., Ltd.

At the Annual General Meeting of the shareholder's subsidiary company for the year 2019, held on April 27, 2019, the shareholders approved to pay dividend for the year 2018 from the operating result since January 1, 2018 to December 31, 2018 at the rate of Baht 0.50 per share, totaling Baht 15.00 million. The dividend was paid to shareholders on May 31, 2019.

At the Annual General Meeting of the shareholder's subsidiary company for the year 2018 held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1, 2017 to December 31, 2017 at the rate of Baht 1.00 per share, totaling Baht 30.00 million. The dividend paid to the shareholders on April 30, 2018.

27. CAPITAL MANAGEMENT

The primary objective of capital management of the Company and its subsidiaries is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at December 31, 2019, the Group's debt-to-equity ratio was 0.90 : 1 (as at December 31, 2018 was 0.66 : 1) and the Company's was 0.87 : 1 (as at December 31, 2018 was 0.53: 1).

28. REVENUE FROM SOCIAL SECURITY

In 2018, the indirect subsidiaries - Theppanya Business Co., Ltd. and Hariphunchai Memorial Hospital Co., Ltd. had notified the results for medical services fee for the amount that exceeds the hospital's refund amount. The percentage of detected AdjRW was incorrect from the refunded amount of medical services fee in 2015 at the amount of Baht 85.40 million that results from the medical records examination of the Social Security Office by random method not less than 10 percent of the amount of information available at that time to consider in order to pay such refund medical services fee. Such random method was effective from July 1, 2014, onwards.

The resolution from the management of the two subsidiaries was to record the expected money return from the Social Security Office at the total amount by recording the reduction of income from medical treatment in the statement of comprehensive income for the year ended December 31, 2018 at the amount of Baht 85.40 million and stating the refund transactions of medical services fee from the Social Security Office as the funds received in advance in the statements of financial position. The Social Security Office refunded such deduction amount from the medical service for the medical services for in-patients with high cost diseases and for package payment at the total amount of Baht 25.76 million. The outstanding balance to be refunded from the hospital is totaled Baht 59.64 million. The Social Security Office will deduct the package payment of the medical services fee for 12 installments. In 2018, the Social Security Office has deducted one installment for the package payment of the medical services fee at the amount of Baht 5.10 million. In 2019, the Social Security Office has deducted 11 installments for the package payment of the medical services fee at the amount of Baht 54.54 million. The Social Security Office has fully deducted the package of the medical service fee.

In 2019, the Social Security Office had notified by the letter informing the results of the examination of the use of medical services in the case of high-cost diseases in 2016 and 2017 by the random data checking for medical services. The Social Security Office had found the incorrect percentage of AdjRW from the amount that the hospital should receive. But the subsidiaries were able to proceed with the dispute according to the period specified by the Social Security Office. However, the subsidiaries expected that the medical service fees would be refunded from the Social Security Office from information and past experience amounted Baht 187.25 million by calculating from the percentage information of AdjRW that the Social Security Office had found incorrect.

Therefore, the subsidiaries agreed to the results of the examination of medical service in 2015 due to the above transaction that was under the appeal would also be refunded amounted Baht 64.08 million by calculating from the percentage information of AdjRW that the Social Security Office had found incorrect.

For the year ended December 31, 2019, the subsidiaries recorded the deduction of revenue from medical treatment in statement of comprehensive income amounted Baht 251.32 million, and recorded the funds received in advance from Social Security Office in the same amount.

As at December 31, 2019 and 2018, the balance funds received in advance from Social Security Office is Baht 251.32 million and Baht 54.54 million, respectively.

29. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2019 and 2018 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Medical supplies and other supplies	1,040,987,066	971,671,907	350,004,057	339,582,426
Expenses from external medical service	172,802,935	183,134,463	39,926,535	45,145,798
Cost of lab and x-ray	135,557,879	127,457,047	33,180,828	35,503,096
Doctor fee	1,475,902,925	1,397,850,802	552,997,851	539,497,872
Cost of nutriment	72,898,910	74,985,083	9,975,707	9,507,105
Employee benefit expenses	1,497,417,296	1,386,250,783	554,555,618	522,900,584
Management benefit expense	111,565,682	106,795,688	47,991,549	47,709,200
Depreciation and amortization expenses	413,382,201	412,539,848	127,535,920	138,856,614
Repair and maintenance expenses	105,485,442	113,871,891	39,721,412	43,482,846
Utility expense	132,361,932	132,040,398	47,349,080	45,012,641

30. PROVIDENT FUND

The Company established a contributory registered provident fund covering all permanent employees in accordance with the Provident Fund Act B.E.2530.

Under the provident fund plan, employees' and Company's contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act.

The Company's contributions for the years ended December 31, 2019 and 2018 were amounted to Baht 4.54 million and Baht 4.87 million, respectively.

31. INCOME TAX EXPENSES

31.1 Major components of income tax expenses for the years ended December 31, 2019 and 2018 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Income tax expenses shown in profit or loss :				
Current income tax:				
Income tax for the year	215,886,634	194,471,688	84,754,151	87,873,472
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	(9,441,335)	(5,055,867)	(2,367,110)	(882,908)
Total	<u>206,445,299</u>	<u>189,415,821</u>	<u>82,387,041</u>	<u>86,990,564</u>
Income tax relating to components of other comprehensive income:				
Deferred tax relating to gain (loss) from :-				
Remeasuring available-for-sale investments	147,439,051	(57,370,916)	76,459,523	8,063,312
Actuarial on define employee benefit plans	(6,603,425)	65,962	(1,042,793)	-
Total	<u>140,835,626</u>	<u>(57,304,954)</u>	<u>75,416,730</u>	<u>8,063,312</u>

31.2 A numerical reconciliation between income tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2019 and 2018 which are summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accounting profit for the year	1,199,244,862	1,065,824,225	796,043,542	739,887,602
The applicable tax rate (%)	20	20	20	20
Income tax expense at the applicable tax rate	239,848,972	213,164,845	159,208,708	147,977,520
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	62,538,362	5,714,385	1,245,254	950,720
Tax effect of income or profit that are not required in determining taxable profit:				
- Exemption of non-taxable dividend income	(33,218,462)	(14,240,848)	(73,866,685)	(57,677,325)
- Share of profit of associates	(51,946,788)	(3,124,717)	-	-
- Others	(15,214,243)	(15,719,274)	(4,200,236)	(4,260,351)
Unrecognized tax losses on deferred tax assets	4,437,458	3,621,430	-	-
Total reconciliation items	(33,403,673)	(23,749,024)	(76,821,667)	(60,986,956)
Total income tax expense	206,445,299	189,415,821	82,387,041	86,990,564

31.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2019 and 2018 are summarized as follows:

	Consolidated financial statements			
	2019		2018	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before income tax expenses for the year	1,199,244,862		1,065,824,225	
Income tax expenses at the applicable tax rate	239,848,972	20.00	213,164,845	20.00
Reconciliation items	(33,403,673)	(2.79)	(23,749,024)	(2.23)
Income tax expenses at the average effective tax rate	206,445,299	17.21	189,415,821	17.77

	Separate financial statements			
	2019		2018	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before income tax expenses for the year	796,043,542		739,887,602	
Income tax expenses at the applicable tax rate	159,208,708	20.00	147,977,520	20.00
Reconciliation items	(76,821,667)	(9.65)	(60,986,956)	(8.24)
Income tax expenses at the average effective tax rate	82,387,041	10.35	86,990,564	11.76

32. OPERATING SEGMENT

The Company and its subsidiaries operate in 2 main reportable operating segments in one geographical area, Thailand as follows :

Type of operating segment	Nature of operating segment
Hospital	General Hospital, Hospital in Social Security and the National Health Security Office systems
Others	Rental and Hotel services

The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company and its subsidiaries assess the performance of the operating segment by using the operating profit or loss as the basis consistent with that used to assess operating profit or loss in the financial statements.

Operating segment information for the years ended December 31, 2019 and 2018 were as follows :

	Baht					
	Consolidated financial statements					
	Hospital		Others		Total	
	2019	2018	2019	2018	2019	2018
Revenue from services	6,450,680,338	6,367,334,641	95,213,190	106,709,959	6,545,893,528	6,474,044,600
Cost of services	(4,678,123,924)	(4,425,382,098)	(100,459,102)	(104,107,740)	(4,778,583,026)	(4,529,489,838)
Gross profit	1,772,556,414	1,941,952,543	(5,245,912)	2,602,219	1,767,310,502	1,944,554,762
Unallocated other income (other expenses)						
Dividend income					210,425,919	80,820,750
Gain on sale of investment					180,526	4,008,054
Other income					116,161,383	96,363,078
Administrative expenses					(953,466,030)	(915,851,845)
Finance cost					(201,101,377)	(159,694,158)
Share of profit of associates					259,733,939	15,623,584
Income tax expenses					(206,445,299)	(189,415,821)
Profit for the year					<u>992,799,563</u>	<u>876,408,404</u>

33. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the years by the weighted average number of ordinary shares which are issued and paid-up during the years after adjusting the number of ordinary shares to reflect the impact of the changing of par value as discussed in Note 24 to the financial statements. The prior year basic earnings per share has been recalculated as if the changing of par value had been changed at the beginning of the earliest year reported.

Diluted earnings per share is computed by dividing profit for the years by the aggregate amount of the weighted average number of ordinary shares issued during the years and the weighted average number of ordinary shares which the Company may have to issue for conversion of warrants to ordinary shares.

For the years ended December 31, 2019 and 2018.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit for the year of parent company (Baht)	809,045,597	723,672,451	713,656,501	652,897,038
Weighted average number of ordinary shares (Shares)	13,214,026,936	13,197,407,391	13,214,026,936	13,197,407,391
Weighted average number of ordinary shares under warrants (VIBHA-W2) (Shares)	410,125,132	428,494,911	410,125,132	428,494,911
Weighted average number of ordinary shares under warrants (VIBHA-W3) (Shares)	1,011,738,579	1,011,778,323	1,011,738,579	1,011,778,323
Weighted average number of ordinary shares under warrants (VIBHA-W3) (Shares)	300,000,000	300,000,000	300,000,000	300,000,000
Number of ordinary shares that would have been issued at fair value (Shares)	(213,497,466)	(152,818,233)	(213,497,466)	(152,818,233)
Weighted average number of ordinary share plus effect of assumed conversion (Shares)	14,722,393,181	14,784,862,392	14,722,393,181	14,784,862,392
Basic earnings per share (Baht per share)	0.0612	0.0548	0.0540	0.0495
Diluted earnings per share (Baht per share)	0.0550	0.0489	0.0485	0.0442

34. FINANCIAL INSTRUMENTS

34.1 Risk management

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

34.2 Interest rate risk

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

As at December 31, 2019 and 2018, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				
	Consolidated financial statements				
	As at December 31, 2019				
Floating interest rate	Fixed interest rates	Non-interest bearing	Total		
<u>Financial assets</u>					
Cash and cash equivalents	-	578,723,527	24,131,520	602,855,047	
Trade receivables	-	-	592,595,058	592,595,058	
Short-term loans to related parties	-	305,125,000	-	305,125,000	
Fixed deposits pledged as collateral	-	36,252,346	-	36,252,346	
Investments	-	-	9,640,064,056	9,640,064,056	
Long-term loans to related parties	-	24,000,000	-	24,000,000	
Long-term loans to other persons	-	5,370,000	-	5,370,000	
<u>Financial liabilities</u>					
Bank overdrafts and short-term loans from financial institutions	2,944,206	2,675,000,000	-	2,677,944,206	
Trade payables	-	-	342,149,832	342,149,832	
Short-term loans from related parties	-	633,053,818	-	633,053,818	
Short-term loan from other persons	-	70,800,000	-	70,800,000	
Long-term loans from financial institutions	2,965,199,045	538,191,463	-	3,503,390,508	
Liabilities under finance lease agreements	-	13,245,019	-	13,245,019	
Long-term loans from related parties	-	176,000,000	-	176,000,000	

	Baht				
	Consolidated financial statements				
	As at December 31, 2018				
Floating interest rate	Fixed interest rates	Non-interest bearing	Total		
<u>Financial assets</u>					
Cash and cash equivalents	-	296,561,130	10,559,408	307,120,538	
Trade receivables	-	-	677,690,317	677,690,317	
Short-term loans to related parties	-	336,300,000	-	336,300,000	
Fixed deposits pledged as collateral	-	44,487,957	-	44,487,957	
Investments	-	-	6,796,650,522	6,796,650,522	
Long-term loans to related parties	-	29,625,000	-	29,625,000	
Long-term loans to other persons	-	3,985,000	-	3,985,000	
<u>Financial liabilities</u>					
Bank overdrafts and short-term loans from financial institutions	4,169,960	1,581,625,000	-	1,585,794,960	
Trade payables	-	-	311,116,646	311,116,646	
Short-term loans from related parties	-	589,853,818	-	589,853,818	
Short-term loan from other persons	-	68,400,000	-	68,400,000	
Long-term loans from financial institutions	1,068,192,382	1,037,161,716	-	2,105,354,098	
Liabilities under finance lease agreements	-	19,826,556	-	19,826,556	
Long-term loans from related parties	-	192,000,000	-	192,000,000	

	Baht			
	Separate financial statements			
	As at December 31, 2019			
	Floating interest rate	Fixed interest rates	Non-interest bearing	Total
<u>Financial assets</u>				
Cash and cash equivalents	-	67,829,150	2,517,769	70,346,919
Trade receivables	-	-	131,271,650	131,271,650
Short-term loans to related parties	-	117,419,494	-	117,419,494
Investments	-	-	8,176,812,271	8,176,812,271
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from financial institutions	-	2,045,000,000	-	2,045,000,000
Trade payables	-	-	109,712,596	109,712,596
Long-term loans from financial institutions	1,285,060,950	538,191,463	-	1,823,252,413
Liabilities under finance lease agreements	-	11,819,123	-	11,819,123
Long-term loans from related parties	-	176,000,000	-	176,000,000

	Baht			
	Separate financial statements			
	As at December 31, 2018			
	Floating interest rate	Fixed interest rates	Non-interest bearing	Total
<u>Financial assets</u>				
Cash and cash equivalents	-	39,957,179	1,343,352	41,300,531
Trade receivables	-	-	129,772,592	129,772,592
Short-term loans to related parties	-	108,000,000	-	108,000,000
Investments	-	-	5,583,562,188	5,583,562,188
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from financial institutions	-	915,000,000	-	915,000,000
Trade payables	-	-	100,163,501	100,163,501
Long-term loans from financial institutions	30,500,000	1,037,161,716	-	1,067,661,716
Liabilities under finance lease agreements	-	17,174,825	-	17,174,825
Long-term loans from related parties	-	192,000,000	-	192,000,000

34.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily relating to trade accounts receivable and short-term/long-term loans to related parties. The management of the Company and its subsidiaries manage this risk by establishing appropriate credit control policies

and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

34.4 Foreign currency risk

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

34.5 Liquidity risk

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

34.6 Fair value

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

Fair value hierarchy

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

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

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

As at December 31, 2019 and 2018, the Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	Baht			
	Consolidated financial statements			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments				
- Unit trust	-	780,080	-	780,080
- Equity	6,313,495,459	-	-	6,313,495,459
Total	6,313,495,459	780,080	-	6,314,275,539

	Baht			
	Consolidated financial statements			
	As at December 31, 2018			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments				
- Unit trust	-	766,088	-	766,088
- Equity	3,656,549,151	-	-	3,656,549,151
Total	<u>3,656,549,151</u>	<u>766,088</u>	<u>-</u>	<u>3,657,315,239</u>

	Baht			
	Separate financial statements			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments				
- Equity	<u>3,674,474,522</u>	<u>-</u>	<u>-</u>	<u>3,674,474,522</u>

	Baht			
	Separate financial statements			
	As at December 31, 2018			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments				
- Equity	<u>1,349,069,720</u>	<u>-</u>	<u>-</u>	<u>1,349,069,720</u>

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

Valuation techniques and inputs for Level 2 valuations

The fair value of investments in Unit trust which are not listed on the Stock Exchange of Thailand, is determined by using the net assets value per unit as announced by the fund managers.

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2019 and 2018 are as follows:

	Baht			
	Consolidated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2019	Increase (decrease)*	Increase	December 31, 2019
Short-term loans from financial institutions	1,585,794,960	1,092,149,246	-	2,677,944,206
Short-term loans from related parties	589,853,818	43,200,000	-	633,053,818
Short-term loans from other persons	68,400,000	2,400,000	-	70,800,000
Long-term loans from financial institutions	2,105,354,098	1,398,036,410	-	3,503,390,508
Liabilities under finance lease agreements	19,826,556	(9,964,263)	3,382,726	13,245,019
Long-term loans from related parties	192,000,000	(16,000,000)	-	176,000,000
Total	<u>4,561,229,432</u>	<u>2,509,821,393</u>	<u>3,382,726</u>	<u>7,074,433,551</u>

	Baht			
	Consolidated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2018	Increase (decrease)*	Increase	December 31, 2018
Short-term loans from financial institutions	1,031,532,860	554,262,100	-	1,585,794,960
Short-term loans from related parties	630,353,818	(40,500,000)	-	589,853,818
Short-term loans from other persons	206,650,000	(138,250,000)	-	68,400,000
Long-term loans from financial institutions	2,407,166,667	(301,812,569)	-	2,105,354,098
Liabilities under finance lease agreements	23,759,655	(9,169,659)	5,236,560	19,826,556
Long-term loans from related parties	184,000,000	8,000,000	-	192,000,000
Total	<u>4,483,463,000</u>	<u>72,529,872</u>	<u>5,236,560</u>	<u>4,561,229,432</u>

	Baht			
	Separate financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2019	Increase (decrease)*	Increase	December 31, 2019
Short-term loans from financial institutions	915,000,000	1,130,000,000	-	2,045,000,000
Long-term loans from financial institutions	1,067,661,716	755,590,697	-	1,823,252,413
Liabilities under finance lease agreements	17,174,825	(8,738,428)	3,382,726	11,819,123
Long-term loans from related parties	192,000,000	(16,000,000)	-	176,000,000
Total	<u>2,191,836,541</u>	<u>1,860,852,269</u>	<u>3,382,726</u>	<u>4,056,071,536</u>

	Baht			
	Separate financial statements			
	Balance as at January 1, 2018	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2018
Short-term loans from financial institutions	770,000,000	145,000,000	-	915,000,000
Long-term loans from financial institutions	1,071,840,000	(4,178,284)	-	1,067,661,716
Liabilities under finance lease agreements	22,008,123	(8,325,807)	3,492,509	17,174,825
Long-term loans from related parties	184,000,000	8,000,000	-	192,000,000
Total	<u>2,047,848,123</u>	<u>140,495,909</u>	<u>3,492,509</u>	<u>2,191,836,541</u>

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

36. COMMITMENTS

As at December 31, 2019, the Company and its subsidiaries had commitments as follows:

36.1 The Company and its subsidiaries had capital commitments in respect of the construction of plant and equipment amounting to Baht 791.57 million (the Separate at Baht 51.80 million).

36.2 The subsidiary entered into an agreement to lease a building from the National Housing Authority for room rental business until ending on March 1, 2032. The subsidiary has commitment to pay rental under this lease in the consolidated financial statements, as follows:

	Baht
<u>Payment within</u>	
1 year	25,532,485
2 - 5 years	97,606,739
Over 5 years	176,912,215
	<u>300,051,439</u>

36.3 The Company and its subsidiaries had commitment to pay for medical maintenance contracts and others outstanding, as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
<u>Payment within</u>		
1 year	5,228,250	13,299,856
2 - 5 years	6,089,111	12,060,123
	<u>11,317,361</u>	<u>25,359,979</u>

37. CONTINGENT LIABILITIES

As at December 31, 2019, the Company and its subsidiaries had contingent liabilities as follows:

- 37.1 The Company had contingently liable for financial institutions guarantees issued to government agency amounted to Baht 5.25 million.
- 37.2 The Company had contingently liable for financial institutions guarantees issued to government agency for subsidiary amounted to Baht 7.39 million.
- 37.3 The subsidiaries had contingently liable for bank guarantee for electricity usage, post office department social security office and bank aval, amounted to Baht 43.52 million.

38. RECLASSIFICATION

The Company has reclassified certain accounts in the statement of financial statements of 2018 to conform with the presentation of the financial statements of this year, without any effect to the reported profit (loss) or shareholder's equity.

	Baht		
	Consolidated financial statements		
	Before Reclassification	Increase (decrease)	After Reclassification
<u>Statement of financial position</u>			
As at December 31, 2018			
Current investments	766,088	(766,088)	-
Available-for-sale investments	3,656,549,151	766,088	3,657,315,239
Short-term loans from related parties	814,353,818	(192,000,000)	589,853,818
Long-term loans from related parties	-	192,000,000	192,000,000
	Baht		
	Separate financial statements		
	Before Reclassification	Increase (decrease)	After Reclassification
<u>Statement of financial position</u>			
As at December 31, 2018			
Short-term loans from related parties	192,000,000	(192,000,000)	-
Long-term loans from related parties	-	192,000,000	192,000,000

39. EVENTS AFTER THE REPORTING PERIOD

For the Company

On February 27, 2020, the Board of Company's Director's Meeting passed a resolution to propose to the Annual General Meeting of shareholders for the year 2020 to adopt a resolution to pay dividend of Baht 0.045 per share, or a total of Baht 596.91 million, to the shareholders in respect of profit 2019. The dividend will be paid after it is approved by the Annual General Meeting of Company's shareholders.

For the subsidiary company - Chiang Mai Ram Medical Business Public Co., Ltd.

On February 27, 2020, the Board of subsidiary company's Director's Meeting passed a resolution to propose to the Annual General Meeting of shareholders for the year 2020 to adopt a resolution to pay dividend of Baht 0.0585 per share, or a total of Baht 235.35 million, to the shareholders in respect of the retained earning. The dividend will be paid after it is approved by the Annual General Meeting of subsidiary's shareholders.

40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on February 27, 2020.