

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

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**REVIEW REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018**

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 statement of financial position of Vibhavadi Medical Center Public Company Limited and its subsidiaries as at March 31, 2018 and the related consolidated statement of comprehensive income, changes in shareholders’ equity and cash flows for the three-month period then ended and the condensed notes 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
May 14, 2018

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2018

		Baht				
		Consolidated financial statements		Separate financial statements		
		As at March	As at December	As at March	As at December	
Notes		31, 2018	31, 2017	31, 2018	31, 2017	
Current assets						
	Cash and cash equivalents	5	373,201,874	432,588,012	85,836,577	68,735,005
	Current investments		759,221	756,928	-	-
	Trade receivables	4, 6	620,068,763	519,679,094	106,293,074	120,902,546
	Short-term loans to related parties	4, 7	268,500,000	294,000,000	157,000,000	160,000,000
	Inventories	8	148,772,621	154,603,116	41,000,593	42,412,284
	Accrued dividend	4, 10, 12	23,420,180	-	169,835,300	-
	Other current assets	4	26,255,569	31,770,294	17,283,785	18,019,407
	Total current assets		1,460,978,228	1,433,397,444	577,249,329	410,069,242
Non-current assets						
	Fixed deposits pledged as collateral	9	43,528,435	43,441,645	-	-
	Available-for-sale investments	4, 10	3,583,841,636	3,578,788,239	1,098,605,120	952,801,829
	Investments in associates	11	2,387,229,694	2,357,601,653	1,772,365,788	1,752,365,788
	Investments in subsidiaries	12	-	-	1,984,004,789	1,984,004,789
	Other long-term investments	13	955,348,051	955,355,131	468,621,891	468,621,891
	Long-term loans to related parties	4	29,625,000	29,625,000	-	-
	Investment property	14	232,386,011	233,246,605	167,815,119	168,257,277
	Property, plant and equipment	15	6,106,795,549	6,042,589,361	1,306,826,350	1,313,760,618
	Goodwill		723,215,731	723,215,731	-	-
	Intangible assets		11,885,573	10,341,646	3,000,255	3,499,446
	Deferred tax assets	16	23,567,668	22,574,505	-	-
	Advance payment for assets		10,257,845	10,178,297	-	-
	Other non-current assets		5,896,052	5,944,382	4,156,259	4,358,758
	Total non-current assets		14,113,577,245	14,012,902,195	6,805,395,571	6,647,670,396
	Total assets		15,574,555,473	15,446,299,639	7,382,644,900	7,057,739,638

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht				
		Consolidated financial statements		Separate financial statements		
		As at March	As at December	As at March	As at December	
Notes		31, 2018	31, 2017	31, 2018	31, 2017	
Current liabilities						
Bank overdrafts and short-term loans						
	from financial institutions	17	1,140,200,438	1,031,532,860	950,000,000	770,000,000
	Trade payables	4	310,448,532	308,783,254	99,068,904	99,084,334
Current portion of long-term liabilities						
	Long-term loan from financial institutions	20	709,304,286	721,797,619	423,490,000	424,163,333
	Liabilities under finance lease contracts	21	9,082,181	9,597,914	8,200,421	8,726,975
	Short-term loans from related parties	4, 18	859,353,818	814,353,818	184,000,000	184,000,000
	Short-term loan from other persons	19	207,650,000	206,650,000	-	-
	Payable from acquisition of assets	4	33,983,635	35,579,469	1,652,766	3,983,913
	Accrued doctor fee		174,142,614	170,463,647	74,330,268	73,665,839
	Accrued expenses	4	87,127,507	70,647,681	27,255,042	22,544,304
	Accrued dividends		47,400,042	16,309,639	10,237,692	10,240,263
	Income tax payable		140,352,559	100,059,162	54,470,297	42,101,578
	Other current liabilities	4	50,373,419	47,974,320	12,454,008	15,257,037
	Total current liabilities		<u>3,769,419,031</u>	<u>3,533,749,383</u>	<u>1,845,159,398</u>	<u>1,653,767,576</u>
Non-current liabilities						
	Long-term loan from financial institutions	20	1,510,097,143	1,685,369,048	536,443,333	647,676,667
	Liabilities under finance lease agreements	21	12,922,979	14,161,741	12,203,769	13,281,148
	Liabilities under operating lease agreements		71,447,534	70,949,097	-	-
	Deferred tax liabilities	16	595,935,394	626,322,436	27,950,665	27,677,410
	Employee benefit obligations	22	135,905,693	133,868,376	50,187,225	49,318,168
	Other non-current liabilities	4	12,723,693	14,426,087	4,178,282	4,067,531
	Total non-current liabilities		<u>2,339,032,436</u>	<u>2,545,096,785</u>	<u>630,963,274</u>	<u>742,020,924</u>
	Total liabilities		<u>6,108,451,467</u>	<u>6,078,846,168</u>	<u>2,476,122,672</u>	<u>2,395,788,500</u>

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht				
		Consolidated financial statements		Separate financial statements		
		As at March	As at December	As at March	As at December	
Notes		31, 2018	31, 2017	31, 2018	31, 2017	
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						
	13,196,933,850 ordinary shares, Baht 0.10 each	1,319,693,385	1,319,693,385	1,319,693,385	1,319,693,385	
	Share premium account	2,377,168,913	2,377,168,913	2,377,168,913	2,377,168,913	
Retained earnings						
Appropriated						
	Legal reserve	131,969,339	131,969,339	131,969,339	131,969,339	
	Unappropriated	2,148,150,690	1,952,926,137	923,289,004	681,200,994	
	Other components of shareholders' equity	10, 11.3	1,170,399,514	1,231,636,430	154,401,587	151,918,507
	Total equity attributable to owners of the parent	7,147,381,841	7,013,394,204	4,906,522,228	4,661,951,138	
	Non-controlling interests	2,318,722,165	2,354,059,267	-	-	
	Total shareholders' equity	9,466,104,006	9,367,453,471	4,906,522,228	4,661,951,138	
	Total liabilities and shareholders' equity	15,574,555,473	15,446,299,639	7,382,644,900	7,057,739,638	

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2018	2017	2018	2017	
Revenues						
	Revenues from medical treatment	4	1,604,033,164	1,358,239,566	584,010,782	498,849,316
	Rental and service income	4	30,329,173	28,946,413	5,092,596	5,647,770
	Dividend income	4, 10, 11, 12	18,855,710	14,476,640	169,835,300	162,219,200
	Gain on sale of investments	10	1,456,999	-	-	-
	Other income	4	22,037,711	27,033,241	12,476,182	13,588,992
	Total revenues		1,676,712,757	1,428,695,860	771,414,860	680,305,278
Expenses						
	Cost of medical treatment		1,101,260,002	967,390,882	399,495,575	359,566,570
	Cost of rental and service	4	26,057,913	26,852,369	3,446,954	3,756,382
	Administrative and services expenses	4	227,840,001	226,357,697	92,441,014	91,207,801
	Finance costs	4	39,700,825	32,928,719	16,738,481	15,171,322
	Total expenses		1,394,858,741	1,253,529,667	512,122,024	469,702,075
	Share of profit of associates	11.2	21,649,591	50,767,537	-	-
	Profit before income tax expenses		303,503,607	225,933,730	259,292,836	210,603,203
	Income tax expense	25	50,425,776	33,578,375	17,204,826	9,039,843
	Profit for the period		253,077,831	192,355,355	242,088,010	201,563,360
Other comprehensive income						
Items that will not be reclassified to profit or loss						
	Actuarial loss on define employee benefit plans	22	-	(4,385,206)	-	-
	Income tax relating to items that will not be reclassified	25	-	877,041	-	-
			-	(3,508,165)	-	-
Item that may be reclassified subsequently to profit or loss						
	Unrealized gain (loss) on valuation of available-for-sale investments	10	(144,836,426)	(1,182,540,105)	3,103,850	(32,321,933)
	Income tax relating to items that may be reclassified	25	28,967,286	236,508,021	(620,770)	6,464,387
	Share of other comprehensive income (loss) of associates	11.3	(7,457,081)	(75,991,256)	-	-
			(123,326,221)	(1,022,023,340)	2,483,080	(25,857,546)
	Other comprehensive income (loss) for the period, net of income tax		(123,326,221)	(1,025,531,505)	2,483,080	(25,857,546)
	Total comprehensive income (loss) for the period		129,751,610	(833,176,150)	244,571,090	175,705,814

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2018	2017	2018	2017
Profit attributable to					
	Owners of the parent	195,224,553	153,619,115	242,088,010	201,563,360
	Non-controlling interests	57,853,278	38,736,240	-	-
		<u>253,077,831</u>	<u>192,355,355</u>	<u>242,088,010</u>	<u>201,563,360</u>
Total comprehensive income (loss) attributable to					
	Owners of the parent	133,987,637	(384,343,697)	244,571,090	175,705,814
	Non-controlling interests	(4,236,027)	(448,832,453)	-	-
		<u>129,751,610</u>	<u>(833,176,150)</u>	<u>244,571,090</u>	<u>175,705,814</u>
Earnings per share					
	Basic earnings per share				
	Attributable to owners of the parent	<u>0.0148</u>	<u>0.0117</u>	<u>0.0183</u>	<u>0.0153</u>
Diluted earnings per share					
	Attributable to owners of the parent	<u>0.0132</u>	<u>0.0114</u>	<u>0.0164</u>	<u>0.0150</u>

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

Baht												
Consolidated financial statements												
Equity attributable to owners of the parent										Non-controlling	Total	
Issued and	Share premium	Retained earnings		Other components of shareholders' equity					Total equity	interests	Shareholders'	
paid-up share	account	Appropriated	Unappropriated	Unrealized gain	Unrealized gain	Unrealized loss	Difference from	Total other	attributable to	equity		
capital		Legal reserve		(loss) on valuation of	on investment	on investment	change in shareholding	Components of	owners of			
				available-for-sale	in associate	in associates	proportion in subsidiary	equity	the parent			
				securities - net of tax								
Balance as at January 1, 2017	1,316,363,602	2,345,593,482	131,636,360	1,542,384,970	1,060,479,093	392,564,845	(592,389)	11,274,459	1,463,726,008	6,799,704,422	2,429,666,894	9,229,371,316
Dividend paid	-	-	-	-	-	-	-	-	-	-	(30,379,550)	(30,379,550)
Total comprehensive income for the period												
Profit for the period	-	-	-	153,619,115	-	-	-	-	-	153,619,115	38,736,240	192,355,355
Other comprehensive income for the period, net of income tax												
Actuarial loss on define employee benefit plans	-	-	-	(2,282,629)	-	-	-	-	-	(2,282,629)	(1,225,536)	(3,508,165)
Loss on valuation of available-for-sale securities	-	-	-	-	(459,688,929)	-	-	-	(459,688,929)	(459,688,929)	(486,343,155)	(946,032,084)
Share of other comprehensive income (loss) of associate	-	-	-	(1,676,099)	-	(74,315,157)	-	-	(74,315,157)	(75,991,256)	-	(75,991,256)
Balance as at March 31, 2017	1,316,363,602	2,345,593,482	131,636,360	1,692,045,357	600,790,164	318,249,688	(592,389)	11,274,459	929,721,922	6,415,360,723	1,950,454,893	8,365,815,616

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

	Baht											
	Consolidated financial statements											
	Equity attributable to owners of the parent									Non-controlling	Total	
	Issued and	Share premium	Retained earnings		Other components of shareholders' equity				Total equity	interests	Shareholders'	
	paid-up share	account	Appropriated	Unappropriated	Unrealized gain	Unrealized gain	Unrealized loss	Difference from	Total other	attributable to	equity	
	capital		Legal reserve		(loss) on valuation of	on investment	on investment	change in shareholding	Components of	owners of		
					available-for-sale	in associate	in associates	proportion in subsidiary	equity	the parent		
					securities - net of tax							
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	-	-	-	-	-	-	-	-	-	-	(31,101,075)	(31,101,075)
Total comprehensive income for the period												
Profit for the period	-	-	-	195,224,553	-	-	-	-	-	195,224,553	57,853,278	253,077,831
Other comprehensive income for the period, net of income tax												
Loss on valuation of available-for-sale securities	-	-	-	-	(53,779,835)	-	-	-	(53,779,835)	(53,779,835)	(62,089,305)	(115,869,140)
Share of other comprehensive income (loss) of associate	-	-	-	-	-	(7,457,081)	-	-	(7,457,081)	(7,457,081)	-	(7,457,081)
Balance as at March 31, 2018	1,319,693,385	2,377,168,913	131,969,339	2,148,150,690	809,505,556	345,894,683	(592,389)	15,591,664	1,170,399,514	7,147,381,841	2,318,722,165	9,466,104,006

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

	Baht					
	Separate financial statements					
	Issued and paid-up share capital	Share premium account	Retained earnings		Other components of shareholders' equity	Total shareholder's equity
			Appropriated Legal reserve	Unappropriated	Unrealized gain (loss) on valuation of available- for-sale securities	
Notes						
Balance as at January 1, 2017	1,316,363,602	2,345,593,482	131,636,360	618,199,653	179,607,011	4,591,400,108
Total comprehensive income for the period						
Profit for the period	-	-	-	201,563,360	-	201,563,360
Other comprehensive income for the period, net of income tax						
Loss on valuation of available-for-sale securities	-	-	-	-	(25,857,546)	(25,857,546)
Balance as at March 31, 2017	<u>1,316,363,602</u>	<u>2,345,593,482</u>	<u>131,636,360</u>	<u>819,763,013</u>	<u>153,749,465</u>	<u>4,767,105,922</u>
Balance as at January 1, 2017	1,319,693,385	2,377,168,913	131,969,339	681,200,994	151,918,507	4,661,951,138
Total comprehensive income for the period						
Profit for the period	-	-	-	242,088,010	-	242,088,010
Other comprehensive income for the period, net of income tax						
Gain on valuation of available-for-sale securities	-	-	-	-	2,483,080	2,483,080
Balance as at March 31, 2017	<u>1,319,693,385</u>	<u>2,377,168,913</u>	<u>131,969,339</u>	<u>923,289,004</u>	<u>154,401,587</u>	<u>4,906,522,228</u>

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Cash flows from operating activities</u>				
Profit for the period	253,077,831	192,355,355	242,088,010	201,563,360
Adjustments to reconcile profit for the period to net cash provided by operating activities				
Bad debts and doubtful accounts (reversal)	4,415,709	3,076,788	(10,068)	157,862
Depreciation	100,585,258	96,424,660	35,560,074	35,705,564
Amortization of intangible assets	1,229,743	1,370,241	509,192	443,762
(Gain) loss on disposal of equipment	(77,033)	35,907	-	-
Loss from write-off of fixed assets	4,786	5,421	-	-
Share of profit of associates	(21,649,591)	(50,767,537)	-	-
Dividend income	(18,855,710)	(14,476,640)	(169,835,300)	(162,219,200)
Gain on sale investment	(1,456,999)	(3,790,857)	-	-
Loss from impairment of investment in related company	7,080	62,580	-	-
Expense for employee benefit	5,440,554	5,002,466	1,922,647	1,832,965
Interest incomes	(3,825,950)	(2,281,513)	(1,984,516)	(203,601)
Finance costs	39,700,825	32,928,719	16,738,481	15,171,322
Income tax expense	50,425,776	33,578,375	17,204,826	9,039,843
Profit from operating activities before change in operational assets and liabilities	409,022,279	293,523,965	142,193,346	101,491,877
(Increase) decrease in operational assets				
Trade receivables	(104,805,377)	(17,432,431)	14,619,540	19,350,917
Inventories	5,830,495	(10,681,386)	1,411,691	(431,692)
Other current assets	1,320,947	(1,946,191)	735,622	854,429
Other non-current assets	76,761	964,205	202,500	250,338
Increase (decrease) in operational liabilities				
Trade payables	1,665,278	(3,251,400)	(15,430)	(3,486,219)
Accrued doctor fee	3,678,968	6,104,665	664,429	168,860
Accrued expenses	17,508,044	13,347,322	5,688,897	5,274,775
Advance received from Social Security Office	-	11,516,437	-	-
Other current liabilities	493,871	5,183,023	(2,803,030)	3,348,323
Liabilities under operating lease contracts	498,437	1,020,437	-	-
Employee benefit obligations	(3,403,237)	(1,959,178)	(1,053,590)	(470,200)
Other non-current liabilities	(1,702,395)	(188,415)	110,750	(69,400)

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash receipt from operation	330,184,071	296,201,053	161,754,725	126,282,008
Interest received	22	42	19	39
Interest paid	(4,821)	(2,038)	-	-
Cash received from withholding tax	-	3,022,966	-	-
Income tax paid	(12,573,732)	(11,212,757)	(5,183,622)	(4,624,571)
Net cash provided by operating activities	317,605,540	288,009,266	156,571,122	121,657,476
<u>Cash flows from investing activities</u>				
(Increase) decrease in short-term loan to related company	25,500,000	(39,720,000)	3,000,000	(29,720,000)
(Increase) decrease in fixed deposits pledged as collateral	(86,790)	9,556,703	-	-
Cash paid for investment in associates	(20,000,000)	(58,084,710)	(20,000,000)	(58,084,710)
Dividend received from investment in associates	-	15,838,635	-	15,838,635
Cash receipt from sale of available-for-sale investment	25,659,689	40,483,546	-	-
Cash paid for available-for-sale investment	(168,419,976)	(110,124,700)	(142,699,441)	(98,176,935)
Cash paid for acquisition of property, plant and equipment	(166,597,966)	(82,643,306)	(30,514,797)	(8,521,922)
Proceed from disposal of equipment	1,147,640	35,335	-	-
Cash paid for acquisition of intangible assets	(2,777,781)	(266,219)	(10,001)	(245,661)
Cash paid for advance payment of assets	(79,548)	-	-	-
Interest received	3,500,101	2,274,183	1,984,498	206,137
Net cash used in investing activities	(302,154,631)	(222,650,533)	(188,239,741)	(178,704,456)
<u>Cash flows from financing activities</u>				
Increase in bank overdrafts and short-term loans from financial institutions	108,667,578	117,904,031	180,000,000	143,609,984
Increase (decrease) in short-term loans from related parties	45,000,000	12,000,000	-	(1,000,000)
Increase (decrease) in short-term loan from other persons	1,000,000	(3,000,000)	-	-
Cash receipt from long - term loan from financial institutions	-	40,000,000	-	40,000,000
Cash paid for long-term loans from financial institutions	(187,765,238)	(150,900,000)	(111,906,667)	(72,720,000)
Cash paid for liabilities under finance lease contracts	(1,754,494)	(1,645,127)	(1,603,933)	(1,409,889)
Dividend paid	(10,671)	(75,860)	(2,571)	(75,864)
Cash received from receivable outstanding share	750,000	-	-	-
Interest paid	(40,724,222)	(33,038,847)	(17,716,638)	(15,210,120)
Net cash provided by (used in) financing activities	(74,837,047)	(18,755,803)	48,770,191	93,194,111
Net increase (decrease) in cash and cash equivalents	(59,386,138)	46,602,930	17,101,572	36,147,131
Cash and cash equivalents, at the beginning of the period	432,588,012	235,136,086	68,735,005	29,186,153
Cash and cash equivalents, at the end of the period	373,201,874	281,739,016	85,836,577	65,333,284

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

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VIBHAVADI MEDICAL CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<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	(165,002,133)	(64,921,255)	(28,183,650)	(14,603,335)
Increase in liabilities under financial lease contracts	-	3,738,238	-	3,258,631
Decrease in advance payment of assets	-	941,898	-	-
Increase (decrease) in payable from acquisition of assets	(1,595,833)	(22,402,187)	(2,331,147)	2,822,782
Cash paid for acquisition of property, plant and equipment	<u>(166,597,966)</u>	<u>(82,643,306)</u>	<u>(30,514,797)</u>	<u>(8,521,922)</u>
2. Reconciliation of proceed from disposal of equipment				
Disposal of equipment	1,147,640	35,335	-	-
Increase account receivable from disposal of equipment	-	-	-	-
Cash received from disposal of equipment	<u>1,147,640</u>	<u>35,335</u>	<u>-</u>	<u>-</u>
3. Reconciliation of dividend received				
Dividend income for the period	11,849,500	7,535,000	169,835,300	162,219,200
(Increase) decrease accrued dividend	(11,849,500)	8,303,635	(169,835,300)	(146,380,565)
Dividend received	<u>-</u>	<u>15,838,635</u>	<u>-</u>	<u>15,838,635</u>
4. Reconciliation of dividend paid				
Dividend paid for the period	(31,101,075)	(30,379,550)	-	-
Increase in accrued dividend	31,090,404	30,303,690	(2,571)	(75,864)
Dividend paid	<u>(10,671)</u>	<u>(75,860)</u>	<u>(2,571)</u>	<u>(75,864)</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
MARCH 31, 2018

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 2017) 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-emphasize 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, 2017.

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;

Company name	Type of business	Percentage of holding % of share capital		Head office location
		As at March 31, 2018	As at December 31, 2017	
<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	83.58	83.58	Chiang Mai

Company name	Type of business	Percentage of holding % of share capital		Head office location
		As at March 31, 2018	As at December 31, 2017	
<u>Associated company</u>				
Vibharam Hospital Co., Ltd.	Hospital	40.75	40.75	Bangkok
Thipayabadin Co., Ltd.	Trading medical instruments	50.00	50.00	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
<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

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

The Company and its subsidiaries have adopted the revised 2017 Thai Financial Reporting Standards issued by the Federation of Accounting Professions which become effective for the fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of the standards. The adoption of these financial reporting standards do not have any significant impact on the Company and its subsidiaries' financial statements.

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, 2017.

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 parties</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
<u>Indirect subsidiary companies</u>	
Chiang Mai Ram Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Medical Business Public Co., Ltd.
Harihunchai Memorial Hospital Co., Ltd.	Shareholding by 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
Thippayabadin Co., Ltd.	Shareholding and directorship
Bangpo General Hospital Co., Ltd.	Shareholding and directorship
<u>Indirect associated companies</u>	
Khelang Nakorn Hospital Co., Ltd.	Shareholding by Chiang Mai Ram Hospital Co., Ltd. and directorship
Pawo Hospital Co., Ltd.	Shareholding by Theppanya Business Co., Ltd. and directorship
<u>Related companies</u>	
Chao Phaya Hospital Public Co., Ltd.	Inter-shareholding and directorship
Synphaet Hospital Co., Ltd.	Inter-shareholding and directorship
Supalerk U-Thong Hospital Co., Ltd.	Shareholding
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
Rattanabadin Co., Ltd.	Shareholding by associate and directorship
Ramkhamhaeng Hospital Public Co., Ltd.	Shareholder and directorship
Sikarin Public Co., Ltd.	Shareholder and directorship

Name of parties	Nature of relationships
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 March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Trade receivables				
Subsidiary companies	-	-	83,585	55,436
Associated company	2,178,211	192,410	1,500	4,500
Related companies	281,873	503,665	277,716	499,508
Total	<u>2,460,084</u>	<u>696,075</u>	<u>362,801</u>	<u>559,444</u>
Short-term loans to				
Associated company	65,000,000	65,000,000	65,000,000	65,000,000
Related companies	203,500,000	229,000,000	92,000,000	95,000,000
Total	<u>268,500,000</u>	<u>294,000,000</u>	<u>157,000,000</u>	<u>160,000,000</u>
Accrued dividend				
Subsidiary companies	-	-	157,985,800	-
Related companies	18,747,900	-	11,849,500	-
Total	<u>18,747,900</u>	<u>-</u>	<u>169,835,300</u>	<u>-</u>

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	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Interest receivable (other non-current assets)				
Related companies	29,479,267	29,441,437	99,247	99,247
<u>Less</u> Allowance for doubtful accounts	(28,938,675)	(29,228,730)	-	-
Total	<u>540,592</u>	<u>212,707</u>	<u>99,247</u>	<u>99,247</u>
Other receivables (other current assets)				
Subsidiary companies	-	-	504,018	355,594
Associated companies	-	3,852	-	3,852
Related company	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
Total	<u>5,000,000</u>	<u>5,003,852</u>	<u>5,504,018</u>	<u>5,359,446</u>
Capital decrease receivable (other current assets)				
Subsidiary company	<u>-</u>	<u>-</u>	<u>6,199,494</u>	<u>6,199,494</u>
Prepaid expenses				
Related company	<u>441,229</u>	<u>1,253,527</u>	<u>441,229</u>	<u>1,253,527</u>
Available-for-sale investments				
Related company	<u>3,321,382,500</u>	<u>3,372,531,000</u>	<u>906,942,500</u>	<u>811,500,000</u>
Long-term loans to				
Related companies	58,853,730	58,853,730	-	-
<u>Less</u> Allowance for doubtful accounts	(29,228,730)	(29,228,730)	-	-
Total	<u>29,625,000</u>	<u>29,625,000</u>	<u>-</u>	<u>-</u>
Trade payables				
Associated company	252,611	1,094,054	-	-
Related companies	<u>11,462,355</u>	<u>13,251,562</u>	<u>-</u>	<u>-</u>
Total	<u>11,714,966</u>	<u>14,345,616</u>	<u>-</u>	<u>-</u>
Short-term loans from				
Related persons	<u>859,353,818</u>	<u>814,353,818</u>	<u>184,000,000</u>	<u>184,000,000</u>
Accrued expenses				
Subsidiary company	-	-	160,450	175,260
Related company	<u>222,688</u>	<u>97,687</u>	<u>-</u>	<u>-</u>
Total	<u>222,688</u>	<u>97,687</u>	<u>160,450</u>	<u>175,260</u>
Accrued interest (other current liabilities)				
Related persons	<u>34,110</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
Payable from acquisition of assets				
Related company	<u>11,504,600</u>	<u>14,455,000</u>	<u>-</u>	<u>130,000</u>

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	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Other payable				
Related companies	<u>2,665,916</u>	<u>3,161,313</u>	<u>2,569,293</u>	<u>3,097,263</u>
Deposit (other non current liabilities)				
Subsidiary company	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>

Significant business transactions for the three-month periods ended March 31, 2018 and 2017 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Income from medical treatment				
Subsidiary company	-	-	88,040	151,369
Associated company	56,918	102,934	56,918	78,804
Related companies	<u>391,306</u>	<u>787,387</u>	<u>391,306</u>	<u>787,387</u>
Total	<u>448,224</u>	<u>890,321</u>	<u>536,264</u>	<u>1,017,560</u>
Rental and service income				
Subsidiary company	-	-	646,092	704,131
Related companies	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total	<u>-</u>	<u>15,000</u>	<u>646,092</u>	<u>719,131</u>
Dividend income				
Subsidiary company	-	-	157,985,800	154,684,200
Related companies	<u>18,747,900</u>	<u>14,433,400</u>	<u>11,849,500</u>	<u>7,535,000</u>
Total	<u>18,747,900</u>	<u>14,433,400</u>	<u>169,835,300</u>	<u>162,219,200</u>
Interest income				
Associated company	761,301	391,439	761,301	58,562
Related companies	<u>2,976,552</u>	<u>1,379,009</u>	<u>1,223,197</u>	<u>29,110</u>
Total	<u>3,737,853</u>	<u>1,770,448</u>	<u>1,984,498</u>	<u>87,672</u>
Other income				
Related companies	<u>-</u>	<u>34,500</u>	<u>-</u>	<u>34,500</u>
Cost of medical treatment				
Associated company	-	160,321	-	-
Related companies	<u>13,600,262</u>	<u>6,213,604</u>	<u>5,735,340</u>	<u>3,838,623</u>
Total	<u>13,600,262</u>	<u>6,373,925</u>	<u>5,735,340</u>	<u>3,838,623</u>

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	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Service expense				
Related companies	<u>2,894,094</u>	<u>1,900,921</u>	<u>2,894,094</u>	<u>1,900,921</u>
Miscellaneous expenses				
Subsidiary company	-	-	518,190	352,726
Related companies	<u>2,962,219</u>	<u>622,037</u>	-	-
Total	<u>2,962,219</u>	<u>622,037</u>	<u>518,190</u>	<u>352,726</u>
Management benefit expense				
Short-term benefits	<u>23,406,758</u>	<u>21,311,369</u>	<u>10,416,750</u>	<u>10,003,773</u>
Interest expenses				
Related persons	<u>8,680,556</u>	<u>6,612,070</u>	<u>1,235,342</u>	<u>554,795</u>
Purchase of inventories				
Related companies	<u>7,996,817</u>	<u>4,896,316</u>	-	-
Purchase of assets				
Related companies	<u>9,563,429</u>	<u>12,633,500</u>	-	<u>60,000</u>

5. CASH AND CASH EQUIVALENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Cash	9,818,490	15,286,344	6,802,028	8,979,312
Bank deposit - saving accounts	309,721,447	402,269,255	84,560,745	53,705,456
Bank deposit - current accounts	52,218,176	13,608,486	(5,530,688)	6,045,745
Bank deposit - fix accounts, 3 months	<u>1,443,761</u>	<u>1,423,927</u>	<u>4,492</u>	<u>4,492</u>
Total	<u>373,201,874</u>	<u>432,588,012</u>	<u>85,836,577</u>	<u>68,735,005</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 March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
Accrued income	310,201,767	219,853,147	-	-
Trade receivables				
Not yet due	177,123,151	192,246,579	95,217,113	108,010,776
Over due period				
Less than and up to 3 months	122,481,955	94,138,006	9,989,039	12,086,849
Over 3 months up to 6 months	10,646,842	15,438,262	876,995	722,418
Over 6 months up to 12 months	16,069,736	14,322,994	209,927	82,503
Over 12 months	74,332,926	70,052,011	1,060,602	1,070,670
Total	710,856,377	606,050,999	107,353,676	121,973,216
Less: Allowance for doubtful accounts	(90,787,614)	(86,371,905)	(1,060,602)	(1,070,670)
Net	<u>620,068,763</u>	<u>519,679,094</u>	<u>106,293,074</u>	<u>120,902,546</u>

For the three-month periods ended March 31, 2018 and 2017 the movement of allowance for doubtful accounts were as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Allowance for doubtful accounts - beginning	(86,371,905)	(86,692,612)	(1,070,670)	(1,082,532)
(Increase) decrease reserve during the period	(4,415,709)	(3,356,788)	10,068	(437,863)
Bad debt	-	110,653	-	-
Allowance for doubtful accounts - ending	<u>(90,787,614)</u>	<u>(89,938,747)</u>	<u>(1,060,602)</u>	<u>(1,520,395)</u>

7. SHORT-TERM LOANS TO RELATED PARTIES

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
Related parties	<u>268,500,000</u>	<u>294,000,000</u>	<u>157,000,000</u>	<u>160,000,000</u>

Changes in the short-term loans to related parties for the three-month period ended March 31, 2018 was summarized as follows:

	Interest rate per annum (%)	Baht			
		Consolidated financial statements			
		As at December	Transaction during the period		As at March
		31, 2017	Increase	Decrease	31, 2018
Khonkaen Ram Hospital Co., Ltd.	7.00	18,000,000	-	-	18,000,000
Vibharam (Amatanakorn) Hospital Co., Ltd.	4.50	30,000,000	-	(30,000,000)	-
Gassan Marina Golf Club Co., Ltd.	4.50	86,000,000	-	-	86,000,000
Thippayabadin Co., Ltd.	4.75	65,000,000	-	-	65,000,000
Innovation Technology Co., Ltd.	4.25	95,000,000	28,000,000	(31,000,000)	92,000,000
Gassan Chiangmai Property Co., Ltd.	4.50	-	7,500,000	-	7,500,000
Total		294,000,000	35,500,000	(61,000,000)	268,500,000

	Interest rate per annum (%)	Baht			
		Separate financial statements			
		As at December	Transaction during the period		As at March
		31, 2017	Increase	Decrease	31, 2018
Thippayabadin Co., Ltd.	4.75	65,000,000	-	-	65,000,000
Innovation Technology Co., Ltd.	4.25	95,000,000	28,000,000	(31,000,000)	92,000,000
Total		160,000,000	28,000,000	(31,000,000)	157,000,000

The Company and its subsidiaries loan 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 March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
Medicines and medical supplies	142,413,560	148,267,981	38,886,991	40,524,145
Office supplies and other supplies	5,140,214	5,320,568	1,710,099	1,517,612
Stationeries	630,683	531,377	343,094	258,860
Cuisine	588,164	483,190	60,409	111,667
Total	148,772,621	154,603,116	41,000,593	42,412,284

9. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at March 31, 2018 and December 31, 2017, the subsidiary pledged fixed deposit amounted to Baht 43.53 million and Baht 43.44 million, respectively which carried the period of 6 months and 12 months, interest rate at 0.65 - 1.00% per annum and 0.65 - 1.50% per annum, respectively 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 March 31, 2018	As at December 31, 2017	For the three-month periods ended March 31,	
			2018	2017
Investment in marketable equity security - common stock	1,647,054,355	1,497,162,238	18,855,710	14,476,640
<u>Add Unrealized gain on valuation of available-for-sale</u>				
investments	<u>1,936,787,281</u>	<u>2,081,626,001</u>		
Total	<u>3,583,841,636</u>	<u>3,578,788,239</u>	<u>18,855,710</u>	<u>14,476,640</u>
	Baht			
	Separate financial statements			
	Investments		Dividend income	
	As at March 31, 2018	As at December 31, 2017	For the three-month periods ended March 31,	
			2018	2017
Investment in marketable equity security - common stock	905,603,137	762,903,695	11,849,500	7,535,000
<u>Add Unrealized gain on valuation of available-for-sale</u>				
investments	<u>193,001,983</u>	<u>189,898,134</u>		
Total	<u>1,098,605,120</u>	<u>952,801,829</u>	<u>11,849,500</u>	<u>7,535,000</u>

The movement of available-for-sale investment for the three-month periods ended March 31, 2018 was as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Beginning book value	3,578,788,239	952,801,829
Purchase investment	170,325,201	142,699,442
Sale investment	(20,433,084)	-
Changes in fair value	(144,838,720)	3,103,849
Ending book value	<u>3,583,841,636</u>	<u>1,098,605,120</u>

Changes in unrealized gain (loss) on remeasuring available-for-sale investment for the three-month period ended March 31, 2018, was as follows :

	Baht		
	As at December 31, 2017	Transaction during the period Increase (decrease)	As at March 31, 2018
<u>Consolidated/Separate financial statements</u>			
The Company only			
- Sikarin Public Co., Ltd.	191,791,548	(2,669,700)	189,121,848
- Thai Nakarin Hospital Public Co.,Ltd.	(2,543,608)	5,850,259	3,306,651
- Other companies	650,194	(76,710)	573,484
Total	<u>189,898,134</u>	<u>3,103,849</u>	<u>193,001,983</u>
<u>Consolidated financial statements</u>			
<u>Direct subsidiary company</u>			
Princeton Park Suites Co., Ltd.			
- Other companies	(5,761,564)	(1,234,363)	(6,995,927)
<u>Indirect subsidiary company</u>			
Chiang Mai Ram Hospital Co., Ltd.			
- Ramkhamhaeng Hospital Public Co., Ltd.	1,888,437,000	(146,591,000)	1,741,846,000
- Other companies	9,052,431	(117,206)	8,935,225
Total	<u>2,081,626,001</u>	<u>(144,838,720)</u>	<u>1,936,787,281</u>

11. INVESTMENT 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 March	As at December	As at March	As at December
		31, 2018	31, 2017	31, 2018	31, 2017
<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
Thipayabadin Co., Ltd.	Trading medical instrument	290,000,000	250,000,000	50.00	50.00
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

Name of company	Baht			
	At equity method		At cost method	
	As at March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
<u>Consolidated financial statements/Separate financial statements</u>				
<u>Direct associated company</u>				
Vibharam Hospital Co., Ltd.	1,836,064,577	1,812,805,510	1,304,865,788	1,304,865,788
Thipayabadin Co., Ltd.	148,045,335	133,426,529	167,500,000	147,500,000
Bangpo General Hospital Co., Ltd.	295,387,932	302,716,678	300,000,000	300,000,000
Total			1,772,365,788	1,752,365,788
<u>Consolidated financial statements</u>				
<u>Indirect associated companies</u>				
Khelang Nakorn Hospital Co., Ltd.	93,212,137	93,012,888	30,882,500	30,882,500
Pawo Hospital Co., Ltd.	14,519,713	15,640,048	29,813,600	29,813,600
<u>Less Allowance for impairment of Investments</u>				
in Pawo Hospital Co., Ltd.	-	-	(15,293,887)	(14,547,087)
Total	2,387,229,694	2,357,601,653	1,817,768,001	1,798,514,801

11.2 Share of profit (loss) of associates for the three-month periods ended March 31, 2018 and 2017, were as follows :

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Name of company	Baht	
	Consolidated financial statements	
	2018	2017
<u>Direct associated company</u>		
Vibharam Hospital Co., Ltd.	30,716,147	51,309,178
Thippayabadin Co., Ltd.	(5,381,194)	345,793
Bangpo General Hospital Co., Ltd.	(7,328,745)	(1,961,255)
<u>Indirect associated companies</u>		
Khelang Nakorn Hospital Co., Ltd.	4,763,718	1,364,987
Pawo Hospital Co., Ltd.	(1,120,335)	(291,166)
Total	<u>21,649,591</u>	<u>50,767,537</u>

11.3 Share of other comprehensive income (loss) of associate for three-month periods ended March 31, 2018 and 2017, were as follows :

Name of company	Baht	
	Consolidated financial statements	
	2018	2017
<u>Direct associated company</u>		
Vibharam Hospital Co., Ltd.		
Gain on remeasuring available-for-sale investment		
- Ramkhamhaeng Hospital Public Co., Ltd.	(11,338,932)	(53,359,680)
- Rajthenee Hospital Public Co., Ltd.	3,881,852	(20,961,997)
- Other	-	6,520
Actuarial loss on define employee benefit plans	-	(1,676,099)
Total	<u>(7,457,080)</u>	<u>(75,991,256)</u>

11.4 Dividend income from investment in associated companies for the three-month periods ended March 31, 2018 and 2017, were as follows :

Name of company	Baht	
	2018	2017
<u>Consolidated financial statements</u>		
<u>Indirect associated companies</u>		
Khelang Nakorn Hospital Co., Ltd.	4,564,470	5,477,364
Total	<u>4,564,470</u>	<u>5,477,364</u>
<u>Investment in Vibharam Hospital Co., Ltd.</u>		

As at March 31, 2018 and December 31, 2017, 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.

Investment in Thipayabadin Co., Ltd.

In quarter 1st of year 2018, Thipayabadin Co., Ltd. has called to pay the addition shares at amount Baht 20.00 million and has been paid in fully amount.

12. INVESTMENT IN SUBSIDIARIES

Consisted of :

Name of company	Type of business	Paid-up capital (Baht)		Proportion of share holding (%)	
		As at March	As at December	As at March	As at December
		31, 2018	31, 2017	31, 2018	31, 2017
<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.)					
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>					
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					
	Separate financial statements					
	At equity method		At cost method		Dividend income	
	As at March	As at December	As at March	As at December	For the three-month	
	31, 2018	31, 2017	31, 2018	31, 2017	periods ended March 31,	
				2018	2017	
Princeton Park Suites Co., Ltd.	250,122,243	251,297,634	345,537,651	345,537,651	-	-
Chiang Mai Ram Medical Business Public Co., Ltd.	3,470,347,306	3,587,715,639	1,638,467,138	1,638,467,138	157,985,800	154,684,200
Total			1,984,004,789	1,984,004,789	157,985,800	154,684,200

Chiang Mai Ram Medical Business Public Co., Ltd.

As at March 31, 2018 and December 31, 2017, the Company has pledged this share of Chiang Mai Ram Medical Business Public Co., Ltd. in the amount of shares 1,345,000,000, with a financial institution to secure the credit facilities as discussed in Note 17 and 20 to the interim financial statements.

13. OTHER LONG-TERM INVESTMENTS

Consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
General investments	955,348,051	955,355,131	468,621,891	468,621,891

13.1 General investments consisted of :

Name of company	Type of Business	Paid-up capital (Baht)		Proportion of share holding (%)	
		As at March	As at December	As at March	As at December
		31, 2018	31, 2017	31, 2018	31, 2017
<u>Related companies (shareholding and co-director)</u>					
<u>Separate financial statements</u>					
Chao Phaya Hospital Public Co., Ltd.	Hospital	589,019,360	589,019,360	7.69	7.69
Supalerk U-thong Hospital Co., Ltd.	Hospital	50,000,000	50,000,000	6.00	6.00
Innovation Technology Co., Ltd.	Consulting	50,000,000	50,000,000	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	2,100,000,000	2,100,000,000	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 March	As at December	For the three-month periods	
	31, 2018	31, 2017	ended March 31,	
			2018	2017
<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	-	-
Supalerk U-thong Hospital Co., Ltd.	3,875,000	3,875,000	-	-
Innovation Technology Co., Ltd.	3,790,000	3,790,000	-	-
Seriruk Hospital Co., Ltd.	10,000,000	10,000,000	-	-
Synphaet Hospital Co., Ltd.	357,000,000	357,000,000	-	-
Nawanakorn Medical Co., Ltd.	18,094,400	18,094,400	-	-
Total	471,621,891	471,621,891	-	-
<u>Less</u> Allowance for impairment of investments				
Supalerk U-thong Hospital Co., Ltd.	(3,000,000)	(3,000,000)		
Net - in separate financial statements	468,621,891	468,621,891	-	-
<u>Consolidated financial statements</u>				
Phayao Ram Hospital Co., Ltd.	375,000	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.	251,700,000	251,700,000	-	-
Gassan Marina Golf Club Co., Ltd.	220,000,000	220,000,000	-	-
Total	546,325,000	546,325,000	-	-
<u>Less</u> Allowance for impairment of investments				
Bhumpanya International Co., Ltd.	(60,000,000)	(60,000,000)		
Chaiyapum Ram Hospital Co., Ltd.	(606,840)	(599,760)		
Total	(60,606,840)	(60,599,760)		
Net	485,718,160	485,725,240	-	-
<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	955,348,051	955,355,131	-	-

14. INVESTMENT PROPERTY

Changes in the investment property for the three-month period ended March 31, 2018, was as follows :

	Baht	
	Consolidated financial statements	Separate financial statements
Net book amount, beginning of the period	233,246,605	168,257,277
<u>Less Depreciation</u>	<u>(860,594)</u>	<u>(442,158)</u>
Net book amount, end of the period	<u>232,386,011</u>	<u>167,815,119</u>

The Company’s investment property is land and buildings for rent. In 2013, the Company’s investment property had its fair value in the amount of Baht 180.26 million, which was appraised by independent appraisal.

The subsidiary’s investment property consist of land and buildings for rent its cost value in the amount of Baht 66.78 million (which buildings was built in 2016 and amount of Baht 50.63 million and land amount of Baht 16.15 million), and the subsidiary had land revalued by an independent appraisal which the fair value was amount of Baht 25.01 million.

For the three-month periods ended March 31, 2018 and 2017, the Company had rental income from investment property in the amount of Baht 2.89 million and Baht 2.98 million (the Separate amount of Baht 2.01 million and Baht 2.01 million), respectively and operating expenses in the amount of Baht 0.94 million and Baht 1.23 million (the Separate amount of Baht 0.45 million and Baht 0.45 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 three-month period ended March 31, 2018, was summarized as follow:

	Baht	
	Consolidated financial statements	Separate financial statements
<u>Cost</u>		
Balance as at December 31, 2017	9,680,476,277	2,812,159,636
Acquisition during the period	165,002,133	28,183,650
Disposals and write-off during the period	<u>(4,892,514)</u>	<u>(133,750)</u>
Balance as at March 31, 2018	<u>9,840,585,896</u>	<u>2,840,209,536</u>

Baht

	<u>Consolidated</u> <u>financial statements</u>	<u>Separate</u> <u>financial statements</u>
<u>Accumulated depreciation</u>		
Balance as at December 31, 2017	(3,637,886,916)	(1,498,399,018)
Depreciation for the period	(99,720,552)	(35,117,917)
Accumulated depreciation on disposals and write-off	3,817,121	133,749
Balance as at March 31, 2018	<u>(3,733,790,347)</u>	<u>(1,533,383,186)</u>
<u>Net book value</u>		
Balance as at December 31, 2017	<u>6,042,589,361</u>	<u>1,313,760,618</u>
Balance as at March 31, 2018	<u>6,106,795,549</u>	<u>1,306,826,350</u>

As at March 31, 2018 and December 31, 2017, land with construction, plant and medical equipment of the Company and its subsidiaries with net book value of Baht 2,016.06 million and Baht 2,035.88 million (the Separate amount of Baht 372.34 million and Baht 378.43 million), respectively, were mortgaged as collateral of credit facilities from financial institutions as discussed in Note 17 and 20 to the interim financial statements.

As at March 31, 2018 and December 31, 2017, the Company and its subsidiary had fixed assets with the depreciation fully calculated but still in use which had a cost value of Baht 1,464.47 million and Baht 1,413.10 million (the Separate amount of Baht 509.47 million and Baht 486.33 million), respectively.

As at March 31, 2018 and December 31, 2017, medical instruments and vehicle of the Company and its subsidiaries acquired under finance leases, have net book value of Baht 21.24 million and Baht 23.88 million (the Separate amount of Baht 18.57 million and Baht 21.09 million), respectively.

16. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities as follow :

	Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Deferred tax assets	23,567,668	22,574,505	10,283,565	10,117,767
Deferred tax liabilities	(595,935,394)	(626,322,436)	(38,234,230)	(37,795,177)
Deferred tax assets (liabilities) - net	<u>(572,367,726)</u>	<u>(603,747,931)</u>	<u>(27,950,665)</u>	<u>(27,677,410)</u>

Changes for the three-month period ended March 31, 2018 was summarized as follows:

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	Baht				
	Consolidated financial statements				
	Balance as at	Revenue (expenses) during the period			Balance as at
	December 31, 2017	In profit or loss	In other comprehensive income		March 31, 2018
Deferred tax assets:					
Trade account receivable	16,178,812	782,738	-	16,961,550	
Employee benefits obligations	26,773,675	407,463	-	27,181,138	
Straight line method of rental	14,229,819	93,688	-	14,323,507	
Unrealized loss on remeasuring available-for-sale investments	1,152,313	-	246,873	1,399,186	
Other	385,230	-	-	385,230	
Total	58,719,849	1,283,889	246,873	60,250,611	
Deferred tax liabilities:					
Financial lease contracts	(184,449)	181,717	-	(366,166)	
Unrealized gain on remeasuring available-for-sale investments	534,786,369	-	28,720,412	506,065,957	
Fair value adjustment of assets regarding business combinations	127,865,860	947,314	-	126,918,546	
Total	662,467,780	1,129,031	28,720,412	632,618,337	
Deferred tax assets (liabilities) - net	(603,747,931)			(572,367,726)	

	Baht				
	Separate financial statements				
	Balance as at	Revenue (expenses) during the period			Balance as at
	December 31, 2017	In profit or loss	In other comprehensive income		March 31, 2018
Deferred tax assets:					
Trade account receivable	214,134	(2,013)	-	212,121	
Employee benefit obligations	9,863,633	173,811	-	10,037,444	
Straight line method of rental	40,000	(6,000)	-	34,000	
Total	10,117,767	165,798	-	10,283,565	
Deferred tax liabilities:					
Financial lease contracts	(184,450)	181,717	-	(366,167)	
Unrealized gain on remeasuring available-for-sale investments	37,979,627	-	(620,770)	38,600,397	
Total	37,795,177	181,717	(620,770)	38,234,230	
Deferred tax assets (liabilities) - net	(27,677,410)			(27,950,665)	

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

Consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2017
Bank overdrafts	20,200,438	6,532,860	-	-
Short-term loans from financial institutions	1,120,000,000	1,025,000,000	950,000,000	770,000,000
Total	<u>1,140,200,438</u>	<u>1,031,532,860</u>	<u>950,000,000</u>	<u>770,000,000</u>

As at March 31, 2018 and December 31, 2017, the Company and its subsidiaries had overdraft and short-term loan facilities with several domestic financial institutions amounted to Baht 3,995 million (the Separate amount of Baht 3,410 million), The interest bear at the rates of MOR% and 2.50% - 4.20% per annum, respectively, and guaranteed by the investment property 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 and guaranteed by the shares of Chiang Mai Ram Medical Business Public Co., Ltd. of the Company as discussed in Note 12 to the interim financial statements.

18. SHORT-TERM LOANS FROM RELATED PARTIES

Changes in the short-term loans from related parties for the three-month period ended March 31, 2018 was summarized as follows:

	Baht			
	Consolidated financial statements			
	As at December	Transaction during the period		As at March
	31, 2017	Increase	Decrease	31, 2018
<u>Related persons</u>				
Company’s directors	814,353,818	145,000,000	(100,000,000)	859,353,818

	Baht			
	Separate financial statements			
	As at December	Transaction during the period		As at March
	31, 2017	Increase	Decrease	31, 2018
<u>Related persons</u>				

Company’s directors	184,000,000	100,000,000	(100,000,000)	184,000,000
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Related persons

As at March 31, 2018 and December 31, 2017, the Company had short-term loans from related persons in term of promissory notes, by issuing the 13 and 11 promissory notes, respectively which is due on June 30, 2019 and interest payable on quarterly basis at the interest rate of 3.00 - 3.50% per annum and rate of 3.00 - 3.75% per annum, respectively, under the condition that lenders are able to call for their loans before maturity and the Company can repay its loans before maturity

As at March 31, 2018 and December 31, 2017, the subsidiaries had short-term loans from related parties in term of promissory notes for a period of repayment 3 months and interest rates at the rates of 4.25% - 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 three-month period ended March 31, 2018 was summarized as follows:

	Baht			
	Consolidated financial statements			
	As at December 31, 2017	Transaction during the period		As at March 31, 2018
	Increase	Decrease		
Other persons	206,650,000	1,000,000	-	207,650,000

As at March 31, 2018 and December 31, 2017, 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 March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Long-term loans	2,219,401,429	2,407,166,667	959,933,333	1,071,840,000
<u>Less</u> Current portion due within one year	(709,304,286)	(721,797,619)	(423,490,000)	(424,163,333)
Net	1,510,097,143	1,685,369,048	536,443,333	647,676,667

Changes in the long-term loans from the financial institutions for the three-month period ended March 31, 2018 was as follows :

	Baht	
	Consolidated financial statements	Separate financial statements
Balance, beginning of the period	2,407,166,667	1,071,840,000
Addition loan during the period	-	-
Repayment of loan during the period	(187,765,238)	(111,906,667)
Balance, end of the period	2,219,401,429	959,933,333

As at March 31, 2018 and December 31, 2017, the Company and its subsidiaries had long-term loan facilities from local commercial banks in the amount of Baht 4,750 million (the Separate amount of Baht 2,100 million).

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 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 March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Liabilities under finance lease agreements	22,005,160	23,759,655	20,404,190	22,008,123
Less Current portion due within 1 year	(9,082,181)	(9,597,914)	(8,200,421)	(8,726,975)
Net	12,922,979	14,161,741	12,203,769	13,281,148

	Baht					
	Consolidated financial statements					
	As at March 31, 2018			As at December 31, 2017		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	9,082,181	783,004	9,865,185	14,161,741	686,993	14,848,734
1 - 5 years	12,922,979	544,854	13,467,833	9,597,914	895,928	10,493,842

Total	Baht					
	Separate financial statement					
	As at March 31, 2018			As at December 31, 2017		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 year	8,200,421	701,376	8,901,797	8,726,975	803,478	9,530,453
1 - 5 years	12,203,769	524,133	12,727,902	13,281,148	655,875	13,937,023
Total	20,404,190	1,225,509	21,629,699	22,008,123	1,459,353	23,467,476

As at March 31, 2018 and December 31, 2017, the Company and its subsidiaries had outstanding financial leases agreements with several local leasing companies comprised of 16 agreements as follows: The Company had outstanding finance lease agreements of vehicle and medical equipment of 14 agreements, in the total leases amount of Baht 39.97 million, with a term of payment in 36 - 60 months, and repaid in monthly of Baht 0.62 million.

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 March	As at December	As at March	As at December
	31, 2018	31, 2017	31, 2018	31, 2016
Defined benefit obligations at the beginning of the period	133,868,376	115,663,350	49,318,168	45,318,119
Benefits paid by the plan	(3,403,237)	(4,955,718)	(1,053,590)	(3,331,810)
Current service costs and interest	5,440,554	20,009,864	1,922,647	7,331,859
Actuarial loss on define employee benefit plans	-	3,150,880	-	-
Defined benefit obligations at the end of the period	135,905,693	133,868,376	50,187,225	49,318,168

Expenses recognized in the statement of comprehensive income

For the three-month periods ended March 31, 2018 and 2017

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current service costs				
Cost of medical treatment	2,876,560	2,622,868	996,636	941,173
Administrative expenses	1,222,471	1,149,629	427,130	403,360
Interest on obligation	1,341,523	1,229,969	498,881	488,432
Total	<u>5,440,554</u>	<u>5,002,466</u>	<u>1,922,647</u>	<u>1,832,965</u>

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

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

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

1. VIBHA-W2

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

2. VIBHA-W3

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

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

Warrant	Units			
	Number of warrants outstanding as at December 31, 2017	Number of warrants issued during the period	Number of warrants exercised during the period	Number of warrants outstanding as at March 31, 2018

VIBHA-W2	429,128,330	-	-	429,128,330
VIBHA-W3	1,011,778,516	-	-	1,011,778,516
Total	1,440,906,846	-	-	1,440,906,846

24. APPROPRIATION OF RETAINED EARNING

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

25. INCOME TAX EXPENSE

Major components of income tax expense for the three-month periods ended March 31, 2018 and 2017 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Tax expense shown in profit or loss :				
Current income tax:				
Income tax for the period	52,838,696	36,087,860	17,552,341	9,552,794
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	(2,412,920)	(2,509,485)	(347,515)	(512,951)
Total	50,425,776	33,578,375	17,204,826	9,039,843
Income tax relating to components of other comprehensive income:				
Deferred tax relating to:				
Remeasuring available-for-sale investments	(28,967,286)	(236,508,021)	620,770	(6,464,387)
Actuarial loss on define employee benefit plans	-	(877,041)	-	-
Total	(28,967,286)	(237,385,062)	620,770	(6,464,387)

26. OPERATING SEGMENT

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

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

Others

Rental and Hotel services

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

Operating segment information for the three-month periods ended March 31, 2018 and 2017 were as follows :

	Baht					
	Consolidated financial statements					
	Hospital		Others		Total	
	2018	2017	2018	2017	2018	2017
Revenue from services	1,604,033,164	1,358,239,566	30,329,173	28,946,413	1,634,362,337	1,387,185,979
Cost of services	(1,101,260,002					
)	(967,390,882)	(26,057,913)	(26,852,369)	(1,127,317,915)	(994,243,251)
Gross profit	502,773,162	390,848,684	4,271,260	2,094,044	507,044,422	392,942,728
Unallocated other income/(other expenses)						
Dividend income					18,855,710	14,476,640
Gain on sale of investments					1,456,999	-
Other income					22,037,711	27,033,241
Administrative and services expenses					(227,840,001)	(226,357,697)
Finance cost					(39,700,825)	(32,928,719)
Share of profit of associates					21,649,591	50,767,537
Income tax expenses					(50,425,776)	(33,578,375)
Profit for the period					253,077,831	192,355,355

27. 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 March 31, 2018 and 2017.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit for the year of parent company (Baht)	195,224,553	153,619,115	242,088,010	201,563,360
Weighted average number of ordinary shares (Shares)	13,196,933,850	13,163,636,018	13,196,933,850	13,163,636,018
Weighted average number of ordinary shares under warrants (VIBHA-W2) (Shares)	429,128,330	461,622,471	429,128,330	461,622,471
Weighted average number of ordinary shares under warrants (VIBHA-W3) (Shares)	1,011,778,516	-	1,011,778,516	-
Weighted average number of ordinary shares under warrants (ESOP-W2) (Shares)	300,000,000	-	300,000,000	-
Number of ordinary shares that would have been issued at fair value (Shares)	(171,253,582)	(156,328,344)	(171,253,582)	(156,328,344)
Weighted average number of ordinary share plus effect of assumed conversion (Shares)	14,766,587,114	13,468,930,145	14,766,587,114	13,468,930,145
Basic earnings per share (Baht per share)	0.0148	0.0117	0.0183	0.0153
Diluted earnings per share (Baht per share)	0.0132	0.0114	0.0164	0.0150

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

Baht
Consolidated financial statements

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	Level 1	Level 2	Level 3	Total
Assets				
Current investments-Unit trust	-	759,221	-	759,221
Available-for-sale investments - Equity	3,583,841,636	-	-	3,583,841,636
Total	<u>3,583,841,636</u>	<u>759,221</u>	<u>-</u>	<u>3,584,600,857</u>

Baht

	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale investments - Equity	<u>1,098,605,120</u>	<u>-</u>	<u>-</u>	<u>1,098,605,120</u>

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.

29. COMMITMENTS

As at March 31, 2018, the Company and its subsidiaries had commitments as follows:

29.1 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 58.71 million (the Separate at Baht 42.29 million).

29.2 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 347.95 million.

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

	Baht	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
<u>Payment within</u>		
1 year	21,610,134	8,600,833
2 - 5 years	22,924,931	16,317,984

44,535,065

24,918,817

30. CONTINGENT LIABILITIES

As at March 31, 2018, the Company and its subsidiaries had contingent liabilities as follows:

- 30.1 The Company had contingently liable for financial institutions guarantees issued to government agency amounted to Baht 4.89 million.
- 30.2 The Company had contingently liable for financial institutions guarantees issued to government agency for subsidiary amounted to Baht 7.39 million.
- 30.3 The subsidiaries had contingently liable for bank guarantee for electricity usage, post office department social security office and bank aval, amounted to Baht 30.37 million.

31. EVENTS AFTER THE REPORTING PERIOD

For the Company

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

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

At the Annual General Meeting of the shareholder’s subsidiary company for the year 2018, held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1, 2017 to December 31, 2017 at the rate of Baht 3.75 per share, totaling Baht 150.00 million. The dividend will pay within May 25, 2018.

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

At the Annual General Meeting of the shareholder’s subsidiary company for the year 2018, held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1, 2017 to December 31, 2017 at the rate of Baht 2.00 per share, totaling Baht 9.40 million. The dividend will pay within May 22, 2018.

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

At the Annual General Meeting of the shareholder’s subsidiary company for the year 2018, held on April 21, 2018, the shareholders approved to pay dividend for the year 2017 from the operating result since January 1,

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2017 to December 31, 2017 at the rate of Baht 1.00 per share, totaling Baht 30.00 million. The dividend will pay within April 2018.

32. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Board of Directors of the Company on May 14, 2018.