

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

--

**REVIEW REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2019**

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated statement of financial position of Vibhavadi Medical Center Public Company Limited and its subsidiaries as at June 30, 2019 and the related consolidated statement of comprehensive income for the three-month and six-month periods then ended, changes in shareholders’ equity and cash flows for the six-month period then ended and the condensed notes to the consolidated financial statements and have reviewed the separate financial information of Vibhavadi Medical Center Public Company Limited as well. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

SCOPE OF REVIEW

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”.

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

Dharmniti Auditing Company Limited
Bangkok, Thailand
August 14, 2019

"UNAUDITED"

"REVIEWED"

- 2 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

		<u>ASSETS</u>				
		Baht				
		Consolidated financial statements		Separate financial statements		
		As at June	As at December	As at June	As at December	
Notes		30, 2019	31, 2018	30, 2019	31, 2018	
Current assets						
	Cash and cash equivalents	5	314,891,747	307,120,538	62,080,433	41,300,531
	Current investments		772,840	766,088	-	-
	Trade receivables	4, 6	744,938,248	677,690,317	112,708,448	129,772,592
	Short-term loans to related parties	4, 7	303,500,000	336,300,000	115,000,000	108,000,000
	Inventories	8	164,022,003	165,281,199	45,163,091	44,240,911
	Accrued dividend	4, 10, 11	68,860,025	-	68,860,025	-
	Other current assets	4	60,500,620	39,191,012	27,037,668	19,889,331
	Total current assets		1,657,485,483	1,526,349,154	430,849,665	343,203,365
Non-current assets						
	Fixed deposits pledged as collateral	9	26,368,788	44,487,957	-	-
	Available-for-sale investments	4, 10	6,377,121,082	3,656,549,151	3,457,228,400	1,349,069,720
	Investments in associates	11	2,323,183,412	2,260,253,320	1,777,365,788	1,777,365,788
	Investments in subsidiaries	12	-	-	1,984,004,789	1,984,004,789
	Other long-term investments	13	879,836,651	879,848,051	473,121,891	473,121,891
	Long-term loans to related parties	4	29,625,000	29,625,000	-	-
	Long-term loans to other persons		4,480,000	3,985,000	-	-
	Investment property	14	246,257,389	248,232,481	165,574,855	166,464,083
	Property, plant and equipment	15	6,673,280,671	6,125,498,640	1,383,536,059	1,335,105,197
	Goodwill		723,215,731	723,215,731	-	-
	Intangible assets		9,159,563	11,746,660	3,387,923	4,490,814
	Deferred tax assets	16	27,652,973	25,222,960	-	-
	Advance payment for assets		9,898,750	5,681,610	-	-
	Other non-current assets		6,725,360	6,685,475	4,990,878	4,698,928
	Total non-current assets		17,336,805,370	14,021,032,036	9,249,210,583	7,094,321,210
	Total assets		18,994,290,853	15,547,381,190	9,680,060,248	7,437,524,575

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

"UNAUDITED"

"REVIEWED"

- 3 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht				
		Consolidated financial statements		Separate financial statements		
		As at June	As at December	As at June	As at December	
Notes		30, 2019	31, 2018	30, 2019	31, 2018	
Current liabilities						
Bank overdrafts and short-term loans						
	from financial institutions	17	2,744,316,759	1,585,794,960	1,810,000,000	915,000,000
	Trade payables	4	310,475,644	311,116,646	99,598,520	100,164,501
Current portion of long-term liabilities						
	Long-term loan from financial institutions	20	907,574,796	743,114,286	595,520,510	489,460,000
	Liabilities under finance lease agreements	21	8,021,928	9,427,241	7,146,553	8,201,400
	Short-term loans from related parties	4, 18	593,853,818	589,853,818	-	-
	Short-term loans from other persons	19	70,800,000	68,400,000	-	-
	Payable from acquisition of assets	4	53,122,330	57,418,098	20,884,804	15,402,618
	Accrued doctor fee		168,196,728	168,464,355	72,667,721	77,309,358
	Accrued expenses	4	99,297,710	76,556,768	22,036,968	18,744,904
	Accrued dividends		23,278,805	17,730,727	13,444,761	11,284,614
	Income tax payable		42,449,953	77,994,533	17,813,034	41,083,220
	Advance received from social security office	25	188,749,084	54,606,133	-	-
	Advance received for share		6,982,500	-	-	-
	Other current liabilities	4	60,772,138	50,485,289	21,489,392	14,801,637
	Total current liabilities		5,277,892,193	3,810,962,854	2,680,602,263	1,691,452,252
Non-current liabilities						
	Long-term loans from financial institutions	20	2,255,453,775	1,362,239,812	1,422,792,823	578,201,716
	Liabilities under finance lease agreements	21	10,268,924	10,399,315	9,160,578	8,973,425
	Long-term loans from related parties	4, 18	204,000,000	192,000,000	204,000,000	192,000,000
	Liabilities under operating lease agreements		73,939,718	72,942,845	-	-
	Deferred tax liabilities	16	784,992,399	566,610,070	129,761,966	34,857,813
	Employee benefit obligations	22	196,543,500	149,136,803	62,643,055	53,467,632
	Other non-current liabilities	4	10,184,724	7,603,115	3,515,911	4,126,493
	Total non-current liabilities		3,535,383,040	2,360,931,960	1,831,874,333	871,627,079
	Total liabilities		8,813,275,233	6,171,894,814	4,512,476,596	2,563,079,331

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

"UNAUDITED"

"REVIEWED"

- 4 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT JUNE 30, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht				
		Consolidated financial statements		Separate financial statements		
		As at June	As at December	As at June	As at December	
Notes		30, 2019	31, 2018	30, 2019	31, 2018	
	Shareholders' equity					
	Share capital					
	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					
	13,199,368,250 ordinary shares, Baht 0.10 each	1,319,936,825	1,319,936,825	1,319,936,825	1,319,936,825	
	Share premium account	2,379,358,913	2,379,358,913	2,379,358,913	2,379,358,913	
	Retained earnings					
	Appropriated					
	Legal reserve	146,449,093	146,449,093	146,449,093	146,449,093	
	Unappropriated	1,941,876,559	2,195,567,576	750,979,375	844,528,660	
	Other components of equity	10, 11.3	1,786,235,459	1,066,013,176	570,859,446	184,171,753
	Total equity of the parent	7,573,856,849	7,107,325,583	5,167,583,652	4,874,445,244	
	Non-controlling interests	2,607,158,771	2,268,160,793	-	-	
	Total shareholders' equity	10,181,015,620	9,375,486,376	5,167,583,652	4,874,445,244	
	Total liabilities and shareholders' equity	18,994,290,853	15,547,381,190	9,680,060,248	7,437,524,575	

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

"UNAUDITED"

"REVIEWED"

- 5 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2019	2018	2019	2018	
Revenues						
	Revenues from medical treatment	4	1,571,135,619	1,533,029,378	550,159,297	556,450,999
	Rental and service income	4	20,958,503	28,051,832	4,659,456	4,624,926
	Dividend income	4, 10, 11, 13	51,437,662	34,645,552	50,110,763	99,784,937
	Gain on sale of investments		-	995,564	-	571,658
	Other income	4	31,192,516	22,589,781	17,957,230	11,750,054
	Total revenues		1,674,724,300	1,619,312,107	622,886,746	673,182,574
Expenses						
	Cost of medical treatment	4	1,134,625,969	1,062,504,393	374,147,374	367,330,725
	Cost of rental and service	4	24,056,036	25,647,336	3,102,053	3,472,812
	Administrative and services expenses	4	252,232,886	233,933,200	96,264,957	89,164,611
	Finance costs	4	51,936,456	39,787,774	28,659,803	16,536,651
	Total expenses		1,462,851,347	1,361,872,703	502,174,187	476,504,799
	Share of profit (loss) of associates	11.2	(2,383,587)	11,159,968	-	-
	Profit before income tax expenses		209,489,366	268,599,372	120,712,559	196,677,775
	Income tax expenses	26	23,608,719	44,047,574	13,444,065	18,198,784
	Profit for the period		185,880,647	224,551,798	107,268,494	178,478,991
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss						
	Unrealized gain (loss) on valuation of available-for-sale investments	10	219,795,223	(164,840,520)	167,292,456	(66,186,262)
	Income tax relating to items that may be reclassified	26	(43,959,044)	32,968,103	(33,458,491)	13,237,252
	Share of other comprehensive income (loss) of associates	11.3	29,541,804	(41,606,622)	-	-
			205,377,983	(173,479,039)	133,833,965	(52,949,010)
Items that will not be reclassified subsequently to profit or loss						
	Actuarial gain on define employee benefit plans	22	1,881,753	-	1,881,753	-
	Income tax relating to items that will not be reclassified	26	(376,351)	-	(376,351)	-
			1,505,402	-	1,505,402	-
	Other comprehensive income (loss) for the period, net of income tax		206,883,385	(173,479,039)	135,339,367	(52,949,010)
	Total comprehensive income for the period		392,764,032	51,072,759	242,607,861	125,529,981

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

"UNAUDITED"

"REVIEWED"

- 6 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2019	2018	2019	2018
Profit attributable to					
	Owners of the parent	153,822,552	194,291,959	107,268,494	178,478,991
	Non-controlling interests	32,058,095	30,259,839	-	-
		<u>185,880,647</u>	<u>224,551,798</u>	<u>107,268,494</u>	<u>178,478,991</u>
Total comprehensive income (loss) attributable to					
	Owners of the parent	338,568,091	62,278,493	242,607,861	125,529,981
	Non-controlling interests	54,195,941	(11,205,734)	-	-
		<u>392,764,032</u>	<u>51,072,759</u>	<u>242,607,861</u>	<u>125,529,981</u>
Earnings per share					
	Basic earnings per share				
	Attributable to owners of the parent	<u>0.0117</u>	<u>0.0147</u>	<u>0.0081</u>	<u>0.0135</u>
Diluted earnings per share					
	Attributable to owners of the parent	<u>0.0105</u>	<u>0.0132</u>	<u>0.0073</u>	<u>0.0121</u>

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

"UNAUDITED"

"REVIEWED"

- 7 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2019	2018	2019	2018	
Revenues						
	Revenues from medical treatment	4	3,075,131,597	3,137,062,542	1,127,024,744	1,140,461,781
	Rental and service income	4	40,289,031	58,381,005	8,630,882	9,717,522
	Dividend income	4, 10, 11, 12, 13	135,624,362	53,501,262	322,353,648	269,620,237
	Gain on sale of investments		-	2,452,563	-	571,658
	Other income	4	61,293,667	44,627,492	35,137,481	24,226,235
	Total revenues		3,312,338,657	3,296,024,864	1,493,146,755	1,444,597,433
Expenses						
	Cost of medical treatment	4	2,293,379,370	2,163,764,395	776,934,676	766,826,299
	Cost of rental and service	4	47,405,519	51,705,248	6,209,213	6,919,766
	Administrative and services expenses	4	495,720,465	461,773,201	201,291,160	181,605,624
	Finance costs	4	93,311,582	79,488,600	50,090,983	33,275,132
	Total expenses		2,929,816,936	2,756,731,444	1,034,526,032	988,626,821
	Share of profit of associates	11.2	27,129,277	32,809,559	-	-
	Profit before income tax expenses		409,650,998	572,102,979	458,620,723	455,970,612
	Income tax expenses	26	60,464,063	94,473,350	25,700,835	35,403,610
	Profit for the period		349,186,935	477,629,629	432,919,888	420,567,002
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss						
	Unrealized gain (loss) on valuation of available-for-sale investments	10	1,100,544,622	(309,676,947)	483,359,616	(63,082,413)
	Income tax relating to items that may be reclassified	26	(220,108,924)	61,935,389	(96,671,923)	12,616,482
	Share of other comprehensive income (loss) of associates	11.3	100,903,702	(49,063,703)	-	-
			981,339,400	(296,805,261)	386,687,693	(50,465,931)
Items that will not be reclassified subsequently to profit or loss						
	Actuarial gain on define employee benefit plans	22	1,881,753	-	1,881,753	-
	Income tax relating to items that will not be reclassified	26	(376,351)	-	(376,351)	-
			1,505,402	-	1,505,402	-
	Other comprehensive income (loss) for the period, net of income tax		982,844,802	(296,805,261)	388,193,095	(50,465,931)
	Total comprehensive income for the period		1,332,031,737	180,824,368	821,112,983	370,101,071

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

"UNAUDITED"

"REVIEWED"

- 8 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2019	2018	2019	2018
Profit attributable to					
	Owners of the parent	263,584,251	389,516,512	432,919,888	420,567,002
	Non-controlling interests	85,602,684	88,113,117	-	-
		<u>349,186,935</u>	<u>477,629,629</u>	<u>432,919,888</u>	<u>420,567,002</u>
Total comprehensive income (loss) attributable to					
	Owners of the parent	985,311,936	196,266,129	821,112,983	370,101,071
	Non-controlling interests	346,719,801	(15,441,761)	-	-
		<u>1,332,031,737</u>	<u>180,824,368</u>	<u>821,112,983</u>	<u>370,101,071</u>
Earnings per share					
	Basic earnings per share				
	Attributable to owners of the parent	<u>0.0200</u>	<u>0.0295</u>	<u>0.0328</u>	<u>0.0319</u>
Diluted earnings per share					
	Attributable to owners of the parent	<u>0.0179</u>	<u>0.0264</u>	<u>0.0294</u>	<u>0.0285</u>

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

"UNAUDITED"

"REVIEWED"

- 9 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

Baht

	Consolidated financial statements									Non-controlling interests	Total Shareholders' equity	
	Equity of the parent					Other components of equity						Total equity of the parent
	Issued and paid-up share capital	Share premium account	Retained earnings		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			Appropriated	Unappropriated								
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
Dividend paid	-	-	-	(466,815,106)	-	-	-	-	-	(466,815,106)	(100,542,143)	(567,357,249)
Total comprehensive income for the period												
Profit for the period	-	-	-	389,516,512	-	-	-	-	-	389,516,512	88,113,117	477,629,629
Other comprehensive income for the period, net of income tax												
Loss on valuation of available-for-sale investments	-	-	-	-	(144,186,680)	-	-	-	(144,186,680)	(144,186,680)	(103,554,878)	(247,741,558)
Share of other comprehensive income (loss) of associates	-	-	-	-	-	(49,063,703)	-	-	(49,063,703)	(49,063,703)	-	(49,063,703)
Balance as at June 30, 2018	1,319,693,385	2,377,168,913	131,969,339	1,875,627,543	719,098,711	304,288,061	(592,389)	15,591,664	1,038,386,047	6,742,845,227	2,238,075,363	8,980,920,590

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

"UNAUDITED"

"REVIEWED"

- 10 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

Baht												
Consolidated financial statements												
Equity of the parent										Non-controlling	Total	
Issued and	Share premium	Retained earnings		Other components of equity					Total equity	interests	Shareholders'	
paid-up share	account	Appropriated	Unappropriated	Unrealized gain	Unrealized gain	Unrealized loss	Difference from	Total other	of the parent		equity	
capital		Legal reserve		(loss) on valuation of	on investment	on investment	change in shareholding	components				
				available-for-sale	in associate	in associates	proportion in subsidiary	equity				
				investments - net of								
				income tax								
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
Dividend paid	-	-	-	(518,780,671)	-	-	-	-	-	(518,780,671)	(80,038,555)	(598,819,226)
Non - controlling interest increased from aquisition												
of investments in subsidiaries	12	-	-	-	-	-	-	-	-	-	72,316,733	72,316,733
Total comprehensive income for the period												
Profit for the period	-	-	-	263,584,251	-	-	-	-	-	263,584,251	85,602,684	349,186,935
Other comprehensive income for the period, net of income tax												
Gain on valuation of available-for-sale investments	-	-	-	-	619,318,581	-	-	-	619,318,581	619,318,581	261,117,117	880,435,698
Share of other comprehensive income of associates	-	-	-	-	-	100,903,702	-	-	100,903,702	100,903,702	-	100,903,702
Actuarial gain on define employee benefit plans	-	-	-	1,505,402	-	-	-	-	-	1,505,402	-	1,505,402
Balance as at June 30, 2019	1,319,936,825	2,379,358,913	146,449,093	1,941,876,558	1,391,212,593	380,023,591	(592,389)	15,591,664	1,786,235,459	7,573,856,848	2,607,158,772	10,181,015,620

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

"UNAUDITED"

"REVIEWED"

- 11 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Baht					Total shareholder's equity
	Separate financial statements					
	Issued and paid-up share capital	Share premium account	Retained earnings		Other components of equity	
			Appropriated Legal reserve	Unappropriated	Unrealized gain (loss) on valuation of available- for-sale investments - net of income tax	
Notes						
Balance as at January 1, 2018	1,319,693,385	2,377,168,913	131,969,339	681,200,994	151,918,507	4,661,951,138
Dividend paid	-	-	-	(475,089,619)	-	(475,089,619)
Total comprehensive income for the period						
Profit for the period	-	-	-	420,567,002	-	420,567,002
Other comprehensive income for the period, net of income tax						
Loss on valuation of available-for-sale investments	-	-	-	-	(50,465,931)	(50,465,931)
Balance as at June 30, 2018	<u>1,319,693,385</u>	<u>2,377,168,913</u>	<u>131,969,339</u>	<u>626,678,377</u>	<u>101,452,576</u>	<u>4,556,962,590</u>
Balance as at January 1, 2019	1,319,936,825	2,379,358,913	146,449,093	844,528,660	184,171,753	4,874,445,244
Dividend paid	-	-	-	(527,974,575)	-	(527,974,575)
Total comprehensive income for the period						
Profit for the period	-	-	-	432,919,888	-	432,919,888
Other comprehensive income for the period, net of income tax						
Gain on valuation of available-for-sale investments	-	-	-	-	386,687,693	386,687,693
Actuarial gain on define employee benefit plans	-	-	-	1,505,402	-	1,505,402
Balance as at June 30, 2019	<u>1,319,936,825</u>	<u>2,379,358,913</u>	<u>146,449,093</u>	<u>750,979,375</u>	<u>570,859,446</u>	<u>5,167,583,652</u>

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

"UNAUDITED"

"REVIEWED"

- 12 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Cash flows from operating activities</u>				
Profit for the period	349,186,935	477,629,629	432,919,888	420,567,002
Adjustments to reconcile profit for the period to net cash provided by operating activities				
Bad debts and doubtful accounts (reversal)	7,334,198	12,030,800	156,606	(8,711)
Depreciation	203,143,574	202,405,408	62,684,548	69,777,892
Amortization of intangible assets	2,636,418	2,519,324	1,130,283	936,665
Gain on disposal of equipment	(536,548)	(107,149)	(19,817)	-
Loss from write-off of fixed assets	25,046	4,786	25,046	1
Share of profit of associates	(27,129,277)	(32,809,559)	-	-
Dividend income	(135,624,362)	(53,501,262)	(322,353,648)	(269,620,237)
(Gain) loss on sale investments	(60,665)	(1,619,033)	56,087	(571,658)
Write-off withholding tax at source	11,400	-	-	-
Loss from impairment of investment in related company	97,144	7,080	-	-
Expense for employee benefit	51,458,714	10,881,108	12,563,476	3,845,294
Interest incomes	(7,398,329)	(8,018,705)	(2,687,738)	(3,899,073)
Finance costs	93,311,582	79,488,600	50,090,983	33,275,132
Income tax expenses	60,464,063	94,473,350	25,700,835	35,403,610
Profit from operating activities before change in operational assets and liabilities	596,919,893	783,384,377	260,266,549	289,705,917
(Increase) decrease in operational assets				
Trade receivables	(74,582,130)	(120,101,178)	16,907,538	14,103,740
Inventories	1,259,196	(772,518)	(922,179)	(303,618)
Other current assets	(14,345,185)	(9,311,015)	(7,147,988)	(8,674,198)
Other non-current assets	(67,985)	(1,398,568)	(291,950)	(243,300)
Increase (decrease) in operational liabilities				
Trade payables	17,238,096	(5,423,018)	(565,981)	(1,836,179)
Accrued doctor fee	(267,628)	553,236	(4,641,638)	(306,751)
Accrued expenses	21,312,407	19,025,280	1,902,816	1,245,049
Advance received from Social Security Office	134,209,837	-	-	-
Other current liabilities	10,518,544	(809,176)	6,687,755	(1,405,385)
Liabilities under operating lease contracts	996,874	996,874	-	-
Employee benefit obligations	(2,170,264)	(4,146,821)	(1,506,300)	(1,797,174)
Other non-current liabilities	2,581,607	(1,972,434)	(610,581)	15,961

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

"UNAUDITED"

"REVIEWED"

- 13 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash receipt from operation	693,603,262	660,025,039	270,078,041	290,504,062
Interest received	216,165	216,226	180,658	193,116
Interest paid	(6,312)	(9,280)	-	-
Income tax paid	(104,822,835)	(127,625,509)	(51,115,142)	(51,918,224)
Net cash provided by operating activities	588,990,280	532,606,476	219,143,557	238,778,954
<u>Cash flows from investing activities</u>				
(Increase) decrease in short-term loan to related company	(14,000,000)	38,500,000	(7,000,000)	16,000,000
Decrease in fixed deposits pledged as collateral	18,119,169	9,629,703	-	-
Cash receipt from sale of available-for-sale investments	17,886,767	62,745,410	1,422,168	1,660,793
Cash paid for available-for-sale investments	(1,639,874,608)	(264,355,813)	(1,626,277,319)	(177,149,719)
Cash paid for investments in associates	-	(20,000,000)	-	(20,000,000)
Cash paid for investments in subsidiary	(29,276,701)	-	-	-
(Decrease) in long-term loans to other persons	(495,000)	-	-	-
Cash paid for acquisition of property, plant and equipment	(728,232,250)	(275,666,618)	(103,171,302)	(70,046,870)
Proceed from disposal of equipment	771,887	6,177,800	19,823	5,000,000
Cash paid for acquisition of intangible assets	(58,965)	(5,050,852)	(27,392)	(2,225,017)
Cash paid for advance payment of assets	53,051,360	-	-	-
Dividend received	141,061,128	102,765,807	253,493,622	246,870,227
Interest received	6,379,828	7,451,190	2,506,731	3,709,644
Net cash provided by (used in) investing activities	(2,174,667,385)	(337,803,373)	(1,479,033,669)	3,819,058
<u>Cash flows from financing activities</u>				
Increase in bank overdrafts and short-term loans from financial institutions	1,158,521,799	578,075,354	895,000,000	420,000,000
Increase in loans from related parties	16,000,000	179,500,000	12,000,000	84,000,000
Increase in short-term loans from other persons	2,400,000	1,200,000	-	-
Cash received from long-term loans from financial institutions	1,470,000,000	-	1,220,000,000	-
Cash paid for long-term loans from financial institutions	(412,325,526)	(371,966,963)	(269,348,383)	(222,049,820)
Cash paid for liabilities under finance lease agreements	(1,535,704)	(3,406,725)	(867,694)	(3,203,708)
Cash received from receivable outstanding share	6,982,500	750,000	-	-
Advance received for increase share of subsidiary	50,807,500	-	-	-
Dividend paid	(602,465,051)	(572,556,493)	(525,814,427)	(473,175,584)
Interest paid	(94,937,204)	(80,976,229)	(50,299,482)	(34,622,358)
Net cash provided by (used in) financing activities	1,593,448,314	(269,381,056)	1,280,670,014	(229,051,470)
Net increase (decrease) in cash and cash equivalents	7,771,209	(74,577,953)	20,779,902	13,546,542
Cash and cash equivalents, at the beginning of the period	307,120,538	432,588,012	41,300,531	68,735,005
Cash and cash equivalents, at the end of the period	314,891,747	358,010,059	62,080,433	82,281,547

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

"UNAUDITED"

"REVIEWED"

- 14 -

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<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 period	(708,606,396)	(266,202,586)	(110,251,234)	(68,055,580)
Interest expenses are recongnized to fixed assets	2,569,748	299,706	1,597,746	299,706
Increase in liabilities under financial lease agreements	-	1,744,052	-	-
Decrease in advance payment of assets	-	(889,573)	-	-
Increase (decrease) in payable from acquisition of assets	(22,195,602)	(10,618,217)	5,482,186	(2,290,996)
Cash paid for acquisition of property, plant and equipment	<u>(728,232,250)</u>	<u>(275,666,618)</u>	<u>(103,171,302)</u>	<u>(70,046,870)</u>
2. Reconciliation of proceed from disposal of equipment				
Disposal of equipment	771,887	1,177,800	19,823	-
Increase account receivable from disposal of equipment	-	5,000,000	-	5,000,000
Cash received from disposal of equipment	<u>771,887</u>	<u>6,177,800</u>	<u>19,823</u>	<u>5,000,000</u>
3. Reconciliation of dividend received				
Dividend income for the period	209,921,153	125,515,817	322,353,647	269,620,237
(Increase) decrease accrued dividend	(68,860,025)	(22,750,010)	(68,860,025)	(22,750,010)
Dividend received	<u>141,061,128</u>	<u>102,765,807</u>	<u>253,493,622</u>	<u>246,870,227</u>
4. Reconciliation of dividend paid				
Dividend paid for the period	(606,520,068)	(575,631,763)	(527,974,574)	(475,089,619)
Increase in accrued dividend	4,055,017	3,075,270	2,160,147	1,914,035
Dividend paid	<u>(602,465,051)</u>	<u>(572,556,493)</u>	<u>(525,814,427)</u>	<u>(473,175,584)</u>

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

VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
JUNE 30, 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 interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2018) Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2018.

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

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

2.2 Basis for the preparation of consolidated interim financial statements

2.2.1 The consolidated interim 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
		As at June 30, 2019	As at December 31, 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

Name of company	Type of business	Percentage of holding (% of share capital)		Head office location
		As at June 30, 2019	As at December 31, 2018	
<u>Associated company</u>				
Vibharam Hospital Co., Ltd.	Hospital	40.75	40.75	Bangkok
Thipayabadin Co., Ltd.	Trading medical instruments	33.33	33.33	Bangkok
Bangpo General Hospital Co., Ltd.	Hospital	28.57	28.57	Bangkok
<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	50.00	Bangkok
<u>held by Chiang Mai Ram Hospital Co., Ltd.</u>				
<u>Subsidiary company</u>				
Theppanya Business Co., Ltd.	Hospital	47.09	47.09	Chiang Mai
Ramkhamhaeng Chiangmai Hospital Co., Ltd.*	Hospital	45.11	-	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’ 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.

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 Thai Financial Reporting Standards that become effective in the current year

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and interpretations (revised 2018) including new accounting treatment guidance, 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. However, the new standard involves changes to key principles, as summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

2.4 Thai Financial Reporting Standards that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard and accounting guidance for financial instruments, which is effective for fiscal years beginning on or after January 1, 2020. Key principles of these standards are summarized below.

The accounting guidance for financial instruments and Presentation for Insurance business

Accounting practice was adjusted to have close content with TFRS 9 by dividing into 4 parts as follows:

1. The recognition of transaction and valuation of financial instrument which is developed closely to The Accounting Standard No.105 (revised 2016) accounting for investment in debt securities and equity securities and Financial Reporting Standard No.9 financial instrument.
2. Impairment of financial asset which has content close to Thai Financial Reporting Standard No.9 financial instrument.
3. Accounting to prevent risk with content close to Thai Financial Reporting Standard No.9 financial instrument.
4. Information disclosure of financial instrument with content similar to Thai Financial Reporting Standard No.7 disclosure of financial instrument information.

TFRS 16 Leases

As the lease is significant transaction in many business in many industries. It's significant that user of financial statement should receive information on activity of the lease completely and able to compare which the former accounting method for lease agreement under Thai Accounting Standard No.17 regarding lease agreement require the lessee and lessor to classify lease agreement as financial lease or operating lease and record the account for both lease agreement differently. Such accounting method can't respond to the needs of the financial statement users as the accounting method does not objectively represent for the lease transaction in every case. For the lessee to recognize assets and liabilities that arise from operating lease which affects the lease agreement to be recognized as asset and liabilities in the statement of financial position. The use of asset and commitment that arises from the lease agreement under the definition of asset and liabilities affect the significant financial ratio to be distorted. New accounting method under Thai Financial Reporting Standard No.16 lease agreement requires the lessee to recognize the right to use asset as asset in the financial statements and recognize commitment that arises from lease agreement in the financial statements. Such accounting method affects the asset presentation and liabilities of the lessee as objective representation as well as increase the disclosure of information that reflects the financial risk and capital money of the lessee.

At present, the management of the Company and its subsidiaries are evaluating the impact of this standard to the financial statements in the year when it is adopted.

3. ACCOUNTING POLICIES

The Company and its subsidiaries prepared the interim financial statements with the same accounting policies used in the preparation of the annual financial statements for the year ended December 31, 2018.

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:

<u>Name of Company</u>	<u>Nature of relationships</u>
<u>Subsidiary companies</u>	
Princeton Park Suites Co., Ltd.	Shareholding and directorship
Chiang Mai Ram Medical Business Public Co., Ltd.	Shareholding and directorship

Name of company	Nature of relationships
<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.
Beauty Design Center Co., Ltd.	Shareholding by Princeton Park Suites Co., Ltd.
<u>Associated company</u>	
Vibharam Hospital Co., Ltd.	Shareholding and directorship
Thipayabadin 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
Ramkhamhaeng Hospital Public Co., Ltd.	Inter-shareholding and directorship
Supalerk U-Thong Hospital Co., Ltd.	Shareholding
Innovation Technology Co., Ltd.	Shareholding and directorship
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
Vibharam - Chaiprakarn Hospital Co., Ltd.	Share held by associate 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
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
Nawanakorn Medical Co., Ltd.	Shareholding
Gassan Chiangmai Property 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 of the accounts at the end of the period

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Trade receivables				
Subsidiary companies	-	-	25,426	112,803
Associated company	329,727	1,530,552	52,347	4,500
Related companies	556,105	662,577	551,948	658,420
Total	<u>885,832</u>	<u>2,193,129</u>	<u>629,721</u>	<u>775,723</u>
Short-term loans to				
Subsidiary companies	-	-	3,000,000	-
Associated company	15,000,000	15,000,000	15,000,000	15,000,000
Related companies	288,500,000	321,300,000	97,000,000	93,000,000
Total	<u>303,500,000</u>	<u>336,300,000</u>	<u>115,000,000</u>	<u>108,000,000</u>
Accrued dividend				
Associated company	67,450,085	-	67,450,085	-
Related companies	664,740	-	664,740	-
Total	<u>68,114,825</u>	<u>-</u>	<u>68,114,825</u>	<u>-</u>
Interest receivable (other current assets)				
Subsidiary companies	-	-	2,301	-
Associated company	116,518	118,470	116,518	118,470
Related companies	30,383,999	29,693,114	142,997	142,997
Less Allowance for doubtful accounts	(28,938,675)	(28,938,675)	-	-
Total	<u>1,561,842</u>	<u>872,909</u>	<u>261,816</u>	<u>261,467</u>
Other receivables (other current assets)				
Subsidiary companies	-	-	5,583,949	5,361,005
Related company	-	7,704	-	7,704
Total	<u>-</u>	<u>7,704</u>	<u>5,583,949</u>	<u>5,368,709</u>

“UNAUDITED”

“REVIEWED”

- 21 -

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Capital decrease receivable (other current assets)				
Subsidiary company	-	-	6,199,494	6,199,494
Prepaid expenses				
Associated companies	1,620,000	3,780,000	1,620,000	3,780,000
Related company	2,571,250	1,125,000	2,571,250	1,125,000
Total	4,191,250	4,905,000	4,191,250	4,905,000
Available-for-sale investments				
Related company	5,917,253,000	3,318,674,320	3,063,040,000	1,074,969,720
Long-term loans to				
Related companies	58,853,730	58,853,730	-	-
Less Allowance for doubtful accounts	(29,228,730)	(29,228,730)	-	-
Total	29,625,000	29,625,000	-	-
Trade payables				
Associated company	65,000	-	65,000	-
Related companies	21,588,732	17,620,994	876,520	646,845
Total	21,653,732	17,620,994	941,520	646,845
Short-term loans from				
Related persons	593,853,818	589,853,818	-	-
Accrued expenses				
Subsidiary company	-	-	262,230	409,648
Associated company	440,842	-	440,842	-
Related company	447,042	368,976	-	-
Total	887,884	368,976	703,072	409,648
Accrued interest (other current liabilities)				
Related persons	-	18,589	-	-
Payable from acquisition of ssets				
Related company	17,862,494	33,878,468	8,189,694	6,072,468
Other payable				
Associated company	3,400	-	3,400	-
Related company	4,066,286	1,459,430	3,927,567	949,370
Total	4,069,686	1,459,430	3,930,967	949,370
Advance received for share				
Related company	1,000,000	-	-	-
Related persons	5,982,500	-	-	-
Total	6,982,500	-	-	-
Long-term loans from				
Related persons	204,000,000	192,000,000	204,000,000	192,000,000
Deposit (other non current liabilities)				
Subsidiary company	-	-	200,000	200,000

Significant business transactions for the three-month and six-month periods ended June 30, 2019 and 2018 were as follows:

	Baht			
	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
Income from medical treatment				
Associated companies	342,982	15,800	411,776	72,718
Related companies	551,948	260,136	1,013,439	651,442
Total	<u>894,930</u>	<u>275,936</u>	<u>1,425,215</u>	<u>724,160</u>
Rental and service income				
Related companies	<u>13,000</u>	<u>-</u>	<u>23,000</u>	<u>-</u>
Dividend income				
Related companies	<u>49,365,562</u>	<u>32,334,852</u>	<u>133,353,562</u>	<u>51,082,752</u>
Interest income				
Associated companies	177,637	532,911	353,322	1,294,212
Related companies	<u>4,186,289</u>	<u>2,902,570</u>	<u>7,815,708</u>	<u>5,879,122</u>
Total	<u>4,363,926</u>	<u>3,435,481</u>	<u>8,169,030</u>	<u>7,173,334</u>
Other income				
Associated companies	<u>-</u>	<u>700</u>	<u>1,200</u>	<u>700</u>
Cost of medical treatment				
Associated companies	952,533	278,006	2,002,212	278,006
Related companies	<u>8,419,698</u>	<u>11,967,419</u>	<u>16,196,416</u>	<u>25,567,681</u>
Total	<u>9,372,231</u>	<u>12,245,425</u>	<u>18,198,628</u>	<u>25,845,687</u>
Service expense				
Related companies	<u>3,332,139</u>	<u>3,110,475</u>	<u>6,509,058</u>	<u>6,004,569</u>
Miscellaneous expenses				
Related companies	<u>951,951</u>	<u>1,013,691</u>	<u>1,692,425</u>	<u>3,975,910</u>
Management benefit expense				
Short-term benefits	30,491,568	25,485,230	56,571,973	48,891,988
Short-term benefits	<u>7,137</u>	<u>-</u>	<u>14,274</u>	<u>-</u>
Short-term benefits	<u>30,498,705</u>	<u>25,485,230</u>	<u>56,586,247</u>	<u>48,891,988</u>
Interest expenses				
Related persons	<u>6,792,101</u>	<u>9,548,723</u>	<u>13,670,314</u>	<u>18,229,279</u>

“UNAUDITED”

“REVIEWED”

- 23 -

	Baht			
	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
Purchase of inventories				
Related companies	<u>18,371,355</u>	<u>12,689,584</u>	<u>40,742,804</u>	<u>20,686,401</u>
Purchase of assets				
Related companies	<u>32,251,945</u>	<u>10,644,700</u>	<u>36,685,054</u>	<u>20,208,129</u>
Dividend expense				
Related companies	<u>80,191,580</u>	<u>97,907,422</u>	<u>80,191,580</u>	<u>97,907,422</u>
	Baht			
	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
Income from medical treatment				
Subsidiary companies	103,086	135,511	308,731	223,551
Associated companies	65,702	15,800	134,496	72,718
Related companies	<u>551,948</u>	<u>260,136</u>	<u>1,013,439</u>	<u>651,442</u>
Total	<u>720,736</u>	<u>411,447</u>	<u>1,456,666</u>	<u>947,711</u>
Rental and service income				
Subsidiary companies	759,034	692,700	1,495,563	1,338,792
Related companies	<u>13,000</u>	-	<u>23,000</u>	-
Total	<u>772,034</u>	<u>692,700</u>	<u>1,518,563</u>	<u>1,338,792</u>
Dividend income				
Subsidiary companies	-	-	174,792,800	157,985,800
Associated companies	-	67,450,085	67,450,085	67,450,085
Related companies	<u>49,365,562</u>	<u>32,334,852</u>	<u>79,365,562</u>	<u>44,184,352</u>
Total	<u>49,365,562</u>	<u>99,784,937</u>	<u>321,608,447</u>	<u>269,620,237</u>
Interest income				
Subsidiary companies	2,301	-	2,301	-
Associated companies	177,637	532,911	353,322	1,294,212
Related companies	<u>1,102,540</u>	<u>1,149,439</u>	<u>2,151,307</u>	<u>2,372,636</u>
Total	<u>1,282,478</u>	<u>1,682,350</u>	<u>2,506,930</u>	<u>3,666,848</u>

	Baht			
	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
Cost of medical treatment				
Associated companies	789,600	25,395	1,625,560	25,395
Related companies	113,500	5,551,104	246,925	11,286,444
Total	<u>903,100</u>	<u>5,576,499</u>	<u>1,872,485</u>	<u>11,311,839</u>
Service expense				
Subsidiary companies	177,000	-	177,000	-
Associated companies	103,834	-	103,834	-
Related companies	3,228,305	3,110,475	6,405,224	6,004,569
Total	<u>3,509,139</u>	<u>3,110,475</u>	<u>6,686,058</u>	<u>6,004,569</u>
Miscellaneous expenses				
Subsidiary companies	936,014	781,930	1,825,359	1,300,120
Management benefit expense				
Short-term benefits	13,472,633	10,321,750	25,602,233	20,738,500
Interest expenses				
Related persons	1,232,370	1,710,165	2,561,411	2,945,507
Purchase of assets				
Related companies	25,192,045	-	25,458,154	-
Dividend expense				
Related companies	37,299,912	33,569,921	37,299,912	33,569,921

5. CASH AND CASH EQUIVALENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Cash	9,365,708	9,148,509	5,376,725	5,075,373
Bank deposit - saving accounts	253,807,845	295,846,451	60,664,852	39,952,656
Bank deposit - current accounts	22,765,103	1,410,899	(3,965,679)	(3,732,021)
Bank deposit - fix accounts, 3 months	28,953,091	714,679	4,535	4,523
Total	<u>314,891,747</u>	<u>307,120,538</u>	<u>62,080,433</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	
	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Accrued income	411,306,640	354,373,605	-	-
Trade receivables				
Not yet due	236,208,698	222,216,895	100,507,794	113,659,924
Over due period				
Less than and up to 3 months	91,997,625	89,051,023	10,488,776	13,741,844
Over 3 months up to 6 months	11,690,372	13,863,430	1,319,544	1,888,546
Over 6 months up to 12 months	12,172,967	9,736,005	392,334	482,278
Over 12 months	54,872,300	64,665,170	1,352,418	1,195,812
Total	818,248,602	753,906,128	114,060,866	130,968,404
Less: Allowance for doubtful accounts	(73,310,354)	(76,215,811)	(1,352,418)	(1,195,812)
Net	744,938,248	677,690,317	112,708,448	129,772,592

For the six-month periods ended June 30, 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 period	(7,334,198)	(12,030,800)	(156,606)	8,710
Bad debt	10,239,655	14,513,291	-	-
Allowance for doubtful accounts - ending	(73,310,354)	(83,889,414)	(1,352,418)	(1,061,960)

7. SHORT-TERM LOANS TO RELATED PARTIES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Related parties	303,500,000	336,300,000	115,000,000	108,000,000

Changes in the short-term loans to related parties for the six-month period ended June 30, 2019 was summarized as follows:

	Interest rate per annum (%)	Baht			
		Consolidated financial statements			
		As at December	Transaction during the period		As at June
		31, 2018	Increase	Decrease	30, 2019
Khonkaen Ram Hospital Co., Ltd.	7.00	18,000,000	-	-	18,000,000
Gassan Marina Golf Club Co., Ltd.	4.50	76,000,000	50,000,000	(40,000,000)	86,000,000
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)	-
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	(6,000,000)	97,000,000
Total		336,300,000	60,000,000	(92,800,000)	303,500,000

	Interest rate per annum (%)	Baht			
		Separate financial statements			
		As at December	Transaction during the period		As at June
		31, 2018	Increase	Decrease	30, 2019
Princeton Park Suites Co., Ltd.	4.00	-	3,000,000	-	3,000,000
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	(6,000,000)	97,000,000
Total		108,000,000	13,000,000	(6,000,000)	115,000,000

The Company and its subsidiaries 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	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Medicines and medical supplies	156,637,258	158,419,165	43,339,474	42,337,959
Office supplies and other supplies	6,296,799	5,722,906	1,397,110	1,529,553
Stationeries	632,164	566,619	348,456	253,716
Cuisine	455,782	572,509	78,051	119,683
Total	164,022,003	165,281,199	45,163,091	44,240,911

9. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at June 30, 2019 and December 31, 2018, the subsidiary pledged fixed deposit amounted to Baht 26.37 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 to guarantee to Electricity Authority, Post Office Department and Social Security Office.

10. AVAILABLE-FOR-SALE INVESTMENTS

Consisted of :

	Baht			
	Consolidated financial statements			
	Investments		Dividend income	
	As at June	As at December	For the six-month periods	
	30, 2019	31, 2018	ended June 30,	
		2019	2018	
Investment in marketable equity security - common stock	3,481,820,951	1,861,786,890	103,062,800	20,406,410
<u>Add</u> Unrealized gain on valuation of available-for-sale investments	2,895,300,131	1,794,762,261		
Total	6,377,121,082	3,656,549,151	103,062,800	20,406,410

	Baht			
	Separate financial statements			
	Investments		Dividend income	
	As at June	As at December	For the six-month periods	
	30, 2019	31, 2018	ended June 30,	
		2019	2018	
Investment in marketable equity security - common stock	2,743,654,092	1,118,855,029	49,799,200	11,849,500
<u>Add</u> Unrealized gain on valuation of available-for-sale investments	713,574,308	230,214,691		

“UNAUDITED”

“REVIEWED”

- 28 -

Total	<u>3,457,228,400</u>	<u>1,349,069,720</u>	<u>49,799,200</u>	<u>11,849,500</u>
-------	----------------------	----------------------	-------------------	-------------------

The movement of available-for-sale investments for the six-month period ended June 30, 2019 was as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Beginning book value	3,656,549,151	1,349,069,720
Purchase investments	1,639,874,608	1,626,277,319
Sale investments	(19,840,547)	(1,478,256)
Changes in fair value	<u>1,100,537,870</u>	<u>483,359,617</u>
Ending book value	<u><u>6,377,121,082</u></u>	<u><u>3,457,228,400</u></u>

Changes in unrealized gain (loss) on remeasuring available-for-sale investments for the six-month period ended June 30, 2019, was as follows :

	Baht		
	As at December 31, 2018	Transaction during the period Increase (decrease)	As at June 30, 2019
<u>Consolidated/Separate financial statements</u>			
<u>The Separate financial statements</u>			
- Sikarin Public Co., Ltd.	234,191,512	230,938,094	465,129,606
- Thai Nakarin Hospital Public Co.,Ltd.	560,435	(11,973,176)	(11,412,741)
- Ramkhamhaeng Hospital Public Co., Ltd.	-	259,790,280	259,790,280
- Other companies	(4,537,256)	4,604,419	67,163
Total	<u>230,214,691</u>	<u>483,359,617</u>	<u>713,574,308</u>
<u>Consolidated financial statements</u>			
<u>Direct subsidiary company</u>			
Princeton Park Suites Co., Ltd.			
- Other companies	(6,645,352)	212,000	(6,433,352)
<u>Indirect subsidiary company</u>			
Chiang Mai Ram Hospital Co., Ltd.			
- Ramkhamhaeng Hospital Public Co., Ltd.	1,571,110,600	610,508,400	2,181,619,000
- Other companies	82,322	6,457,853	6,540,175
Total	<u>1,794,762,261</u>	<u>1,100,537,870</u>	<u>2,895,300,131</u>

Ramkhamhaeng Hospital Public Co., Ltd.

As at June 30, 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 interim 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 (%)	
		As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 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	44,854,100	44,854,100	11.99	11.99
Pawo Hospital Co., Ltd.	Hospital	11,625,750	11,625,750	23.54	23.54
		Baht			
		At equity method		At cost method	
		As at June	As at December	As at June	As at December
Name of company		30, 2019	31, 2018	30, 2019	31, 2018
<u>Consolidated financial statements/Separate financial statements</u>					
<u>Direct associated company</u>					
Vibharam Hospital Co., Ltd.		1,824,998,523	1,762,781,223	1,304,865,788	1,304,865,788
Thippayabadin Co., Ltd.		78,603,005	81,845,306	172,500,000	172,500,000
Bangpo General Hospital Co., Ltd.		304,420,912	300,791,832	300,000,000	300,000,000
Total				1,777,365,788	1,777,365,788
<u>Consolidated financial statements</u>					
<u>Indirect associated companies</u>					
Khelang Nakorn Hospital Co., Ltd.		101,721,376	101,804,620	30,882,500	30,882,500
Pawo Hospital Co., Ltd.		13,439,596	13,030,339	29,813,600	29,813,600
<u>Less Allowance for impairment of Investments</u>					
in Pawo Hospital Co., Ltd.		-	-	(16,374,004)	(16,783,261)
Total		2,323,183,412	2,260,253,320	1,821,687,884	1,821,278,627

11.2 Share of profit (loss) of associates for the three-month and six-month periods ended June 30, 2019 and 2018 were as follows :

Name of company	Baht			
	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
<u>Direct associated company</u>				
Vibharam Hospital Co., Ltd.	(5,005,057)	15,100,426	19,569,781	45,816,573
Thippayabadin Co., Ltd.	(834,493)	(6,270,980)	(3,242,301)	(11,652,174)
Bangpo General Hospital Co., Ltd.	583,006	716,122	3,629,079	(6,612,623)
<u>Indirect associated companies</u>				
Khelang Nakorn Hospital Co., Ltd.	1,416,304	2,264,328	6,763,461	7,028,046
Pawo Hospital Co., Ltd.	1,456,653	(649,928)	409,257	(1,770,263)
Total	<u>(2,383,587)</u>	<u>11,159,968</u>	<u>27,129,277</u>	<u>32,809,559</u>

The share of profit (loss) of directly associated company - Vibharam Hospital Company Limited as shown above for the six-month periods ended June 30, 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 associate for three-month and six-month periods ended June 30, 2019 and 2018 were as follows :

Name of company	Baht			
	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
<u>Direct associated company</u>				
Vibharam Hospital Co., Ltd.				
Gain on remeasuring available-for-sale investment				
- Ramkhamhaeng Hospital Public Co., Ltd.	3,868,577	(6,669,960)	47,223,317	(18,008,892)
- Rajthane Hospital Public Co., Ltd.	25,620,219	(34,936,662)	53,569,549	(31,054,811)
- Other	53,008	-	110,836	-
Total	<u>29,541,804</u>	<u>(41,606,622)</u>	<u>100,903,702</u>	<u>(49,063,703)</u>

11.4 Dividend income from investment in associated companies for the three-month and six-month periods ended June 30, 2019 and 2018 were as follows :

Name of company	Baht			
	For the three-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
<u>Consolidated financial statements</u>				
<u>Direct associated company</u>				
Vibharam Hospital Co., Ltd.	-	67,450,085	67,450,085	67,450,085
<u>Indirect associated companies</u>				
Khelang Nakorn Hospital Co., Ltd.	-	-	6,846,705	4,564,470
Total	-	67,450,085	74,296,790	72,014,555

Investment in Vibharam Hospital Co., Ltd.

As at June 30, 2019 and December 31, 2018, the Company has pledged the share certificate of Vibharam Hospital Co., Ltd. in the amount of 25,160,358 shares with a financial institution to secure the credit facilities as discussed in Note 17 to the interim financial statements.

12. INVESTMENTS IN SUBSIDIARIES

Consisted of :

Name of company	Type of business	Paid-up capital (Baht)		Proportion of share holding (%)	
		As at June	As at December	As at June	As at December
		30, 2019	31, 2018	30, 2019	31, 2018
<u>Shareholding by the Company</u>					
Princeton Park Suites Co., Ltd.	Hotel	460,000,000	460,000,000	99.99	99.99
Chiang Mai Ram Medical Business Public Co., Ltd.	Hospital	402,312,500	402,312,500	83.55	83.55
<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.	Hospital	150,000,000	150,000,000	72.43	72.43
(shareholding by Chiang Mai Ram Medical Business Public Co., Ltd.)					
Ramkhamhaeng Chiangmai Hospital Co., Ltd.	Hospital	120,700,000	-	45.11	-
(shareholding by Chiang Mai Ram Hospital Co., Ltd. and Chiang Mai Ram Medical Business Public Co., Ltd.)					
Beauty Design Center Co., Ltd.	Beauty Business	7,500,000	7,500,000	50.00	50.00
(shareholding by Princeton park Suites Co., Ltd.)					
<u>Shareholding by indirect subsidiary company</u>					

“UNAUDITED”

“REVIEWED”

- 32 -

Theppanya Business Co., Ltd.	Hospital	236,000,000	236,000,000	47.09	47.09
(shareholding by Chiang Mai Ram Hospital Co., Ltd.)					

Name of company	Baht					
	Consolidated financial statements		Separate financial statements			
	At equity method		At cost method		Dividend income	
	As at June	As at December	As at June	As at December	For the six-month	
	30, 2019	31, 2018	30, 2019	31, 2018	periods ended June 30,	
				2019	2018	
Princeton Park Suites Co., Ltd.	225,703,621	235,028,503	345,537,651	345,537,651	-	-
Chiang Mai Ram Medical Business Public Co., Ltd.	3,711,044,735	3,620,421,382	1,638,467,138	1,638,467,138	174,792,800	157,985,800
Total			1,984,004,789	1,984,004,789	174,792,800	157,985,800

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 :

	Baht
<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	(517,047)

“UNAUDITED”

“REVIEWED”

- 33 -

Net assets	119,169,648
<u>Less</u> non-controlling interests	<u>(23,209,233)</u>
Share of net assets aquired	95,960,415
	<u>Baht</u>
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% and the difference from purchasing shares in the subsidiary from non-controlling interests was amount Baht 5,508.00, represented as shareholders’ equity in consolidated financial statements.

As at June 30, 2019 and December 31, 2018, the Company has pledged the shares of Chiang Mai Ram Medical Business Public Co., Ltd. in the amount of shares 1,755,000,000 and 1,680,000,000, respectively, with a financial institution to secure the credit facilities as discussed in Notes 17 and 20 to the interim financial statements.

As at June 30, 2019 and December 31, 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 17 to the interim financial statements.

13. OTHER LONG-TERM INVESTMENTS

Consisted of :

Baht	
<u>Consolidated financial statements</u>	<u>Separate financial statements</u>

	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
General investments	879,836,651	879,848,051	473,121,891	473,121,891

13.1 General investments consisted of :

Name of company	Type of Business	Paid-up capital (Baht)		Proportion of share holding (%)	
		As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
		<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	910,000,000	910,000,000	10.00	10.00
Nawanakorn Medical Co., Ltd.	Hospital	375,000,000	375,000,000	4.43	4.43
<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
Legacy Golf (Thailand) Co., Ltd.	Golf course	1,300,000,000	1,300,000,000	10.00	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	
	As at June 30, 2019	As at December 31, 2018	For the six-month periods ended June 30,	
			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.	357,000,000	357,000,000	18,200,000	22,750,000
Nawanakorn Medical Co., Ltd.	18,094,400	18,094,400	664,740	-

“UNAUDITED”

“REVIEWED”

- 35 -

Name of company	Baht			
	At cost method		Dividend income	
	As at June	As at December	For the six-month periods	
	30, 2019	31, 2018	ended June 30,	
		2019	2018	
<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	-	-
Bhumpanya International Co., Ltd.	60,000,000	60,000,000	-	-
Chaiyapum Ram Hospital Co., Ltd.	1,200,000	1,200,000	-	-
Legacy Golf (Thailand) Co., Ltd.	171,700,000	171,700,000	-	-
Gassan Marina Golf Club Co., Ltd.	220,000,000	220,000,000	-	-
Total	466,325,000	466,325,000	2,250,000	375,000
<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	405,706,760	405,718,160	2,250,000	375,000
<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	879,836,651	879,848,051	32,561,562	32,709,852

14. INVESTMENT PROPERTY

Changes in the investment property for the six-month period ended June 30, 2019, was as follows :

	Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value, beginning of the period	248,232,481	166,464,083
<u>Less</u> Depreciation for the period	(1,975,092)	(889,228)
Net book value, end of the period	246,257,389	165,574,855

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

The subsidiary’s investment property is land and buildings for rent which it was built in 2016, the subsidiary had land revalued by an independent appraisal which as in 2018 the fair value was amount of Baht 32.19 million.

For the six-month periods ended June 30, 2019 and 2018, the Company had rental income from investment property in the amount of Baht 4.64 million and Baht 5.26 million (the Separate amount of Baht 2.31 million and Baht 3.55 million), respectively and operating expenses in the amount of Baht 2.31 million and Baht 1.86 million (the Separate amount of Baht 0.90 million and Baht 0.90 million), respectively which were recognized in the statement of comprehensive income.

Investment property of the Company are mortgaged as collateral of credit facilities from financial institutions as discussed in Note 17 to the interim financial statements.

15. PROPERTY, PLANT AND EQUIPMENT

Changes in the property, plant and equipment for the six-month period ended June 30, 2019, was summarized as follow:

	Baht	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<u>Cost</u>		
Balance as at December 31, 2018	10,142,757,992	2,960,966,699
Acquisition during the period	708,606,397	110,251,234
Disposals and write-off during the period	(34,009,962)	(2,482,611)
Asset from subsidiary acquisition (Note. 12)	40,594,859	-
Balance as at June 30, 2019	<u>10,857,949,286</u>	<u>3,068,735,322</u>
<u>Accumulated depreciation</u>		
Balance as at December 31, 2018	(4,017,259,352)	(1,625,861,502)
Depreciation for the period	(201,158,839)	(61,795,320)
Accumulated depreciation on disposals and write-off	33,749,576	2,457,559
Balance as at June 30, 2019	<u>(4,184,668,615)</u>	<u>(1,685,199,263)</u>
<u>Net book value</u>		
Balance as at December 31, 2018	<u>6,125,498,640</u>	<u>1,335,105,197</u>
Balance as at June 30, 2019	<u><u>6,673,280,671</u></u>	<u><u>1,383,536,059</u></u>

As at June 30, 2019 and December 31, 2018, land with construction, plant and medical equipment of the Company and its subsidiaries with net book value of Baht 1,913.76 million and Baht 1,954.86 million (the Separate amount of Baht 332.49 million and Baht 350.61 million), respectively, were mortgaged as collateral of credit facilities from financial institutions as discussed in Notes 17 and 20 to the interim financial statements.

As at June 30, 2019 and December 31, 2018, the Company and its subsidiary had fixed assets with the depreciation fully calculated but still in use which had a cost value of Baht 1,782.74 million and Baht 1,648.32 million (the Separate amount of Baht 644.51 million and Baht 569.03 million), respectively.

As at June 30, 2019 and December 31, 2018, medical instruments and vehicle of the Company and its subsidiaries acquired under finance leases, have net book value of Baht 19.66 million and Baht 20.51 million (the Separate amount of Baht 15.56 million and Baht 15.99 million), respectively.

As at June 30, 2019, the Company and its subsidiary had interest expense which is borrowing costs amounting to Baht 2.57 (the Separate amount of Baht 1.60 million) with a capitalization at the rate 3.00% - 3.34 % per annum (the Separate at the rate 3.00%).

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.

During the year 2018, the subsidiary had deposited the land amounted Baht 38.18 million and as at December 31, 2018, the outstanding obligations under the agreement was Baht 343.61 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 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. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as follow :

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Deferred tax assets	27,652,973	25,222,960	12,803,095	10,948,689

“UNAUDITED”

“REVIEWED”

- 38 -

Deferred tax liabilities	<u>(784,992,399)</u>	<u>(566,610,070)</u>	<u>(142,565,061)</u>	<u>(45,806,502)</u>
Deferred tax assets (liabilities) - net	<u>(757,339,426)</u>	<u>(541,387,110)</u>	<u>(129,761,966)</u>	<u>(34,857,813)</u>

Changes for the six-month period ended June 30, 2019 was summarized as follows:

	Baht				
	Consolidated financial statements				
	Balance as at December 31, 2018	Revenue (expenses) during the period			Balance as at June 30, 2019
		In profit or loss	In other comprehensive income		
Deferred tax assets:					
Trade account receivable	13,865,194	(7,298,253)	-	6,566,941	
Employee benefits obligations	29,827,360	9,481,340	-	39,308,700	
Straight line method of rental	14,604,569	187,375	-	14,791,944	
Unrealized loss on remeasuring available-for-sale investments	1,329,071	-	(42,400)	1,286,671	
Other	385,230	-	-	385,230	
Total	<u>60,011,424</u>	<u>2,370,462</u>	<u>(42,400)</u>	<u>62,339,486</u>	
Deferred tax liabilities:					
Financial lease agreements	(236,436)	86,636	-	(149,800)	
Unrealized gain on remeasuring available-for-sale investments	477,592,211	-	220,066,525	697,658,736	
Fair value adjustment of assets regarding business combinations	124,042,759	(1,872,783)	-	122,169,976	
Total	<u>601,398,534</u>	<u>(1,786,147)</u>	<u>220,066,525</u>	<u>819,678,912</u>	
Deferred tax assets (liabilities) - net	<u>(541,387,110)</u>			<u>(757,339,426)</u>	

	Baht				
	Separate financial statements				
	Balance as at December 31, 2018	Revenue (expenses) during the period			Balance as at June 30, 2019
		In profit or loss	In other comprehensive income		
Deferred tax assets:					
Trade account receivable	239,163	31,321	-	270,484	
Employee benefit obligations	10,693,526	1,835,085	-	12,528,611	
Straight line method of rental	16,000	(12,000)	-	4,000	
Total	<u>10,948,689</u>	<u>1,854,406</u>	<u>-</u>	<u>12,803,095</u>	
Deferred tax liabilities:					
Financial lease agreements	(236,436)	86,636	-	(149,800)	
Unrealized gain on remeasuring available-for-sale investments	46,042,938	-	96,671,923	142,714,861	

“UNAUDITED”

“REVIEWED”

- 39 -

Total	45,806,502	86,636	96,671,923	142,565,061
Deferred tax assets (liabilities) - net	(34,857,813)			(129,761,966)

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

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Bank overdrafts	2,691,759	4,169,960	-	-
Short-term loans from financial institutions	2,741,625,000	1,581,625,000	1,810,000,000	915,000,000
Total	2,744,316,759	1,585,794,960	1,810,000,000	915,000,000

As at June 30, 2019 and December 31, 2018, the Company and its subsidiaries had overdraft and short-term loan facilities with several domestic financial institutions amounted to Baht 4,035 million and Baht 4,495 million (the Separate amount of Baht 3,085 million and Baht 3,350 million), respectively. The interest bear at the rates of MOR% and 2.50 - 4.20% per annum, and guaranteed by the investment property of the Company as discussed in Note 14 to the interim financial statements, land with construction and buildings of the Company and its subsidiaries as discussed in Note 15 to the interim financial statements and guaranteed by the shares of Vibharam Hospital Co., Ltd. of the Company as discussed in Note 11 to the interim 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 interim financial statements.

18. LOANS FROM RELATED PARTIES

Changes in the loans from related parties for the six-month period ended June 30, 2019 was summarized as follows:

	Baht		
	Consolidated financial statements		
	As at December	Transaction during the period	
31, 2018	Increase	Decrease	30, 2019

Related persons

Company’s directors

Short-term	589,853,818	17,000,000	(13,000,000)	593,853,818
Long-term	192,000,000	132,000,000	(120,000,000)	204,000,000
Total	<u>781,853,818</u>	<u>149,000,000</u>	<u>(133,000,000)</u>	<u>797,853,818</u>

Baht

Separate financial statements

As at December	Transaction during the period		As at June
31, 2018	Increase	Decrease	30, 2019

Related persons

Company’s directors

Long-term	<u>192,000,000</u>	<u>132,000,000</u>	<u>(120,000,000)</u>	<u>204,000,000</u>
-----------	--------------------	--------------------	----------------------	--------------------

Related persons

As at June 30, 2019 and December 31, 2018, the Company had loans from related persons in term of promissory notes, by issuing the 13 promissory notes 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, 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 June 30, 2019 and December 31, 2018, the subsidiaries had loans from related parties in term of promissory notes for a period of repayment 3 months and interest rates at the rates of 3.25% - 4.50% per annum. Such loan has on any securities guaranteed.

19. SHORT-TERM LOANS FROM OTHER PERSONS

Changes in the short-term loans from other persons for the six-month period ended June 30, 2019 was summarized as follows:

Baht

Consolidated financial statements

As at December	Transaction during the period		As at June	
31, 2018	Increase	Decrease	30, 2019	
Other persons	<u>68,400,000</u>	<u>6,000,000</u>	<u>(3,600,000)</u>	<u>70,800,000</u>

As at June 30, 2019 and December 31, 2018, the subsidiaries had short-term loans from other persons in term of promissory notes for a period of repayment 3 months and interest rates at the rates of 4.00% - 4.50% per annum. Such loan has no any securities guaranteed.

20. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Long-term loans	3,163,028,571	2,105,354,098	2,018,313,333	1,067,661,716
<u>Less</u> Current portion due within one year	<u>(907,574,796)</u>	<u>(743,114,286)</u>	<u>(595,520,510)</u>	<u>(489,460,000)</u>
Net	<u>2,255,453,775</u>	<u>1,362,239,812</u>	<u>1,422,792,823</u>	<u>578,201,716</u>

Changes in the long-term loans from the financial institutions for the six-month period ended June 30, 2019 was as follows :

	Baht	
	Consolidated financial statements	Separate financial statements
Balance, beginning of the period	2,105,354,098	1,067,661,716
Addition loan during the period	1,470,000,000	1,220,000,000
Repayment of loan during the period	<u>(412,325,527)</u>	<u>(269,348,383)</u>
Balance, end of the period	<u>3,163,028,571</u>	<u>2,018,313,333</u>

In 2019, the Company and its subsidiaries entered into loans agreements with local commercial bank consist of:

For the Company

On February 12, 2019, 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 60 months. The interest at the rate of 1 year fixed deposit plus 1.75% per annum.

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

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.

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

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.

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

As at June 30, 2019 and December 31, 2018, the Company and its subsidiaries had long-term loans facilities from local commercial banks in the amount of Baht 6,320 million and Baht 4,850 million (the Separate amount of Baht 3,420 million and Baht 2,200 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 interim financial statements and pledged this share of Ramkhamhaeng Hospital Public Co., Ltd. in Note 10 to the interim financial statements and pledged this share of Chiang Mai Ram Medical Business Public Co., Ltd. in Note 12 to the interim 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.

21. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2019	31, 2018	30, 2019	31, 2018
Liabilities under finance lease agreements	18,290,852	19,826,556	16,307,131	17,174,825

“UNAUDITED”

“REVIEWED”

- 43 -

Less Current portion due within 1 year	(8,021,928)	(9,427,241)	(7,146,553)	(8,201,400)
Net	10,268,924	10,399,315	9,160,578	8,973,425

Baht						
Consolidated financial statements						
	As at June 30, 2019			As at December 31, 2018		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	8,021,928	593,914	8,615,842	9,427,241	696,887	10,124,128
1 - 5 years	10,268,924	589,930	10,858,854	10,399,315	586,583	10,985,898
Total	18,290,852	1,183,844	19,474,696	19,826,556	1,283,470	21,110,026

Baht						
Separate financial statements						
	As at June 30, 2019			As at December 31, 2018		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	7,146,553	469,138	7,615,691	8,201,400	527,340	8,728,740
1 - 5 years	9,160,578	438,276	9,598,854	8,973,425	380,948	9,354,373
Total	16,307,131	907,414	17,214,545	17,174,825	908,288	18,083,113

As at June 30, 2018 and December 31, 2018, the Company and its subsidiaries had outstanding financial leases agreements with several local leasing companies comprised of 15 agreements as follows:

The Company had outstanding finance leases agreements of vehicle and medical equipment of 12 agreements and 13 agreements, in the total leases amount of Baht 46.35 million and Baht 38.31 million, with a term of payment in 24-60 months, and repaid in monthly of Baht 0.77 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 48-60 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.

22. EMPLOYEE BENEFIT OBLIGATIONS

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Defined benefit obligations at the beginning of the period	149,136,803	133,868,376	53,467,632	49,318,168
Benefits paid by the plan	(2,170,264)	(7,036,832)	(1,506,300)	(3,541,124)

Past service costs and interest				
- change a considered a post-employment plan amendment	37,183,598	814,396	8,247,818	-
Current service costs and interest	14,275,116	21,820,673	4,315,658	7,690,588
Actuarial gain on define employee benefit plans	(1,881,753)	(329,810)	(1,881,753)	-
Defined benefit obligations at the end of the period	<u>196,543,500</u>	<u>149,136,803</u>	<u>62,643,055</u>	<u>53,467,632</u>

Expenses recognized in the statement of comprehensive income

For the three-month and six-month periods ended June 30, 2019 and 2018

	Baht			
	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Past service costs and interest	37,183,598	-	37,183,598	-
Current service costs				
Cost of medical treatment	4,412,447	2,760,273	7,524,992	5,636,833
Administrative expenses	1,517,418	1,338,758	3,132,095	2,561,228
Interest on obligation	2,146,481	1,341,523	3,618,029	2,683,046
Total	<u>45,259,944</u>	<u>5,440,554</u>	<u>51,458,714</u>	<u>10,881,107</u>

	Baht			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Past service costs and interest	8,247,818	-	8,247,818	-
Current service costs				
Cost of medical treatment	1,156,839	880,349	2,154,345	1,876,985
Administrative expenses	555,702	543,417	1,061,314	970,547
Interest on obligation	580,974	498,881	1,099,999	997,762
Total	<u>10,541,333</u>	<u>1,922,647</u>	<u>12,563,476</u>	<u>3,845,294</u>

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.

23. WARRANTS

At the Annual General Meeting of Shareholder for the year 2015, as at 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 Limtied 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

And at the Annual General Meeting of Shareholder for the year 2017, as at 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 Limtied 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 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

Movements of the Company’s warrants during the period are as follows :-

Warrant	Units			
	Number of warrants outstanding as at December 31, 2018	Number of warrants issued during the period	Number of warrants exercised during the period	Number of warrants outstanding as at June 30, 2019
	VIBHA-W2	426,694,668	-	-
VIBHA-W3	1,011,777,778	-	-	1,011,777,778
ESOP-W2	300,000,000	-	-	300,000,000
Total	1,738,472,446	-	-	1,738,472,446

24. 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.

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.

For the 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 13, 2019.

For the 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.

25. 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 three installments for the package payment of the medical services fee at the amount of Baht 45.90 million. As at June 30, 2019, the balance funds received in advance from Social Security Office is Baht 13.74 million in the statements of financial position.

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 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 110.93 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 six-month period ended June 30, 2019, the subsidiaries recorded the deduction of revenue from medical treatment in statement of comprehensive income amounted Baht 175.01 million and recorded the funds received in advance from Social Security Office in the same amount.

26. INCOME TAX EXPENSES

Major components of income tax expenses for the three-month and six-month periods ended June 30, 2019 and 2018 consisted of:

Baht	
Consolidated financial statements	
For the three-month periods ended June 30,	For the six-month periods ended June 30,

“UNAUDITED”

“REVIEWED”

- 49 -

	2019	2018	2019	2018
Income tax expenses shown in profit or loss :				
Current income tax expenses :				
Income tax for the period	26,901,127	44,838,406	64,997,023	97,677,103
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	(3,292,408)	(790,832)	(4,532,960)	(3,203,753)
Total	<u>23,608,719</u>	<u>44,047,574</u>	<u>60,464,063</u>	<u>94,473,350</u>

	Baht			
	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Income tax relating to components of other comprehensive income:				
Deferred tax relating to :				
Remeasuring available-for-sale investments	43,959,044	(32,968,103)	220,108,924	(61,935,389)
Actuarial gain on define employee benefit plans	376,351	-	376,351	-
Total	<u>44,335,395</u>	<u>(32,968,103)</u>	<u>220,485,275</u>	<u>(61,935,389)</u>

	Baht			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Income tax expenses shown in profit or loss :				
Current income tax expenses :				
Income tax for the period	15,244,865	18,555,992	27,844,956	36,108,332
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	(1,800,800)	(357,208)	(2,144,121)	(704,722)
Total	<u>13,444,065</u>	<u>18,198,784</u>	<u>25,700,835</u>	<u>35,403,610</u>
Income tax relating to components of other comprehensive income:				
Deferred tax relating to :				
Remeasuring available-for-sale investments	33,458,491	(13,237,252)	96,671,923	(12,616,482)
Actuarial gain on define employee benefit plans	376,351	-	376,351	-
Total	<u>33,834,842</u>	<u>(13,237,252)</u>	<u>97,048,274</u>	<u>(12,616,482)</u>

27. 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 and Hospital in Social Security
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 three-month and six-month periods ended June 30, 2019 and 2018 were as follows :

	Baht					
	Consolidated financial statements					
	Hospital		Others		Total	
	For the three-month periods ended June 30,		For the three-month periods ended June 30,		For the three-month periods ended June 30,	
	2019	2018	2019	2018	2019	2018
Revenue from services	1,571,135,619	1,533,029,378	20,958,503	28,051,832	1,592,094,122	1,561,081,210
Cost of services	<u>(1,134,625,969)</u>	<u>(1,062,504,393)</u>	<u>(24,056,036)</u>	<u>(25,647,336)</u>	<u>(1,158,682,005)</u>	<u>(1,088,151,729)</u>
Gross profit (loss)	<u>436,509,650</u>	<u>470,524,985</u>	<u>(3,097,533)</u>	<u>2,404,496</u>	433,412,117	472,929,481
Unallocated other income/(other expenses)						
Dividend income					51,437,662	34,645,552
Gain on sale of investments					-	995,564
Other income					31,192,516	22,589,781
Administrative and services expenses					(252,232,886)	(233,933,200)
Finance costs					(51,936,456)	(39,787,774)
Share of profit (loss) of associates					(2,383,587)	11,159,968
Income tax expenses					<u>(23,608,719)</u>	<u>(44,047,574)</u>
Profit for the period					<u>185,880,647</u>	<u>224,551,798</u>

	Baht					
	Consolidated financial statements					
	Hospital		Others		Total	
	For the six-month periods ended June 30,		For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018	2019	2018
Revenue from services	3,075,131,597	3,137,062,542	40,289,031	58,381,005	3,115,420,628	3,195,443,547
Cost of services	<u>(2,293,379,370)</u>	<u>(2,163,764,395)</u>	<u>(47,405,519)</u>	<u>(51,705,248)</u>	<u>(2,340,784,889)</u>	<u>(2,215,469,643)</u>
Gross profit (loss)	<u>781,752,227</u>	<u>973,298,147</u>	<u>(7,116,488)</u>	<u>6,675,757</u>	774,635,739	979,973,904

Unallocated other income/(other expenses)		
Dividend income	135,624,362	53,501,262
Gain on sale of investments	-	2,452,563
Other income	61,293,667	44,627,492
Administrative and services expenses	(495,720,465)	(461,773,201)
Finance costs	(93,311,582)	(79,488,600)
Share of profit of associates	27,129,277	32,809,559
Income tax expenses	(60,464,063)	(94,473,350)
Profit for the period	<u>349,186,935</u>	<u>477,629,629</u>

28. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares which are issued and paid-up during the period.

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

For the three-month periods ended June 30, 2019 and 2018.

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit attributable to owners of the parent	(Baht)	<u>153,822,552</u>	<u>194,291,959</u>	<u>107,268,494</u>	<u>178,478,991</u>
Weighted average number of ordinary shares	(Shares)	13,199,368,250	13,196,933,850	13,199,368,250	13,196,933,850
Weighted average number of ordinary shares under warrants (VIBHA-W2)	(Shares)	426,698,729	429,128,330	426,698,729	429,128,330
Weighted average number of ordinary shares under warrants (VIBHA-W3)	(Shares)	1,011,782,957	1,011,778,516	1,011,782,957	1,011,778,516
Weighted average number of ordinary shares under warrants (ESOP-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)	<u>(233,630,948)</u>	<u>(175,369,158)</u>	<u>(233,630,948)</u>	<u>(175,369,158)</u>
Weighted average number of ordinary share plus effect of assumed conversion	(Shares)	<u>14,704,218,988</u>	<u>14,762,471,538</u>	<u>14,704,218,988</u>	<u>14,762,471,538</u>
Basic earnings per share	(Baht per share)	<u>0.0117</u>	<u>0.0147</u>	<u>0.0081</u>	<u>0.0135</u>
Diluted earnings per share	(Baht per share)	<u>0.0105</u>	<u>0.0132</u>	<u>0.0073</u>	<u>0.0121</u>

For the six-month periods ended June 30, 2019 and 2018.

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit attributable to owners of the parent	(Baht)	<u>263,584,251</u>	<u>389,516,512</u>	<u>432,919,888</u>	<u>420,567,002</u>
Weighted average number of ordinary shares	(Shares)	13,199,368,250	13,196,933,850	13,199,368,250	13,196,933,850
Weighted average number of ordinary shares under warrants (VIBHA-W2)	(Shares)	426,698,729	429,128,330	426,698,729	429,128,330
Weighted average number of ordinary shares					

under warrants (VIBHA-W3)	(Shares)	1,011,782,957	1,011,778,516	1,011,782,957	1,011,778,516
Weighted average number of ordinary shares					
under warrants (ESOP-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)	<u>(224,077,053)</u>	<u>(173,253,214)</u>	<u>(224,077,053)</u>	<u>(173,253,214)</u>
Weighted average number of ordinary share plus effect of assumed conversion					
	(Shares)	<u>14,713,772,883</u>	<u>14,764,587,482</u>	<u>14,713,772,883</u>	<u>14,764,587,482</u>
Basic earnings per share	(Baht per share)	<u>0.0200</u>	<u>0.0295</u>	<u>0.0328</u>	<u>0.0319</u>
Diluted earnings per share	(Baht per share)	<u>0.0179</u>	<u>0.0264</u>	<u>0.0294</u>	<u>0.0285</u>

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Fair value hierarchy

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

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

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

As at June 30, 2019, 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			
	Level 1	Level 2	Level 3	Total
Assets				
Current investments-Unit trust	-	772,840	-	772,840
Available-for-sale investments - Equity	6,377,121,082	-	-	6,377,121,082
Total	<u>6,377,121,082</u>	<u>772,840</u>	<u>-</u>	<u>6,377,893,922</u>

	Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments - Equity	3,457,228,400	-	-	3,457,228,400

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

Valuation techniques and inputs for Level 2 valuations

The fair value of investments in investment units 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.

30. COMMITMENTS

As at June 30, 2019, the Company and its subsidiaries had commitments as follows:

30.1 Capital commitments on capital expenditure

The Company and its subsidiaries had capital commitments in respect of the construction of plant and equipment amounting to Baht 111.42 million (the Separate amount of Baht 48.22 million).

30.2 Operating lease commitments

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 Baht 316.89 million.

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

	Baht	
	<u>Consolidated</u> <u>financial statements</u>	<u>Separate</u> <u>financial statements</u>
<u>Payment within</u>		
1 year	14,929,853	5,942,497
2 - 5 years	15,815,901	8,466,945
	<u>30,745,754</u>	<u>14,409,442</u>

31. CONTINGENT LIABILITIES

As at June 30, 2019, the Company and its subsidiaries had contingent liabilities as follows:

31.1 The Company had contingently liable for financial institutions guarantees issued to government agency amounted to Baht 4.89 million.

31.2 The Company had contingently liable for financial institutions guarantees issued to government agency for subsidiary amounted to Baht 7.39 million.

31.3 The subsidiaries had contingently liable for bank guarantee for electricity usage, post office department social security office and bank aval, amounted to Baht 26.92 million.

32. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

“UNAUDITED”

“REVIEWED”

- 54 -

These interim financial statements were authorized for issue by the Board of Directors of the Company on August 14, 2019.