

Bumrungrad Hospital Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2014

Independent Auditor's Report

To the Shareholders of Bumrungrad Hospital Public Company Limited

I have audited the accompanying consolidated financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Bumrungrad Hospital Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bumrungrad Hospital Public Company Limited and its subsidiaries and of Bumrungrad Hospital Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

EY Office Limited

Bangkok: 25 February 2015

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	6	4,675,713,370	3,139,480,883	4,540,098,851	3,109,330,510
Short-term investments	7	1,922,000,000	2,717,729,959	1,802,000,000	2,602,729,959
Trade and other receivables	8	1,525,212,264	1,306,952,532	1,524,709,493	1,302,241,015
Inventories	10	291,880,511	304,537,841	266,650,542	294,037,530
Prepaid expenses		66,488,523	49,940,092	63,553,008	46,228,410
Other current assets		18,098,499	33,194,904	14,114,470	31,330,852
Total current assets		8,499,393,167	7,551,836,211	8,211,126,364	7,385,898,276
Non-current assets					
Long-term loan to a related party	9	-	-	1,855,253	1,855,253
Investments in subsidiaries	11	-	-	1,542,861,472	1,102,250,347
Investments in associates	12	233,168,689	234,586,180	2,862,017	7,109,760
Other long-term investments	13	1,700,000	1,700,000	1,700,000	1,700,000
Property, plant and equipment	14	9,948,449,913	9,095,692,909	8,300,041,641	8,082,024,242
Intangible assets	15	146,342,699	189,298,316	155,677,804	202,979,863
Goodwill	11.1.2	111,967,771	-	-	-
Other non-current assets		24,943,392	27,459,050	24,924,892	27,430,550
Deferred tax assets	24	178,730,655	150,956,742	173,051,530	150,725,884
Total non-current assets		10,645,303,119	9,699,693,197	10,202,974,609	9,576,075,899
Total assets		19,144,696,286	17,251,529,408	18,414,100,973	16,961,974,175

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	16	860,237,440	858,881,919	854,355,017	850,388,711
Accrued physicians' fees		537,654,304	488,245,603	530,537,422	483,325,480
Accrued expenses		491,613,737	422,052,696	486,619,197	417,674,126
Income tax payable		369,829,231	329,138,563	355,329,060	324,151,673
Other current liabilities		66,687,179	64,324,570	55,579,442	56,566,871
Total current liabilities		2,326,021,891	2,162,643,351	2,282,420,138	2,132,106,861
Non-current liabilities					
Long-term loan from a related party	9	176,400,000	176,400,000	176,400,000	176,400,000
Long-term debentures	17	4,971,981,934	4,966,090,116	4,971,981,934	4,966,090,116
Provision for long-term employee benefits	19	410,329,219	349,431,260	405,518,706	348,702,714
Total non-current liabilities		5,558,711,153	5,491,921,376	5,553,900,640	5,491,192,830
Total liabilities		7,884,733,044	7,654,564,727	7,836,320,778	7,623,299,691

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Shareholders' equity					
Share capital	21				
Registered					
921,251,022 ordinary shares of Baht 1 each					
(2013: 921,211,022 ordinary shares of Baht 1 each)		921,211,062	921,211,022	921,211,062	921,211,022
1,451,663 preference shares of Baht 1 each					
(2013: 1,491,663 preference shares of Baht 1 each)		1,491,623	1,491,663	1,491,623	1,491,663
		<u>922,702,685</u>	<u>922,702,685</u>	<u>922,702,685</u>	<u>922,702,685</u>
Issued and paid-up					
728,600,559 ordinary shares of Baht 1 each					
(2013: 728,560,559 ordinary shares of Baht 1 each)		728,600,559	728,560,559	728,600,559	728,560,559
1,451,663 preference shares of Baht 1 each					
(2013: 1,491,663 preference shares of Baht 1 each)		1,451,663	1,491,663	1,451,663	1,491,663
		<u>730,052,222</u>	<u>730,052,222</u>	<u>730,052,222</u>	<u>730,052,222</u>
Premium on ordinary shares		285,568,300	285,568,300	285,568,300	285,568,300
Convertible bonds treated as equity securities	20	550,000,000	550,000,000	550,000,000	550,000,000
Retained earnings					
Appropriated - statutory reserve	22	92,275,000	92,275,000	92,275,000	92,275,000
Unappropriated		8,992,129,372	7,695,106,552	8,919,884,673	7,680,778,962
Other components of shareholders' equity		233,203,432	243,962,607	-	-
Equity attributable to owners of the Company		<u>10,883,228,326</u>	<u>9,596,964,681</u>	<u>10,577,780,195</u>	<u>9,338,674,484</u>
Non-controlling interests of the subsidiaries		376,734,916	-	-	-
Total shareholders' equity		<u>11,259,963,242</u>	<u>9,596,964,681</u>	<u>10,577,780,195</u>	<u>9,338,674,484</u>
Total liabilities and shareholders' equity		<u>19,144,696,286</u>	<u>17,251,529,408</u>	<u>18,414,100,973</u>	<u>16,961,974,175</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors
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Bumrungrad Hospital Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Revenues from hospital operations	9	15,571,471,756	14,250,585,798	15,159,051,490	14,029,140,453
Rental income	9	58,219,905	95,400,151	63,508,705	98,449,454
Interest income	9	137,784,814	154,135,316	136,898,322	151,477,290
Exchange gains		46,283,786	54,416,768	45,457,575	53,935,243
Dividend income	9, 12.2	-	-	-	5,399,820
Other income	9	96,777,206	96,847,810	84,497,618	75,607,491
Total revenues		15,910,537,467	14,651,385,843	15,489,413,710	14,414,009,751
Expenses					
Cost of hospital operations	9	9,495,601,614	8,836,088,013	9,261,639,590	8,727,032,586
Administrative expenses	9	2,805,907,929	2,527,116,057	2,704,065,690	2,448,094,386
Loss from share capital reduction of an associate		-	-	1,997,743	-
Total expenses		12,301,509,543	11,363,204,070	11,967,703,023	11,175,126,972
Profit before share of profit (loss) from investments in associates, finance cost and income tax expenses					
Share of profit (loss) from investments in associates	12.2	(2,745,213)	5,881,985	-	-
Profit before finance cost and income tax expenses		3,606,282,711	3,294,063,758	3,521,710,687	3,238,882,779
Finance cost	9	(186,032,536)	(147,873,616)	(185,238,004)	(147,873,616)
Profit before income tax expenses		3,420,250,175	3,146,190,142	3,336,472,683	3,091,009,163
Income tax expenses	24	(685,420,058)	(625,407,873)	(663,788,161)	(615,450,311)
Profit for the year		2,734,830,117	2,520,782,269	2,672,684,522	2,475,558,852
Profit attributable to:					
Equity holders of the Company		2,730,296,149	2,520,782,269	2,672,684,522	2,475,558,852
Non-controlling interests of the subsidiaries		4,533,968	-	-	-
		<u>2,734,830,117</u>	<u>2,520,782,269</u>	<u>2,672,684,522</u>	<u>2,475,558,852</u>
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company	25	3.75	3.46	3.67	3.40
Diluted earnings per share					
Profit attributable to equity holders of the Company	25	3.15	2.91	3.08	2.85

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries**Statement of comprehensive income**

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit for the year	<u>2,734,830,117</u>	<u>2,520,782,269</u>	<u>2,672,684,522</u>	<u>2,475,558,852</u>
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currencies	(13,602,295)	(343,325)	-	-
Actuarial loss recognised during the year, net of income tax	(13,882,067)	(14,377,187)	(14,187,549)	(14,494,001)
Other comprehensive income for the year	<u>(27,484,362)</u>	<u>(14,720,512)</u>	<u>(14,187,549)</u>	<u>(14,494,001)</u>
Total comprehensive income for the year	<u>2,707,345,755</u>	<u>2,506,061,757</u>	<u>2,658,496,973</u>	<u>2,461,064,851</u>
Total comprehensive income attributable to:				
Equity holders of the Company	2,705,654,907	2,506,061,757	2,658,496,973	2,461,064,851
Non-controlling interests of the subsidiaries	1,690,848	-	-	-
	<u>2,707,345,755</u>	<u>2,506,061,757</u>	<u>2,658,496,973</u>	<u>2,461,064,851</u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	3,420,250,175	3,146,190,142	3,336,472,683	3,091,009,163
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,044,768,194	882,266,424	1,016,545,731	878,792,080
Reversal of allowance for loss on impairment of assets	-	(354,171)	-	(354,171)
Bad debts and allowance for doubtful accounts	38,980,445	23,940,010	37,456,113	28,547,808
Loss (profit) on sales and write-off of equipment and computer software	(209,330)	2,643,232	306,130	2,643,232
Long-term employee benefits expenses	67,231,170	44,399,626	66,154,930	41,461,436
Loss from share capital reduction of an associate	-	-	1,997,743	-
Share of loss (profit) from investments in associates	2,745,213	(5,881,985)	-	-
Interest income	(137,784,814)	(154,135,316)	(136,898,322)	(151,477,290)
Dividend income	-	-	-	(5,399,820)
Amortisation of debenture issuing costs to interest expense	5,891,819	5,623,661	5,891,819	5,623,661
Interest expense	180,140,717	142,249,955	179,346,185	142,249,955
Profit from operating activities before changes in operating assets and liabilities	4,622,013,589	4,086,941,578	4,507,273,012	4,033,096,054
Operating assets (increase) decrease				
Trade and other receivables	(253,035,407)	4,107,483	(259,924,591)	2,373,701
Inventories	27,926,255	(70,787,079)	27,386,988	(69,252,435)
Prepaid expenses	(16,548,431)	2,419,243	(17,324,598)	4,014,098
Other current assets	15,158,897	(18,745,669)	17,216,382	(18,820,601)
Other non-current assets	2,515,658	6,170,120	2,505,658	6,188,621
Operating liabilities increase (decrease)				
Trade and other payables	62,716,405	38,205,260	75,153,925	34,286,626
Accrued physicians' fees	49,096,317	(14,492,608)	47,211,942	(14,919,352)
Accrued expenses	66,011,770	(3,577,187)	66,190,332	(1,867,664)
Other current liabilities	816,825	(3,990,359)	(987,429)	1,180,521
Provision for long-term employee benefits	(20,215,278)	(58,782,648)	(27,073,374)	(55,391,989)
Cash flows from operating activities	4,556,456,600	3,967,468,134	4,437,628,247	3,920,887,580
Cash paid for corporate income tax	(666,153,494)	(693,208,895)	(651,389,533)	(684,731,768)
Net cash flows from operating activities	3,890,303,106	3,274,259,239	3,786,238,714	3,236,155,812

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Decrease (increase) in short-term investments	795,729,959	(2,717,729,959)	800,729,959	(2,602,729,959)
Acquisition of investments in subsidiaries	(308,667,600)	-	(440,611,125)	(10,004,460)
Cash receipt of capital increasing from non-controlling interest of the subsidiary	7,932,407	-	-	-
Repayment debt of acquired subsidiary as at acquisition date	(85,705,200)	-	-	-
Cash increased from acquisitions of subsidiaries	2,591,147	-	-	-
Long-term loan to a related party	-	-	-	(1,855,253)
Dividend received	-	5,399,820	-	5,399,820
Cash receipt from share capital reduction of an associate	2,250,000	-	2,250,000	-
Acquisition of property, plant and equipment and payment of construction and medical equipment payables	(1,295,616,668)	(2,217,856,279)	(1,259,751,768)	(2,217,590,813)
Acquisition of computer software	(16,428,530)	(13,761,858)	(16,083,987)	(13,384,375)
Proceeds from sales of equipment and computer software	3,948,335	4,436,256	15,423,627	4,436,256
Interest income	137,784,814	154,135,316	136,898,322	151,477,290
Net cash flows used in investing activities	(756,181,336)	(4,785,376,704)	(761,144,972)	(4,684,251,494)
Cash flows from financing activities				
Cash receipt from long-term loan from a related party	-	176,400,000	-	176,400,000
Interest paid for long-term loan from a related party	-	(1,663,718)	-	(1,663,718)
Interest paid for long-term debentures	(176,591,446)	(139,333,314)	(176,591,446)	(139,333,314)
Dividend paid	(1,385,233,955)	(1,386,072,318)	(1,385,233,955)	(1,386,072,318)
Interest paid for convertible bonds treated as equity securities	(32,500,000)	(32,500,000)	(32,500,000)	(32,500,000)
Net cash flows used in financing activities	(1,594,325,401)	(1,383,169,350)	(1,594,325,401)	(1,383,169,350)
Decrease in translation adjustment	(3,563,882)	(375,886)	-	-
Net increase (decrease) in cash and cash equivalents	1,536,232,487	(2,894,662,701)	1,430,768,341	(2,831,265,032)
Cash and cash equivalents at beginning of year	3,139,480,883	6,034,143,584	3,109,330,510	5,940,595,542
Cash and cash equivalents at end of year	4,675,713,370	3,139,480,883	4,540,098,851	3,109,330,510
	-	-	-	-
Supplemental cash flow information				
Non-cash transaction				
Interest recorded as cost of assets	55,511,340	96,763,216	55,511,340	96,763,216

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements						
	Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		Total shareholders' equity
	Ordinary shares	Preference shares			Appropriated	Unappropriated	
Balance as at 1 January 2013	728,393,246	1,658,976	285,568,300	550,000,000	92,275,000	6,639,299,494	8,297,195,016
Preference shares converted to ordinary shares (Note 21)	167,313	(167,313)	-	-	-	-	-
Dividend paid (Note 28)	-	-	-	-	-	(1,387,085,383)	(1,387,085,383)
Interest paid for convertible bonds treated as equity securities (Note 20)	-	-	-	-	-	(32,500,000)	(32,500,000)
Total comprehensive income for the year	-	-	-	-	-	2,461,064,851	2,461,064,851
Balance as at 31 December 2013	<u>728,560,559</u>	<u>1,491,663</u>	<u>285,568,300</u>	<u>550,000,000</u>	<u>92,275,000</u>	<u>7,680,778,962</u>	<u>9,338,674,484</u>
Balance as at 1 January 2014	728,560,559	1,491,663	285,568,300	550,000,000	92,275,000	7,680,778,962	9,338,674,484
Preference shares converted to ordinary shares (Note 21)	40,000	(40,000)	-	-	-	-	-
Dividend paid (Note 28)	-	-	-	-	-	(1,386,891,262)	(1,386,891,262)
Interest paid for convertible bonds treated as equity securities (Note 20)	-	-	-	-	-	(32,500,000)	(32,500,000)
Total comprehensive income for the year	-	-	-	-	-	2,658,496,973	2,658,496,973
Balance as at 31 December 2014	<u>728,600,559</u>	<u>1,451,663</u>	<u>285,568,300</u>	<u>550,000,000</u>	<u>92,275,000</u>	<u>8,919,884,673</u>	<u>10,577,780,195</u>

The accompanying notes are an integral part of the financial statements.

-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Bumrungrad Hospital Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2014

1. General information

Bumrungrad Hospital Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business, investment in other companies and rental of properties service. The registered office of the Company is at 33 Soi 3 (Nana Nua) Sukhumvit Road, Klongtoey Nua Sub District, Wattana District, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Bumrungrad Hospital Public Company Limited and the following subsidiaries (“the Group”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			%	%
<u>Subsidiaries held by the Company</u>				
Vitalife Corporation Ltd. (“VTL”)	Health care center	Thailand	100	100
Asia Global Research Co., Ltd. (“AGR”)	Clinical research service and sales of vaccine	Thailand	100	100
Ruenmongkol Co., Ltd. (“RM”)	A holding and renting real estate assets company	Thailand	100	100
Bumrungrad Personnel Development Center Co., Ltd. (“PDC”)	Personnel development and training center for healthcare service business	Thailand	100	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			%	%
Bumrungrad Personnel Development and Training Center Co., Ltd. ("PDTC")	Personnel development and Training Center for healthcare service business to affiliated companies	Thailand	100	-
Asia Global Health Ltd. ("AGH")	Investment in healthcare business	Hong Kong	100	100
Life and Longevity Ltd. ("LLL")	Overseas investment	Hong Kong	100	100
Health Horizons Enterprises Pte. Ltd. ("HHE")	Overseas investment	Singapore	80	-
<u>Subsidiaries held by subsidiaries</u>				
Vitalife International AG ("VTL AG") (Investment through LLL)	Overseas investment	Switzerland	51	-
Bumrungrad Mongolia LLC ("BML") (Investment through HHE)	Overseas investment	Mongolia	80	-
Seoul Seniors Tower LLC ("SST") (Investment through BML)	Owner and operates hospital	Mongolia	41	-

Although the Group holds only 41% of the share of SST, SST's financial statements have been included in the consolidated financial statements since the Group has control over its management.

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statement of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.

2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. 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, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Group believes they will not have any significant impact on the financial statements in the years in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below.

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Group already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Group has control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Group believes that this standard will not have any significant impact on the Group's financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Group believes that this standard will not have any impact on the Group's financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Group.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Group believes that this standard will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue recognition

- a) Revenues from hospital operations, mainly consisting of medical fees, hospital room sales, and medicine sales, are recognised as income when services have been rendered or medicine delivered.
- b) Consulting and management service income are recognised when services have been rendered taking into account the stated of completion.
- c) Rental income and related service income are recognised on a straight-line basis over the lease term.
- d) Interest income is recognised on an accrual basis based on the effective interest rate.
- e) Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of cost (weighted average basis) and net realisable value.

4.5 Investments

- a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- b) Investments in associates are accounted for in the consolidated financial statements using the equity method.

c) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for loss on diminution in value (if any).

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the income statement.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Land improvement	30 years
Buildings and construction	2 - 20, 30 and 40 years
Facility systems	3 - 20 years
Medical accessory equipment	5 - 15 years
Hospital equipment	5 - 15 years
Equipment and furniture	5 - 15 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Computer software	3, 5 and 10 years
Compensation for business combination	10 years

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the income statement.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.11 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to the income statement over the lease period. The asset acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

4.12 Deferred debenture issuing costs

Debenture issuing costs are recorded as deferred financial fees and amortised to be interest expense using the effective interest rate method over the term of the debentures.

Deferred debenture issuing costs are presented as a deduction against the debenture amounts in the statement of financial position.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in the income statement.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses, paid annual leave and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in the income statement.

4.16 Provisions

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

4.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

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

Property, plant and equipment/Depreciation

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

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

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash	18,017	36,235	17,511	33,952
Bank deposits	2,998,684	1,556,052	2,914,056	1,528,185
Bill of exchange	1,659,012	1,547,194	1,608,532	1,547,194
Total	4,675,713	3,139,481	4,540,099	3,109,331

As at 31 December 2014, bank deposits in savings accounts, fixed deposits and bill of exchange carried interests between 0.10% and 2.75% per annum (2013: between 0.10% and 2.95% per annum).

7. Short-term investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Fixed deposits with a local commercial bank	1,922,000	2,717,730	1,802,000	2,602,730
interest rate per annum	2.80% - 3.10%	2.93% - 3.00%	2.85% - 3.00%	2.93% - 3.00%

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	833	1,928	970	2,102
Past due				
1 - 30 days	-	-	54	64
Total trade receivables - related parties	833	1,928	1,024	2,166
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	489,737	434,460	483,888	431,797
Past due				
1 - 30 days	281,815	266,599	279,227	263,475
31 - 60 days	146,993	117,666	142,314	116,664
61 - 90 days	120,523	103,461	120,119	101,176
91 - 180 days	232,722	133,397	232,339	132,491
181 - 365 days	194,403	183,085	193,621	182,391
More than 365 days	148,610	149,495	147,531	148,926
Total	1,614,803	1,388,163	1,599,039	1,376,920
Less: Allowance for doubtful debts	(98,464)	(103,707)	(97,345)	(103,760)
Total trade receivables - unrelated parties, net	1,516,339	1,284,456	1,501,694	1,273,160
Total trade receivables - net	1,517,172	1,286,384	1,502,718	1,275,326
<u>Other receivables</u>				
Advances and loans to employees	7,646	19,980	7,644	19,965
Accrued income - related parties	394	589	14,347	6,950
Total other receivables	8,040	20,569	21,991	26,915
Trade and other receivables - net	1,525,212	1,306,953	1,524,709	1,302,241

9. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2014	2013	2014	2013	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	24,360	21,912	Market price
Rental income	-	-	5,715	4,505	As per contracts 9.1)
Professional service income	-	-	3,501	1,479	Actual paid
Lab service expense	-	-	137	206	Market price
Pharmacy expense	-	-	7,558	9,841	Market price
Training expenses	-	-	73,545	-	Cost plus margin
Interest income on long-term loans	-	-	3,346	-	3.25% p.a.
Sales of equipment	-	-	13,393	-	Cost plus margin
Transactions with associates					
Consulting income	179	512	179	512	As per contract 9.2)
Dividend income	-	-	-	5,400	As declared
Interest expense on long-term loan	2,755	2,917	2,755	2,917	1.50% and 2.00% p.a. (2013: 2.25% and 2.00% p.a.)
Transactions with related parties					
Medical service income	93,881	79,863	93,881	79,863	Market price
Rental income	2,182	1,712	2,182	1,712	Market price
Interest income on short-term investments	8,273	19,571	7,361	19,571	2.85% - 3.00% p.a.
Other income	733	893	733	893	At cost
Lab service expense	2,927	2,494	2,923	2,494	Market price
Purchase of medicine and medical supplies	12,743	11,528	12,743	11,528	Market price
Donation expense	24,000	24,000	24,000	24,000	-
Insurance expense	32,707	31,944	32,436	31,694	As per insurance policies
Credit card commission fees	116,099	106,056	112,550	102,587	Market price
Interest expense on long-term debentures	46,244	46,244	46,244	46,244	4.13% - 4.97% p.a.
Interest expense on convertible bonds	32,500	32,500	32,500	32,500	10.00% p.a. and 1.00% p.a.
Legal advisory fee	5,326	10,183	4,330	10,026	Market price
Construction consulting fee	578	1,156	578	1,156	Baht 0.1 million per month as stated in the agreement
Service fee	1,411	390	1,411	390	Market price
Interest expense on long-term loan	794	-	-	-	3.25% p.a.

- 9.1) Subsidiaries have leased building spaces and office equipment from the Company for use in their operations, as detailed below.

Company's name	Rent assets	Rental fee per month (Thousand Baht)
Vitalife Corporation Ltd.	Building spaces	350
Asia Global Research Co., Ltd.	Building spaces and office equipment	71
Bumrungrad Personnel Development Center Co., Ltd.	Building spaces	100 - 204*

*The rental agreement starts February 2014.

- 9.2) The Company entered into a Consulting Support Agreement with an associate (Bumrungrad International Ltd.). The associate is obliged to pay a fee at a fixed rate amounting to Baht 0.2 million per annum, as stipulated in the agreement, and additional fee for consulting service provided by employees of the Company to the associate at the rates per agreement multiplied with actual hours worked. The agreement will expire in accordance with the conditions in the agreement.

The balances of the accounts as at 31 December 2014 and 2013 between the Company and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Short-term investments - Fixed deposits with a local commercial bank (Note 7)				
Related company (common director)	1,902,000	2,717,730	1,802,000	2,602,730
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	14,144	6,599
Associates	66	185	66	185
Related parties (common director)	1,161	2,332	1,161	2,332
Total	1,227	2,517	15,371	9,116
Trade and other payables - related parties (Note 16)				
Subsidiaries	-	-	13,395	145
Associates	-	247	-	247
Total	-	247	13,395	392
Long-term loan to a related party				
Subsidiary	-	-	1,855	1,855
Long-term loan from a related party				
Associate	176,400	176,400	176,400	176,400
Long-term debentures				
Related companies (Major shareholder and common director)	955,000	955,000	955,000	955,000
Convertible bonds treated as equity securities (Note 20)				
Related company (common director)	550,000	550,000	550,000	550,000

Long-term loans to related parties

As at 31 December 2014 and 2013, long-term loan to a subsidiary (Life and Longevity Ltd.) is in the form of promissory notes in Swiss franc, amounting to CHF 51,000, bearing no interest and is due at call. The Company provides this loan to the subsidiary for its overseas investment; therefore, the loan is classified as long-term loan.

On 18 March 2014, Health Horizons Enterprises Pte. Ltd. ("HHE"), which is the Company's overseas subsidiary (80% shareholding), issued promissory note to the Company to loan USD 12.24 million. The loan carries interest at the rate of 3.25% per annum, and is due at call. Subsequently, on 20 June 2014, the entire loan and interest payable totaling USD 12.34 million are converted to the new issued common shares of HHE as discussed in Note 11 to the financial statements.

During the year ended 31 December 2014, movements of long-term loans to subsidiaries were as follows.

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 31 December 2014
	Balance as at 31 December 2013	During the year		
		Increase	Decrease	
Life and Longevity Ltd.				
Principal	1,855	-	-	1,855
Health Horizons Enterprises Pte. Ltd.				
Principal	-	394,373	(394,373)	-
Translation adjustment	-	1,163	(1,163)	-
Interest receivable	-	3,346	(3,346)	-
Total	-	398,882	(398,882)	-
Total	1,855	398,882	(398,882)	1,855

Long-term loans from related parties

Associate

On 1 April 2013, the Company and two other shareholders of Bumrungrad International Ltd. entered into a loan agreement with Bumrungrad International Ltd., which is the Company's associate, granting them loans totaling Baht 394.8 million, of which the Company's portion is Baht 176.4 million and due at call. The loan carries interest at the 1-year fixed deposit rate of a local commercial bank. Interest is due annually. The Company's management believes that the associate neither plans nor is likely to call for settlement in the foreseeable future; hence the loan is classified as long-term loan.

Related company

On 18 March 2014, Health Horizons Enterprises Pte. Ltd. (“HHE”), which is the Company’s overseas subsidiary, issued promissory note to AFH Health Care Investment Limited (“AFH”) which is another HHE’s shareholder (20% shareholding) to loan USD 3.06 million. The loan carries interest at the rate of 3.25% per annum, and is due at call. Subsequently, on 20 June 2014, the entire loan and interest payable totaling USD 3.09 million are converted to the new issued common shares of HHE as discussed in Note 11 to the financial statements.

During the year ended 31 December 2014, movements of long-term loan from related company were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 31 December 2014
	Balance as at 31 December 2013	During the period		
		Increase	Decrease	
Principal	-	99,276	(99,276)	-
Translation adjustment	-	(398)	398	-
Interest payable	-	842	(842)	-
Total	-	99,720	(99,720)	-

Directors and management’s benefits

During the years ended 31 December 2014 and 2013, the Group had employee benefit expenses payable to their directors and management as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Short-term benefits	135,020	134,335	121,632	128,049
Other long-term benefits (reversal)	7	(40)	7	(36)
Termination benefits	9,052	6,788	9,046	4,179
Total	144,079	141,083	130,685	132,192

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
	Medicine	156,734	163,109	288	189	156,446
Medical supplies	67,898	48,619	29	59	67,869	48,560
Other supplies	67,566	93,058	-	-	67,566	93,058
Total	292,198	304,786	317	248	291,881	304,538

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
	Medicine	143,138	152,417	-	-	143,138
Medical supplies	56,005	48,603	-	-	56,005	48,603
Other supplies	67,508	93,018	-	-	67,508	93,018
Total	266,651	294,038	-	-	266,651	294,038

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows.

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for loss on diminution in value		Carrying amounts based on cost method - net	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
			(%)	(%)						
Vitalife Corporation Ltd.	Baht 31.5 million	Baht 31.5 million	100.00	100.00	25,610	25,610	-	-	25,610	25,610
Asia Global Research Co., Ltd.	Baht 50.0 million	Baht 50.0 million	100.00	100.00	50,000	50,000	50,000	50,000	-	-
Ruenmongkol Co., Ltd.	Baht 340.0 million	Baht 340.0 million	100.00	100.00	1,045,034	1,045,034	-	-	1,045,034	1,045,034
Bumrungrad Personnel Development Center Co., Ltd.	Baht 5.0 million	-	100.00	-	5,000	-	-	-	5,000	-
Bumrungrad Personnel Development and Training Center Co., Ltd.	Baht 5.0 million	-	100.00	-	5,000	-	-	-	5,000	-
Asia Global Health Ltd.	HKD 7.1 million	HKD 7.1 million	100.00	100.00	31,558	31,558	-	-	31,558	31,558
Life and Longevity Ltd.	USD 1	USD 1	100.00	100.00	48	48	-	-	48	48
Health Horizons Enterprises Pte. Ltd.	USD 16.6 million	-	80.00	-	430,611	-	-	-	430,611	-
Total					1,592,861	1,152,250	50,000	50,000	1,542,861	1,102,250

During the years 2014 and 2013, the Company had no dividend received from the subsidiaries.

11.1 The changes of investments in subsidiaries account during the year 2014 are as below

11.1.1 Establishment of new subsidiaries

Bumrungrad Personnel Development Center Co., Ltd.

On 6 January 2014, the Company set up and registered a new subsidiary, Bumrungrad Personnel Development Center Co., Ltd., incorporated in Thailand with a registered share capital of Baht 5.0 million, comprising of 500,000 common shares with par value of Baht 10 each. The Company paid for a common share of the subsidiary at 25% of par value of Baht 10, totaling Baht 1.3 million, representing 100% of total issued and paid-up share capital. Subsequently, on 10 February 2014, the Company fully paid for the unpaid amount of common shares of the subsidiary totaling Baht 3.7 million.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 19 December 2013, which approved the Company's establishment of a new subsidiary to be the personnel development and training center for healthcare service business.

Bumrungrad Personnel Development and Training Center Co., Ltd.

On 20 November 2014, the Company set up and registered a new subsidiary, Bumrungrad Personnel Development and Training Center Co., Ltd., incorporated in Thailand with a registered share capital of Baht 5.0 million, comprising of 500,000 common shares with par value of Baht 10 each. The Company fully paid for a common share of the subsidiary of total issued and paid-up share capital on 12 December 2014, amounting to Baht 5.0 million.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 7 November 2014, which approved the Company's establishment of a new subsidiary to be the Group's personnel development and training center for healthcare service business.

Vitalife International AG

On 16 January 2014, the Company set up and registered a new subsidiary, Vitalife International AG, incorporated in Switzerland with a registered share capital of CHF 100,000, comprising of 100,000 common shares with par value of CHF 1 each. The Company invested in the new subsidiary with 51% shareholding through a wholly owned subsidiary, Life and Longevity Ltd.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 20 September 2013, which approved the Company's establishment of a new subsidiary to be the Company's holding company for overseas investments.

Health Horizons Enterprises Pte. Ltd.

On 4 March 2014, the Company set up and registered a new subsidiary, Health Horizons Enterprises Pte. Ltd. ("HHE"), incorporated in Singapore with a registered share capital of USD 20,000, comprising of 20,000 common shares with par value of USD 1 each. As at registered date, HHE had 1 paid-up share capital with par value of USD 1 each. The Company's shareholding percentage represents 80% of total issued and paid-up share capital.

Subsequently, on 20 June 2014, HHE issued new 16,629,422 common shares with a par value of USD 1 each. The Company and AFH Health Care Investment Limited ("AFH"), which is another shareholder of HHE, invested in newly issued common shares in proportion to their existing shareholdings and also paid for the existing registered capital, by converting loans to and interest receivable from HHE to equity and paying additional amounts in cash, as follows.

(Unit: USD)

	Payment for common shares			
	Shareholding (%)	Loan and interest receivable conversion	Cash	Total
The Company	80.00	12,343,537	976,000	13,319,537
AFH	20.00	3,085,885	243,999	3,329,884
Total	100.00	15,429,422	1,219,999	16,649,421

The investment was made in accordance with a resolution of the Board of Directors' Meeting held on 19 December 2013, which approved the Company's establishment of a new subsidiary to be the Company's holding company for overseas investments.

11.1.2 Acquisitions of new subsidiaries

On 28 March 2014, Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary, 80% owned by the Company, acquired 100% of the common shares of Bumrungrad Mongolia LLC ("BML"), which holds 51% of the common shares of Seoul Seniors Tower LLC ("SST"), for approximately USD 12.0 million in cash. Additionally, HHE provided a loan of USD 3.3 million to SST, which owns and operates Ulaanbaatar Songdo Hospital in Mongolia.

The seller of shares of SST is entitled to receive additional contingent consideration in the form of earn-out payments, provided certain cumulative net profit targets are achieved through 31 December 2016, at the maximum of MNT 10,965.9 million.

The Group has reviewed and reassessed likelihood that the Group would incur such additional contingent consideration by taking into consideration of the current economic situation, the current performance and forecast operating result of Ulaanbaatar Songdo Hospital for the years 2014 - 2016. As at 31 December 2014, the Group estimated that there is no likelihood that the Group would incur such additional contingent consideration.

HHE's consolidated assets and liabilities, which include SST and BML as of the acquisition date, are included in the Company's consolidated financial statements as from the first quarter of 2014. HHE has recorded the net tangible assets of SST and BML acquired at their fair values as of the acquisition date. The remaining excess of the purchase price over the net value of the tangible assets acquired was allocated as goodwill. The amount of goodwill is approximately USD 3.4 million, which comprises the value of expected synergies from customer base expansion.

The investment was made in accordance with a resolution of the Board of Directors' Meeting held on 19 December 2013.

Fair value amounts of the assets acquired and the liabilities of BML and SST as at the acquisition date are as follows.

	(Unit: Thousand Baht)
Consideration transferred	
Cash	308,668
Repayment debt of acquired subsidiary	85,705
Total cash payment for purchase of investments in subsidiaries	<u>394,373</u>
Assets acquired and liabilities assumed	
Cash and cash equivalents	2,591
Trade and other receivables	4,205
Inventories	15,269
Property, plant and equipment - net	631,649
Deferred tax assets	3,053
Other assets	81
Trade and other payables	(1,263)
Accrued physicians' fee	(312)
Income tax payable	(250)
Long-term loans	(101,916)
Other liabilities	(1,545)
Total net assets of the subsidiaries	<u>551,562</u>
Non-controlling interests in the subsidiaries	(267,391)
Net assets of the subsidiaries in the Company's proportion	<u>284,171</u>
Goodwill	<u>110,202</u>
Cash payment for purchase of investments in subsidiaries	394,373
Less: Cash and cash equivalents of the subsidiaries	<u>(2,591)</u>
Net cash payment for purchase of investments in subsidiaries	<u>391,782</u>

For the period from 1 April 2014 to 31 December 2014, HHE which included SST and BML has contributed revenue and profit of approximately Baht 211.8 million and Baht 16.3 million, respectively, to the consolidated income statement. There is no significant difference had HHE Group been included in the consolidated financial statements from 1 January 2014 to 31 December 2014.

11.2 The changes of investments in subsidiaries account during the year 2013 were as below.

11.2.1 Set up a new subsidiary

On 25 October 2013 the Company set up and registered a new subsidiary, Life and Longevity Ltd. (LLL), in Hong Kong Special Administrative Region of the People's Republic of China with a registered share capital of USD 100,000, comprising of 100,000 common shares with par value of USD 1 each. The Company's shareholding percentage represents 100% of total issued and paid-up share capital. The Company paid for a common share of the subsidiary at a price equal to par value of USD 1. The cost of investment in subsidiary including investment acquisition expenses totaled Baht 48,000.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 20 September 2013, which approved the Company's establishment of a new subsidiary for the benefit of overseas investments of the Company.

11.2.2 Called portion of subsidiary's common share

On 18 December 2013, the Company paid for the called portion of common shares to Asia Global Health Ltd., the Company's wholly owned subsidiary which is registered in Hong Kong Special Administrative Region of the People's Republic of China, amounting to HKD 2.3 million or equivalent to Baht 10.0 million.

12. Investments in associates

12.1 Details of investments in associates

(Unit: Thousand Baht)								
Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2014	2013	2014	2013	2014	2013
			(%)	(%)				
Bumrungrad International Ltd.	Holding company	Thailand	31.50	31.50	1,447	1,447	232,226	231,069
CDE Trading Ltd.	Temporary cease its operation	Thailand	30.00	30.00	5,415	21,663	943	3,517
Total					6,862	23,110	233,169	234,586
(Unit: Thousand Baht)								
Separate financial statements								
Company's name	Shareholding percentage		Cost		Allowance for loss on diminution in value		Carrying amounts based on cost method – net	
	2014	2013	2014	2013	2014	2013	2014	2013
	(%)	(%)						
Bumrungrad International Ltd.	31.50	31.50	1,447	1,447	-	-	1,447	1,447
CDE Trading Ltd.	30.00	30.00	5,415	21,663	4,000	16,000	1,415	5,663
Total			6,862	23,110	4,000	16,000	2,862	7,110

12.2 Share of profit (loss) and dividend received

During the years, the Company recognised its share of profit (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows.

(Unit: Thousand Baht)

Company's name	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in associates		Dividend received	
	2014	2013	2014	2013
Bumrungrad International Ltd.	(6,094)	2,278	-	-
CDE Trading Ltd.	3,349	3,604	-	5,400
Total	(2,745)	5,882	-	5,400

12.3 Summarised financial information of associates

Financial information of the associates is summarized below.

(Unit: Million Baht)

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the years ended		Profit (loss) for the years ended	
	31 December		31 December		31 December		31 December		31 December	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Bumrungrad International Ltd.	4.6	4.6	754.9	761.0	17.7	27.4	16.1	14.6	(19.3)	6.6
CDE Trading Ltd.	2.5	10.0	5.8	13.0	2.5	1.3	-	0.5	(1.1)	(0.5)

On 1 July 2014, an associate (CDE Trading Ltd.) registered with the Ministry of Commerce to reduce its registered and paid-up share capital from Baht 10.0 million (100,000 ordinary shares at par value of Baht 100.00 each) to Baht 2.5 million (25,000 ordinary shares at par value of Baht 100.00 each). The associate's share capital reduction was made in accordance with a resolution of the Extraordinary General Meeting of its shareholders held on 29 May 2014. The Company received a return of share capital in proportion to its 30.0% shareholding in the associate on 23 December 2014, amounting to Baht 2.3 million (22,500 shares at a value of Baht 100.00 each). Using the cost method, the share capital reduction of the associate resulted in a loss of Baht 2.0 million presented in the separate income statement for the year ended 31 December 2014. As a result, CDE Trading Ltd. is still an associate of the Company.

13. Other long-term investments

(Unit: Thousand Baht)

Company's name	Shareholding		Consolidated		Separate	
	percentage		financial statements		financial statements	
	2014	2013	2014	2013	2014	2013
	(%)	(%)				
Chantaburi Country Club Co., Ltd.	0.5	0.5	4,500	4,500	4,500	4,500
Less: Allowance for loss on diminution in value			(2,800)	(2,800)	(2,800)	(2,800)
Other long-term investments – net			<u>1,700</u>	<u>1,700</u>	<u>1,700</u>	<u>1,700</u>

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
	Cost									
1 January 2013	2,466,613	35,510	4,120,984	546,681	3,155,633	1,172,292	493,409	47,307	458,065	12,496,494
Additions	397,135	-	521,462	84,873	450,393	85,687	78,878	2,042	617,100	2,237,570
Disposals	-	-	(8,777)	-	(50,549)	(23,047)	(6,064)	(2,470)	-	(90,907)
Transfer in (out)	-	-	577,626	18,591	-	44	1,269	-	(597,530)	-
31 December 2013	2,863,748	35,510	5,211,295	650,145	3,555,477	1,234,976	567,492	46,879	477,635	14,643,157
Increase from acquisition of subsidiaries	-	-	579,136	-	111,289	5,593	11,616	1,402	-	709,036
Additions	-	1,099	56,065	137,509	613,845	75,632	34,664	1,813	310,709	1,231,336
Disposals	-	-	(1,607)	(41)	(28,977)	(269,051)	(10,955)	(7,289)	-	(317,920)
Transfer in (out)	-	-	142,937	1,749	(7,252)	7,356	83	-	(144,873)	-
Translation adjustment	-	-	(22,298)	-	(2,291)	(40)	(292)	(36)	-	(24,957)
31 December 2014	2,863,748	36,609	5,965,528	789,362	4,242,091	1,054,466	602,608	42,769	643,471	16,240,652
Accumulated depreciation										
1 January 2013	-	17,508	1,340,704	154,019	2,050,360	901,689	309,924	38,692	-	4,812,896
Depreciation for the year	-	585	287,349	49,451	359,830	85,838	32,808	2,295	-	818,156
Depreciation on disposals	-	-	(11,684)	-	(43,219)	(22,810)	(4,104)	(2,010)	-	(83,827)
31 December 2013	-	18,093	1,616,369	203,470	2,366,971	964,717	338,628	38,977	-	5,547,225
Increase from acquisition of subsidiaries	-	-	14,767	-	53,311	4,582	4,237	490	-	77,387
Depreciation for the year	-	603	346,477	58,858	448,838	82,167	42,117	2,632	-	981,692
Depreciation on disposals	-	-	(768)	(15)	(27,475)	(268,620)	(10,014)	(7,289)	-	(314,181)
Translation adjustment	-	-	(82)	-	(68)	(3)	(6)	(1)	-	(160)
31 December 2014	-	18,696	1,976,763	262,313	2,841,577	782,843	374,962	34,809	-	6,291,963

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Allowance for impairment loss										
1 January 2013	-	-	-	-	-	361	233	-	-	594
Decrease during the year	-	-	-	-	-	(122)	(233)	-	-	(355)
31 December 2013	-	-	-	-	-	239	-	-	-	239
31 December 2014	-	-	-	-	-	239	-	-	-	239
Net book value										
31 December 2013	2,863,748	17,417	3,594,926	446,675	1,188,506	270,020	228,864	7,902	477,635	9,095,693
31 December 2014	2,863,748	17,913	3,988,765	527,049	1,400,514	271,384	227,646	7,960	643,471	9,948,450
Depreciation for the years										
2013 (Baht 622.9 million included in cost of hospital operations, and the balance in administrative expenses)										818,156
2014 (Baht 694.0 million included in cost of hospital operations, and the balance in administrative expenses)										981,692

(Unit: Thousand Baht)

	Separate financial statements									
	Land	Land leasehold right and land improvement	Buildings and construction	Facility systems	Medical accessory equipment	Hospital equipment	Equipment and furniture	Motor vehicles	Assets under construction and installation	Total
Cost										
1 January 2013	1,421,579	16,192	3,443,923	521,910	2,731,170	908,241	371,540	24,872	458,065	9,897,492
Additions	397,135	-	521,341	84,873	450,393	85,543	78,878	2,042	617,100	2,237,305
Disposals	-	-	(8,777)	-	(50,549)	(23,047)	(6,064)	(2,470)	-	(90,907)
Transfer in (out)	-	-	577,626	18,591	-	44	1,269	-	(597,530)	-
31 December 2013	1,818,714	16,192	4,534,113	625,374	3,131,014	970,781	445,623	24,444	477,635	12,043,890
Additions	-	-	54,342	137,290	579,146	72,802	33,726	763	308,839	1,186,908
Disposals	-	-	(1,613)	(41)	(61,691)	(269,432)	(11,018)	(7,289)	-	(351,084)
Transfer in (out)	-	-	142,937	1,749	-	104	83	-	(144,873)	-
31 December 2014	1,818,714	16,192	4,729,779	764,372	3,648,469	774,255	468,414	17,918	641,601	12,879,714
Accumulated depreciation										
1 January 2013	-	10,109	612,014	121,406	1,595,118	665,267	210,485	16,256	-	3,230,655
Depreciation for the year	-	585	286,531	49,318	359,830	83,851	32,389	2,295	-	814,799
Depreciation on disposals	-	-	(11,684)	-	(43,219)	(22,810)	(4,104)	(2,010)	-	(83,827)
31 December 2013	-	10,694	886,861	170,724	1,911,729	726,308	238,770	16,541	-	3,961,627
Depreciation for the year	-	585	333,704	58,723	438,871	78,661	40,880	2,526	-	953,950
Depreciation on disposals	-	-	(768)	(15)	(49,063)	(268,957)	(10,052)	(7,289)	-	(336,144)
31 December 2014	-	11,279	1,219,797	229,432	2,301,537	536,012	269,598	11,778	-	4,579,433
Allowance for impairment loss										
1 January 2013	-	-	-	-	-	361	233	-	-	594
Decrease during the year	-	-	-	-	-	(122)	(233)	-	-	(355)
31 December 2013	-	-	-	-	-	239	-	-	-	239
31 December 2014	-	-	-	-	-	239	-	-	-	239
Net book value										
31 December 2013	1,818,714	5,498	3,647,252	454,650	1,219,285	244,234	206,853	7,903	477,635	8,082,024
31 December 2014	1,818,714	4,913	3,509,982	534,940	1,346,932	238,004	198,816	6,140	641,601	8,300,042
Depreciation for the years										
2013 (Baht 620.7 million included in cost of hospital operations, and the balance in administrative expenses)										814,799
2014 (Baht 680.4 million included in cost of hospital operations, and the balance in administrative expenses)										953,950

As at 31 December 2014, the Company had an outstanding balance of work under construction of building and building improvement of Baht 1,150.1 million (2013: Baht 1,624.8 million). Construction of the building and building improvement have been financed by long-term debenture and borrowing costs totaling Baht 55.5 Million (2013: Baht 96.8 million) were capitalised during the year ended 31 December 2014. The weighted average rate used to determine the amount of borrowing costs eligible for apitalization was 4.87%.

As at 31 December 2014, certain equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 1,223.7 million (Separate financial statements: Baht 1,193.3 million) (2013: Baht 1,013.0 million (Separate financial statements: Baht 986.0 million)).

15. Intangible assets

	(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements		
	Computer software	Total	Computer software	Compensation for business combination	Total
Cost					
1 January 2013	1,016,735	1,016,735	1,052,458	192,928	1,245,386
Additions	13,762	13,762	13,384	-	13,384
31 December 2013	1,030,497	1,030,497	1,065,842	192,928	1,258,770
Increase from acquisition of subsidiaries	19	19	-	-	-
Additions	16,429	16,429	16,084	-	16,084
Disposals/Write-off	(172)	(172)	(1,323)	(192,928)	(194,251)
31 December 2014	1,046,773	1,046,773	1,080,603	-	1,080,603
Accumulated amortisation					
1 January 2013	410,529	410,529	428,636	65,917	494,553
Amortisation during the year	64,110	64,110	63,993	-	63,993
Realised gain on sales of software in the past	(3,673)	(3,673)	-	-	-
31 December 2013	470,966	470,966	492,629	65,917	558,546
Amortisation during the year	63,076	63,076	62,596	-	62,596
Amortisation on disposals/Write-off	(172)	(172)	(533)	(65,917)	(66,450)
Realised gain on sales of Software in the past	(3,673)	(3,673)	-	-	-
31 December 2014	530,197	530,197	554,692	-	554,692

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Computer software	Total	Computer software	Compensation for business combination	Total
Allowance for impairment loss					
1 January 2013	370,233	370,233	370,233	127,011	497,244
31 December 2013	370,233	370,233	370,233	127,011	497,244
Decrease during the year	-	-	-	(127,011)	(127,011)
31 December 2014	370,233	370,233	370,233	-	370,233
Net book value					
31 December 2013	189,298	189,298	202,980	-	202,980
31 December 2014	146,343	146,343	155,678	-	155,678

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade payables - unrelated parties	753,834	692,190	745,308	684,962
Construction and medical equipment payables	81,347	145,628	72,783	145,628
Other payables - related parties	-	247	13,395	392
Other payables - unrelated parties	25,056	20,817	22,869	19,407
Total	860,237	858,882	854,355	850,389

17. Long-term debentures

The Extraordinary General Meeting of the Company's shareholders held on 8 December 2011 approved the issuance and offering of unsecured, unsubordinated debentures in Baht currency with the principal amount not exceeding Baht 7,000 million and the tenor not more than 10 years.

As at 31 December 2014 and 2013 detail of long-term debentures are as follows.

(Unit: Thousand Baht)

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	Carrying amount	
						2014	2013
1	Entirely redeemed on 20 December 2016 (5 years)	1,500	1,000	4.13	Semi-annual	1,500,000	1,500,000
2	Entirely redeemed on 20 December 2018 (7 years)	1,000	1,000	4.59	Semi-annual	1,000,000	1,000,000

(Unit: Thousand Baht)

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	Carrying amount	
						2014	2013
3	Entirely redeemed on 20 December 2021 (10 years)	2,500	1,000	4.97	Semi-annual	2,500,000	2,500,000
Total						5,000,000	5,000,000
Less: Deferred debenture issuing costs						(28,018)	(33,910)
Long-term debentures - net						4,971,982	4,966,090

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- a) maintenance of a net debt to equity ratio not exceeding 1.75:1
- b) maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

18. Undrawn loan facilities

As at 31 December 2014, the Group has short-term credit facilities which have not yet been drawn down amounted to Baht 3,310.0 million (2013: Baht 3,310 million).

19. Provision for long-term employee benefits

Provision for long-term employee benefits, was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Compensations on employees' retirement		Other long-term employee benefits		Total	
	2014	2013	2014	2013	2014	2013
Defined benefit obligation at beginning of year	322,439	289,502	26,992	56,312	349,431	345,814
Current service cost	47,528	41,642	5,146	11,457	52,674	53,099
Interest cost	12,509	10,276	1,053	2,001	13,562	12,277
Benefits paid during the year	(19,954)	(24,849)	(3,731)	(4,525)	(23,685)	(29,374)
Actuarial loss (gain)	17,352	12,173	995	(20,976)	18,347	(8,803)
Past service cost	-	(6,305)	-	(17,277)	-	(23,582)
Defined benefit obligation at end of year	<u>379,874</u>	<u>322,439</u>	<u>30,455</u>	<u>26,992</u>	<u>410,329</u>	<u>349,431</u>
Provision for long-term employee benefits at end of year	<u>379,874</u>	<u>322,439</u>	<u>30,455</u>	<u>26,992</u>	<u>410,329</u>	<u>349,431</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Compensations on employees' retirement		Other long-term employee benefits		Total	
	2014	2013	2014	2013	2014	2013
Defined benefit obligation at beginning of year	321,768	288,294	26,935	56,222	348,703	344,516
Transfer of defined benefit obligation to subsidiary	(3,124)	-	(271)	-	(3,395)	-
Current service cost	46,647	38,736	5,080	11,414	51,727	50,150
Interest cost	12,376	10,241	1,041	1,997	13,417	12,238
Benefits paid during the year	(19,954)	(21,255)	(3,724)	(4,515)	(23,678)	(25,770)
Actuarial loss (gain)	17,734	12,041	1,011	(20,926)	18,745	(8,885)
Past service cost	-	(6,289)	-	(17,257)	-	(23,546)
Defined benefit obligation at end of year	375,447	321,768	30,072	26,935	405,519	348,703
Provision for long-term employee benefits at end of year	375,447	321,768	30,072	26,935	405,519	348,703

Long-term employee benefit expenses included in the income statement consist of the following.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Current service cost	52,674	53,099	51,727	50,150
Interest cost	13,562	12,277	13,417	12,238
Actuarial loss (gain) arising from other long-term benefits recognised during the year	995	(20,976)	1,011	(20,926)
Total expenses recognised in the income statement	67,231	44,400	66,155	41,462
Line items in the income statement under which such expenses are included.				
Cost of hospital operations	41,070	1,157	41,070	1,157
Administrative expenses	26,161	43,243	25,085	40,305

As at 31 December 2014, cumulative actuarial losses (net of actuarial gains), which were recognised in other comprehensive income of the consolidated financial statements, amounted to Baht 17.4 million (2013: Baht 18.1 million) (separate financial statements: Baht 17.7 million and 2013: Baht 18.1 million).

Key actuarial assumptions used for the valuation are as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	(% p.a.)	(% p.a.)	(% p.a.)	(% p.a.)
Discount rate	3.0 - 3.5	3.5 - 3.9	3.0	3.9
Average future salary increase rate	5.0	5.0	5.0	5.0
Employee turnover rate (depending on age)	0.0 - 20.0	0.0 - 20.0	0.0 - 14.0	0.0 - 14.0

The amounts of defined benefit obligations and experience adjustments for the current year and past four years are as follows.

	(Unit: Thousand Baht)			
	Defined benefit obligations		Experience adjustments on the obligations	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	410,329	405,519	(16,127)	(15,252)
Year 2013	349,431	348,703	(3,098)	(3,152)
Year 2012	345,814	344,516	56,290	57,786
Year 2011	249,035	245,201	-	-
Year 2010	243,939	240,731	-	-

20. Convertible bonds treated as equity securities

Convertible bonds treated as equity securities as at 31 December 2014 and 2013 are as follows.

- a) Partly secured convertible bonds in an amount of Baht 300 million, with a maturity of 12 years, and a coupon rate of 2.5% for years 1 - 4, 5% for years 5 - 8, and 10% for years 9 - 12, payable semi-annually. The current conversion price is Baht 4.55 per one ordinary share. The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds. The bonds were secured by the mortgage of the Company's land. On 23 August 2012, the Company released the mortgage of the land.
- b) Partly secured convertible bonds in an amount of Baht 250 million (after conversion by the bondholder of Baht 750 million in the year 2003); with a maturity of 12 years, and a coupon rate of 1% per annum, payable semi-annually. The current conversion price is Baht 3.50 per one ordinary share. The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds. The bonds were secured by the mortgage of the Company's land. On 23 August 2012, the Company released the mortgage of the land.

On 22 November 2000, the meeting of the bonds' holders and on 24 November 2000, an extraordinary meeting of the Company's shareholders passed approval of the amendment to the terms and conditions governing the rights and obligations of the issuer and the bondholders, which gives the Company the option to either redeem the convertible bonds or to convert the bonds into ordinary shares on the maturity date.

On 6 December 2011, the meeting of bonds' holders and on 8 December 2011, an extraordinary meeting of the Company's shareholders passed approval of the amendment to the terms and conditions governing the rights and obligations of the issuer and the bondholders, which to extend the tenure of the convertible bonds for additional 5 years maturing on 23 August 2017 and that the security of the convertible bonds be released in accordance with the same term on 23 August 2012.

According to the Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentation”, because the Company has the option to either redeem the convertible bonds or to convert them into ordinary shares on the maturity date, and delivery of equity securities will not be changed by fair value of such equity securities (since the Company determined a certain conversion price), so the convertible bonds are not covered by the definition of financial liabilities and are to be treated as equity securities. In addition, the Company’s management expresses their intention to convert these bonds into ordinary shares on the maturity date. Therefore, the whole amounts of the convertible bonds are presented as part of shareholders’ equity and future interest on the bonds will be recorded as a deduction from shareholders’ equity.

The Company has reserved 178,571,433 ordinary shares to accommodate the above convertible bonds.

Interest expense for the year 2014 of the convertible bonds amounted to Baht 32.5 million (2013: Baht 32.5 million), being recorded as a reduction to unappropriated retained earnings.

21. Share capital

Preference shareholders have the same right as the ordinary shareholders except that they are entitled to receive an annual dividend at 15% of preference shares capital prior to the dividend paid to the ordinary shareholders. Preference shares can be converted into ordinary shares.

In the first quarter of 2014, 40,000 preference shares (2013: 167,313 shares) were converted into ordinary shares at ratio of one preference share to one ordinary share. The Company registered this conversion with the Ministry of Commerce on 6 March 2014.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

23. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Salaries and wages and other employee benefits	2,798,041	2,605,015	2,683,566	2,560,264
Physicians' fee	3,509,757	3,388,190	3,478,043	3,356,698
Depreciation	981,692	818,156	953,950	814,799
Amortisation	63,076	64,110	62,596	63,993
Loss from share capital reduction of an associate	-	-	1,998	-
Property, plant and equipment rental expenses				
from operating lease agreements	80,860	76,040	79,696	74,961
Building and equipment maintenance expenses	325,049	211,824	314,078	211,523
Advertising and public relation expenses	229,730	210,102	217,371	200,504
Medicine, medical supply and other supply consumptions	2,778,519	2,617,927	2,670,439	2,577,827

24. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Current income tax:				
Current income tax for the year	705,047	649,790	682,567	639,979
Deferred tax:				
Relating to origination and reversal of temporary differences	(19,627)	(24,382)	(18,779)	(24,529)
Income tax expenses reported in the income statement	<u>685,420</u>	<u>625,408</u>	<u>663,788</u>	<u>615,450</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Deferred tax relating to actuarial loss	(3,470)	(3,624)	(3,547)	(3,624)
Total	<u>(3,470)</u>	<u>(3,624)</u>	<u>(3,547)</u>	<u>(3,624)</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Accounting profit before tax	<u>3,420,250</u>	<u>3,146,190</u>	<u>3,336,473</u>	<u>3,091,009</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	684,050	629,238	667,295	618,202
Effects of:				
Tax-exempt revenue	-	(1,080)	-	(1,080)
Non-deductible expenses	21,868	2,081	20,447	2,029
Additional expense deductions allowed	(28,509)	(1,420)	(28,509)	(1,420)
Others	8,011	(3,411)	4,555	(2,281)
Total	<u>1,370</u>	<u>(3,830)</u>	<u>(3,507)</u>	<u>(2,752)</u>
Income tax expenses reported in the income statement	<u>685,420</u>	<u>625,408</u>	<u>663,788</u>	<u>615,450</u>

The components of deferred tax assets and deferred tax liabilities are as follows.

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Deferred tax assets				
Allowance for doubtful accounts	19,446	20,744	19,446	20,744
Allowance for diminution in value of inventories	58	38	-	-
Allowance for diminution in value of investments	13,200	13,200	13,200	13,200
Allowance for intangible assets impairments	589	13,135	535	13,135
Accumulated depreciation - building and equipment	46,143	26,174	46,143	26,174
Accumulated amortisation - computer software	5,096	3,757	5,042	3,757
Provision for long-term employee benefits	94,683	80,691	94,290	80,498
Unrealised loss from exchange rate	5,120	-	-	-
Total	184,335	157,739	178,656	157,508
Deferred tax liabilities				
Deferred debenture issuing costs	(5,604)	(6,782)	(5,604)	(6,782)
Total	(5,604)	(6,782)	(5,604)	(6,782)
Deferred tax assets - net	178,731	150,957	173,052	150,726

As at 31 December 2014 the subsidiaries have unused tax losses totaling Baht 66.8 million (2013: Baht 68.5 million). No deferred tax assets have been recognised on this amount as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

26. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the Group is hospital and health care center and the geographical areas of their operations are Thailand and Mongolia. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

For the years 2014 and 2013, the Group has no major customer with revenues of 10% or more of the Group's revenues.

27. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contributed to the fund monthly at the rate of 5% of their basic salaries and the Company or subsidiaries contributed 5% - 7% of basic salary. The fund, which is managed by Bualuang Securities Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Group contributed Baht 66.8 million (2013: Baht 64.2 million) to the fund.

28. Dividends paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 29 April 2014	875,859	1.20
Interim dividends on operating results for the six-month period ended 30 June 2014	Board of Directors' meeting on 8 August 2014	511,032	0.70
Total dividend for 2014		<u>1,386,891</u>	

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2012	Annual General Meeting of the shareholders on 30 April 2013	876,054	1.20
Interim dividends on operating results for the six-month period ended 30 June 2013	Board of Directors' meeting on 6 August 2013	511,032	0.70
Total dividend for 2013		1,387,086	

29. Commitments and contingent liabilities

29.1 Capital commitments

As at 31 December 2014, the Company has capital commitments to pay a total of Baht 163.4 million (2013: Baht 184.6 million) in relation to the renovation agreement of building and Baht 150.0 million (2013: Baht 271.2 million) in respect of purchase of medical instruments and hospital equipment.

29.2 Operating lease and long-term service commitments

The Company has entered into operating lease agreements in respect of the lease of lands, buildings, office space, vehicles and equipment and long-term service agreements. The terms of the agreements are generally between 2 and 30 years.

As at 31 December 2014 and 2013, future minimum payments required under the above agreements were as follows.

(Unit: Million Baht)

Details of commitments	Payable within						Total	
	1 year		1 to 5 years		More than 5 years			
	2014	2013	2014	2013	2014	2013	2014	2013
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	2	1	7	7	4	6	13	14
2) Lease of office space	31	28	51	68	-	-	82	96
3) Lease of building for nursing dormitory and related services (shall be renewed automatically)	-	7	-	-	-	-	-	7
4) Maintenance service fee for medical instruments	136	57	137	38	-	-	273	95
5) Rental and maintenance service fee for cars	11	8	14	11	-	-	25	19
6) Fee to a bank which is bondholders' representative	-	-	1	1	-	-	1	1
7) Service fee for medical treatment information database	30	-	199	-	35	-	264	-

29.3 Commitments from other contract

The Company entered into the medical equipment utilisation contract with a local company. The contract covers period of 7 years (expire in 2021) and under the conditions of the contract, the Company is required to purchase medical supplies and services to use with the medical equipment at the prices specified in the contract in total throughout the period of the contract. As at 31 December 2014, the outstanding amount of medical supplies and services that the Company is required to purchase in accordance with the contract is Baht 319.0 million (2013: Nil).

29.4 Uncalled portion of investments in subsidiaries

As at 31 December 2014 and 2013, the Company has commitments in respect of the uncalled portion of investments in overseas subsidiaries as below.

Company's name	Country of incorporation	Uncalled portion of investments	
		2014	2013
Asia Global Health Ltd. (AGH)	Hong Kong	HKD 2.34 million	HKD 2.34 million
Life and Longevity Ltd. (LLL)	Hong Kong	USD 0.10 million	USD 0.10 million

29.5 Bank guarantees

As at 31 December 2014 and 2013, there were outstanding bank guarantees of Baht 29.1 million issued by banks on behalf of the Company. All were required in the normal course of business e.g. payment of utility expenses and space rental.

30. Financial instruments

30.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentation", principally comprise cash and cash equivalents, short-term investments, accounts receivable and payable, long-term loan to and long-term loan from and long-term debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and other receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables and other receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposures to interest rate risk relate primarily to their interest-bearing, cash at banks, short-term investments, long-term loan to and long-term loan from and long-term debentures. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the current market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2014							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	2,947	-	-	1,652	77	4,676	0.10 - 2.75
Short-term investments	1,922	-	-	-	-	1,922	2.80 - 3.10
Trade and other receivables	-	-	-	-	1,525	1,525	
	<u>4,869</u>	<u>-</u>	<u>-</u>	<u>1,652</u>	<u>1,602</u>	<u>8,123</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	860	860	-
Accrued physicians' fees	-	-	-	-	538	538	-
Long-term loan from a related party	-	176	-	-	-	176	1.50
Long-term debentures	-	2,489	2,483	-	-	4,972	4.13 - 4.97
	<u>-</u>	<u>2,665</u>	<u>2,483</u>	<u>-</u>	<u>1,398</u>	<u>6,546</u>	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2014							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	2,896	-	-	1,601	43	4,540	0.10 - 2.75
Short-term investments	1,802	-	-	-	-	1,802	2.85 - 3.00
Trade and other receivables	-	-	-	-	1,525	1,525	-
Long-term loan to a related party	-	-	-	-	2	2	-
	<u>4,698</u>	<u>-</u>	<u>-</u>	<u>1,601</u>	<u>1,570</u>	<u>7,869</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	854	854	-
Accrued physicians' fees	-	-	-	-	531	531	-
Long-term loan from a related party	-	176	-	-	-	176	1.50
Long-term debentures	-	2,489	2,483	-	-	4,972	4.13 - 4.97
	<u>-</u>	<u>2,665</u>	<u>2,483</u>	<u>-</u>	<u>1,385</u>	<u>6,533</u>	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2013							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	2,551	-	-	543	45	3,139	0.10 - 2.95
Short-term investments	2,718	-	-	-	-	2,718	2.93 - 3.00
Trade and other receivables	-	-	-	-	1,307	1,307	-
	<u>5,269</u>	<u>-</u>	<u>-</u>	<u>543</u>	<u>1,352</u>	<u>7,164</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	859	859	-
Accrued physicians' fees	-	-	-	-	488	488	-
Long-term loan from a related party	176	-	-	-	-	176	2.00
Long-term debentures	-	2,485	2,481	-	-	4,966	4.13 - 4.97
	<u>176</u>	<u>2,485</u>	<u>2,481</u>	<u>-</u>	<u>1,347</u>	<u>6,489</u>	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2013							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	2,549	-	-	522	38	3,109	0.10 - 2.95
Short-term investments	2,603	-	-	-	-	2,603	2.93 - 3.00
Trade and other receivables	-	-	-	-	1,302	1,302	-
Long-term loan to a related party	-	-	-	-	2	2	-
	<u>5,152</u>	<u>-</u>	<u>-</u>	<u>522</u>	<u>1,342</u>	<u>7,016</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	850	850	-
Accrued physicians' fees	-	-	-	-	483	483	-
Long-term loan from a related party	176	-	-	-	-	176	2.00
Long-term debentures	-	2,485	2,481	-	-	4,966	4.13 - 4.97
	<u>176</u>	<u>2,485</u>	<u>2,481</u>	<u>-</u>	<u>1,333</u>	<u>6,475</u>	

In addition, as at 31 December 2014 and 2013, the Company's exposures to fixed interest rate risk relate to convertible bonds treated as equity securities amounting to Baht 550 million with maturity date in 2017 and carry interests at the rates 1% and 10% per annum, as described in Note 20 to the financial statements.

Foreign currency risk

The Company's exposure to foreign currency risk arises from investments in subsidiaries those are denominated in foreign currencies. The Company has no foreign currency forward contracts to reduce the exposure since the Company expects the risk to be minimal. The Group does not use foreign currency forward contracts or purchased currency options for trading purposes.

The Group has no significant balance of financial assets and liabilities denominated in foreign currencies as at 31 December 2014 and 2013.

30.2 Fair values of financial instruments

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows.

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, short-term investments, trade and other receivables, long-term loan to and long-term loan from, trade and other payables and accrued physicians' fees, the carrying amounts at the statement of financial position approximate fair value.
- b) For long-term debentures, fair value is derived from quoted market prices of the Thai Bond Market Association at the close of the business on the reporting date.

The majorities of the Group's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position. The carrying amount of long-term debentures with fixed interest rates as at 31 December 2014 amounted to Baht 4,972.0 million (2013: Baht 4,966.1 million), and their fair value amounted to Baht 5,264.6 million (2013: Baht 4,994.2 million).

31. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 0.70:1 (2013: 0.80:1) and the Company's was 0.74:1 (2013: 0.82:1).

32. Events after the reporting period

On 25 February 2015, a meeting of the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2015 to adopt a resolution to pay a dividend of Baht 1.95 per share, or a total of Baht 1,423.6 million, to the shareholders in respect of the 2014 profit. The Company already paid an interim dividend of Baht 0.70 per share, or a total of Baht 511.0 million on 5 September 2014. The remaining dividend of Baht 1.25 per share, or a total of Baht 912.6 million will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

33. Reclassifications

The Company reclassified certain amounts in the financial statements for the year ended 31 December 2013 to conform to the current year's classification, as following.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Cash and cash equivalents	3,139,481	5,857,211	3,109,330	5,712,060
Short-term investments	2,717,730	-	2,602,730	-

There was no amount of the above transactions to be reclassified for comparative presentation for the financial statements as at 1 January 2013.

The reclassification had no effect to previously reported profit or shareholders' equity.

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2015.