

Bumrungrad Hospital Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2016

Independent Auditor's Report

To the Shareholders of Bumrungrad Hospital Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bumrungrad Hospital Public Company Limited for the same period.

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 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Revenues from hospital operations are significant to the financial statements because the amount is high (approximately 98% of consolidated total revenues). In addition, it consists of many compositions, such as revenues from sales of medicines, revenues from medical services, revenues from patient rooms, etc., including discounts for counterparties, e.g. insurance companies, embassies and other several counterparties, whereas the agreements contains vary conditions for each party. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls including the internal controls which respond to the above risks.
- Applying a sampling method to select sales and service agreements of the Group to assess whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- Performing analytical procedures on disaggregated data to detect possible irregularities in revenues transactions throughout the period, including accounting entries made through journal vouchers.

- On a sampling basis, examining supporting documents for revenue transactions occurring during the period.
- Testing cut-off of revenues recognition.
- Reviewing credit notes that the Group issued after the period-end.

Allowance for doubtful accounts

The allowance for doubtful accounts is estimated based on criteria established by the Group rely on various assumptions. Therefore, the management is required to exercise considerable judgement in determining the assumptions to be used in estimating allowance for doubtful accounts expected to be incurred when debtors are unable to repay, and the appropriateness of the period of recognition. There is thus a risk with respect to the amount of the allowance for doubtful accounts.

I have examined the allowance for doubtful accounts by

- Gaining an understanding and assessing the policy for setting up allowance for doubtful accounts, consisting of assumptions and period of recognition. Considering for the correspondence of selected methods for each type of trade receivables.
- Performing analytical procedures of assumptions that the Group applied against historical data, including considering past experience of collection, write-off, legal cases and disputes with receivables, and aging of receivables.
- Checking the credibility of key information to key sources.
- Testing the calculation of the allowance for doubtful accounts in accordance with the Group's policy.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is
Mr. Termphong Opanaphan

Termphong Opanaphan
Certified Public Accountant (Thailand) No. 4501

EY Office Limited
Bangkok: 28 February 2017

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Assets					
Current assets					
Cash and cash equivalents	7	5,154,161,038	5,054,159,558	4,938,522,876	4,818,341,184
Short-term investments	8	1,523,300,000	2,305,800,000	1,509,000,000	2,302,000,000
Trade and other receivables	9	1,695,473,341	2,318,422,125	1,692,244,870	2,328,382,763
Inventories	10	310,013,854	309,074,024	279,916,744	277,571,640
Prepaid expenses		107,059,200	75,047,152	87,475,741	50,128,468
Other current assets		12,631,340	25,775,092	9,889,485	24,489,747
Total current assets		8,802,638,773	10,088,277,951	8,517,049,716	9,800,913,802
Non-current assets					
Long-term loan to and interest receivable					
from a related party	6	-	-	-	9,017,291
Investments in subsidiaries	11	-	-	1,638,772,798	1,517,455,798
Investment in an associate	12	236,279,919	234,067,252	1,447,047	1,447,047
Other long-term investment	13	1,700,000	1,700,000	1,700,000	1,700,000
Property, plant and equipment	14	11,579,033,215	10,472,111,743	9,981,453,328	8,791,953,504
Intangible assets	15	315,046,715	163,386,341	309,408,566	160,636,474
Goodwill	16	121,708,521	122,584,549	-	-
Deferred tax assets	26	249,606,641	193,005,351	244,718,287	189,820,746
Other non-current assets		23,849,195	22,385,176	23,714,335	22,367,676
Total non-current assets		12,527,224,206	11,209,240,412	12,201,214,361	10,694,398,536
Total assets		21,329,862,979	21,297,518,363	20,718,264,077	20,495,312,338

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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	17	875,613,815	830,044,220	869,510,085	820,496,588
Accrued physicians' fees		596,925,398	713,254,979	590,092,466	707,663,724
Current portion of long-term debentures	19	-	1,497,145,039	-	1,497,145,039
Accrued expenses		447,320,532	577,255,452	435,433,333	561,478,856
Income tax payable		364,573,826	372,555,228	352,573,901	361,492,993
Other current liabilities		73,662,026	66,200,918	51,291,183	52,376,111
Total current liabilities		2,358,095,597	4,056,455,836	2,298,900,968	4,000,653,311
Non-current liabilities					
Long-term loan from and interest payable					
to a related party	6	185,294,305	182,868,805	185,294,305	182,868,805
Long-term loan from and interest payable					
to an unrelated party	18	19,648,778	-	-	-
Long-term debentures - net of current portion	19	3,484,541,414	3,481,009,726	3,484,541,414	3,481,009,726
Deferred tax liability	26	1,819,588	-	-	-
Provision for long-term employee benefits	21	492,515,761	476,693,998	485,801,558	468,988,677
Total non-current liabilities		4,183,819,846	4,140,572,529	4,155,637,277	4,132,867,208
Total liabilities		6,541,915,443	8,197,028,365	6,454,538,245	8,133,520,519

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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Shareholders' equity					
Share capital	23				
Registered					
921,296,022 ordinary shares of Baht 1 each					
(2015: 921,276,022 ordinary shares of Baht 1 each)		921,296,022	921,276,022	921,296,022	921,276,022
1,406,663 preference shares of Baht 1 each					
(2015: 1,426,663 preference shares of Baht 1 each)		1,406,663	1,426,663	1,406,663	1,426,663
		<u>922,702,685</u>	<u>922,702,685</u>	<u>922,702,685</u>	<u>922,702,685</u>
Issued and paid-up					
728,645,559 ordinary shares of Baht 1 each					
(2015: 728,625,559 ordinary shares of Baht 1 each)		728,645,559	728,625,559	728,645,559	728,625,559
1,406,663 preference shares of Baht 1 each					
(2015: 1,426,663 preference shares of Baht 1 each)		1,406,663	1,426,663	1,406,663	1,426,663
		<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	22	550,000,000	550,000,000	550,000,000	550,000,000
Retained earnings					
Appropriated - statutory reserve	24	92,275,000	92,275,000	92,275,000	92,275,000
Unappropriated		12,657,987,263	10,799,083,414	12,605,830,310	10,703,896,297
Other components of shareholders' equity		157,972,125	278,707,057	-	-
Equity attributable to owners of the Company		<u>14,473,854,910</u>	<u>12,735,685,993</u>	<u>14,263,725,832</u>	<u>12,361,791,819</u>
Non-controlling interests of the subsidiaries		314,092,626	364,804,005	-	-
Total shareholders' equity		<u>14,787,947,536</u>	<u>13,100,489,998</u>	<u>14,263,725,832</u>	<u>12,361,791,819</u>
Total liabilities and shareholders' equity		<u>21,329,862,979</u>	<u>21,297,518,363</u>	<u>20,718,264,077</u>	<u>20,495,312,338</u>
		-	-	-	-

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

Directors

Bumrungrad Hospital Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Revenues					
Revenues from hospital operations		17,850,738,751	17,600,265,940	17,341,382,226	17,099,543,050
Rental income		63,934,072	60,139,960	73,450,855	67,799,858
Interest income		113,304,452	137,948,768	109,150,673	134,659,230
Dividend income	11.1, 12.2	-	-	206,568,163	149,308,104
Exchange gains		22,434,512	45,961,461	17,314,851	41,857,731
Other income		75,382,754	85,123,927	87,010,890	85,888,178
Total revenues		18,125,794,541	17,929,440,056	17,834,877,658	17,579,056,151
Expenses					
Cost of hospital operations		10,400,145,172	10,484,365,146	10,104,769,425	10,203,096,280
Administrative expenses		3,134,818,367	3,020,247,262	3,090,522,521	2,946,587,159
Loss on impairment of investment in a subsidiary	11.1	-	-	-	29,500,000
Loss from share capital reduction and dissolution of an associate	12.3	-	-	-	816,782
Total expenses		13,534,963,539	13,504,612,408	13,195,291,946	13,180,000,221
Profit before share of profit from investments in associates, finance cost and income tax expenses					
Share of profit from investments in associates	12.2	2,212,667	12,515,402	-	-
Profit before finance cost and income tax expenses		4,593,043,669	4,437,343,050	4,639,585,712	4,399,055,930
Finance cost		(215,165,246)	(186,504,115)	(214,959,314)	(186,504,115)
Profit before income tax expenses		4,377,878,423	4,250,838,935	4,424,626,398	4,212,551,815
Income tax expenses	26	(773,846,797)	(823,318,882)	(753,592,434)	(801,345,874)
Profit for the year		3,604,031,626	3,427,520,053	3,671,033,964	3,411,205,941
Profit (loss) attributable to:					
Equity holders of the Company		3,626,173,933	3,435,833,613	3,671,033,964	3,411,205,941
Non-controlling interests of the subsidiaries		(22,142,307)	(8,313,560)		
		<u>3,604,031,626</u>	<u>3,427,520,053</u>		
Earnings per share					
27					
Basic earnings per share					
Profit attributable to equity holders of the Company		4.98	4.72	5.04	4.68
Diluted earnings per share					
Profit attributable to equity holders of the Company		4.18	3.96	4.23	3.93

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 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the year	<u>3,604,031,626</u>	<u>3,427,520,053</u>	<u>3,671,033,964</u>	<u>3,411,205,941</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to income statement in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	(150,703,312)	41,886,274	-	-
<i>Other comprehensive income not to be reclassified to income statement in subsequent periods</i>				
Actuarial gain (loss) net of income tax	<u>17,093,786</u>	<u>(27,155,207)</u>	<u>15,263,919</u>	<u>(25,469,953)</u>
Other comprehensive income for the year	<u>(133,609,526)</u>	<u>14,731,067</u>	<u>15,263,919</u>	<u>(25,469,953)</u>
Total comprehensive income for the year	<u><u>3,470,422,100</u></u>	<u><u>3,442,251,120</u></u>	<u><u>3,686,297,883</u></u>	<u><u>3,385,735,988</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>3,522,532,787</u>	<u>3,454,182,031</u>	<u><u>3,686,297,883</u></u>	<u><u>3,385,735,988</u></u>
Non-controlling interests of the subsidiaries	<u>(52,110,687)</u>	<u>(11,930,911)</u>		
	<u><u>3,470,422,100</u></u>	<u><u>3,442,251,120</u></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 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	4,377,878,423	4,250,838,935	4,424,626,398	4,212,551,815
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,138,686,184	1,044,743,956	1,084,924,989	1,001,753,542
Bad debts and allowance for doubtful accounts	140,905,007	74,967,467	140,788,712	75,164,062
Reduction (reversal) of cost of inventories to net realisable value	(1,261,463)	993,023	-	-
Loss on sales and write-off of building and equipment	1,713,364	10,960,789	1,104,602	7,993,195
Long-term employee benefits expenses	86,735,133	76,054,319	84,518,888	74,867,278
Loss on impairment of investment in a subsidiary	-	-	-	29,500,000
Loss from share capital reduction and dissolution of an associate	-	-	-	816,782
Share of profit from investments in associates	(2,212,667)	(12,515,402)	-	-
Interest income	(113,304,452)	(137,948,768)	(109,150,673)	(134,659,230)
Dividend income	-	-	(206,568,163)	(149,308,104)
Amortisation of debenture issuing costs to interest expenses	6,386,649	6,172,831	6,386,649	6,172,831
Interest expenses	208,778,597	180,331,284	208,572,665	180,331,284
Profit from operating activities before changes in operating assets and liabilities	5,844,304,775	5,494,598,434	5,635,204,067	5,305,183,455
Operating assets (increase) decrease				
Trade and other receivables	482,043,777	(868,177,328)	495,349,181	(878,837,332)
Inventories	321,633	(18,186,536)	(2,345,104)	(10,921,098)
Prepaid expenses	(32,012,048)	(8,558,629)	(37,347,273)	13,424,540
Other current assets	13,143,752	(7,676,593)	14,600,262	(10,375,277)
Other non-current assets	(1,464,019)	2,558,216	(1,346,659)	2,557,216
Operating liabilities increase (decrease)				
Trade and other payables	(5,472,748)	(2,662,519)	(2,028,846)	(14,891,066)
Accrued physicians' fees	(116,329,581)	175,600,675	(117,571,258)	177,126,302
Accrued expenses	(127,922,646)	92,110,517	(124,008,811)	78,867,321
Other current liabilities	7,461,108	(486,261)	(1,084,928)	(3,203,331)
Provision for long-term employee benefits	(49,850,018)	(43,296,046)	(48,626,108)	(43,234,749)
Cash flows from operating activities	6,014,223,985	4,815,823,930	5,810,794,523	4,615,695,981
Cash paid for corporate income tax	(840,580,102)	(828,415,647)	(821,225,047)	(805,583,668)
Net cash flows from operating activities	5,173,643,883	3,987,408,283	4,989,569,476	3,810,112,313

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 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
(Increase) decrease in short-term investments	782,500,000	(383,800,000)	793,000,000	(500,000,000)
(Increase) decrease in long-term loan to a subsidiary	-	-	9,000,000	(9,000,000)
Acquisition of investments in subsidiaries	-	-	(121,317,000)	(2,239,073)
Dividend received	-	-	206,568,163	149,308,104
Acquisition of property, plant and equipment and payment of construction and medical equipment payables	(2,223,852,265)	(1,498,237,056)	(2,125,898,888)	(1,432,550,796)
Acquisition of computer software	(229,116,055)	(42,620,517)	(225,583,230)	(41,182,572)
Cash receipt from share capital reduction and dissolution of an associate	-	598,188	-	598,188
Proceeds from sales of equipment	930,711	1,233,407	930,711	1,233,407
Interest income	113,304,452	137,948,768	109,167,964	134,641,939
Net cash flows used in investing activities	(1,556,233,157)	(1,784,877,210)	(1,354,132,280)	(1,699,190,803)
Cash flows from financing activities				
Increase in long-term loan from an unrelated party	19,072,604	-	-	-
Repayment of long-term debenture	(1,500,000,000)	-	(1,500,000,000)	-
Interest paid for long-term debentures	(232,735,890)	(232,100,000)	(232,735,890)	(232,100,000)
Dividend paid	(1,750,021,011)	(1,568,080,973)	(1,750,019,614)	(1,568,079,177)
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	(3,496,184,297)	(1,832,680,973)	(3,515,255,504)	(1,832,679,177)
Increase (decrease) in translation adjustment	(21,224,949)	8,596,088	-	-
Net increase in cash and cash equivalents	100,001,480	378,446,188	120,181,692	278,242,333
Cash and cash equivalents at beginning of year	5,054,159,558	4,675,713,370	4,818,341,184	4,540,098,851
Cash and cash equivalents at end of year	5,154,161,038	5,054,159,558	4,938,522,876	4,818,341,184
	-	-	-	-
Supplemental cash flow information				
Non-cash transactions				
Interest capitalised as cost of assets	24,552,012	54,229,859	24,552,012	54,229,859
Increase (decrease) in construction and medical equipment payables	49,198,087	(28,675,888)	49,198,087	(20,112,549)
Convert long-term loan to a related party to investment in a subsidiary	-	-	-	(1,855,253)

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 2016

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 and investment in other companies. 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	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
			(%)	(%)
<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 real estate assets company	Thailand	100	100
Bumrungrad Health Network Co., Ltd. (“BHN”)	Overseas investment	Thailand	100	100

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
			(%)	(%)
Bumrungrad Personnel Development and Training Center Co., Ltd. ("PDTC")	Personnel development and training center for healthcare service business to affiliated companies	Thailand	100	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	80
Bumrungrad Services Co., Ltd. ("BS")	Referral services to both domestic and foreign patients and training center for healthcare service business	Thailand	100	100
<u>Subsidiaries held by subsidiaries</u>				
Vitalife International AG ("VTL AG") (Investment through LLL) (dissolved on 10 October 2016)	Overseas investment	Switzerland	-	51
Bumrungrad Mongolia LLC ("BML") (Investment through HHE)	Overseas investment	Mongolia	80	80
Seoul Seniors Tower LLC ("SST") (Investment through BML)	Owner and operates hospital	Mongolia	41	41
Bumrungrad Myanmar Co., Ltd. ("BM") (Investment through BHN)	The operation of a private clinic and diagnostic service	Myanmar	80	80

- b) The Group is deemed to have control over an investee or subsidiaries 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.
- c) Subsidiaries are fully consolidated, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries 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.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

g) Non-controlling interests represent the portion of profit (loss) and net assets of the subsidiaries that are not held by the Company and presented separately in the consolidated income statement, the consolidated comprehensive income statement and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

a. Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b. Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. 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 standards.

The management of the Group believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard will not have any significant impact on the Group's financial statements because the management has decided to continue accounting for such investments under the cost method in the separate 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 and write-off experience, analysis of debt aging and other information.

4.4 Inventories

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

4.5 Investments

- a) Investment in non-marketable equity securities, which the Company classifies as other investment, is stated at cost net of allowance for loss on impairment (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 impairment (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 and 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	5 and 30 years
Buildings and construction	10 - 40 years
Facility systems	10 - 40 years
Medical accessory equipment	5 - 15 years
Hospital equipment	3 - 10 years
Equipment and furniture	5 - 15 years
Motor vehicles	5 and 10 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 - 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 (if any), 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 individuals or enterprises 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 or enterprises 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 and 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 and 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.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows.

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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.

Consolidation of subsidiaries in which the Group holds less than half of shares

The management of the Group determined that the Group has control over Seoul Seniors Tower LLC (“SST”), even though the Company holds 41% of shares and voting rights, which is less than half of shares and voting rights. This is because the Group is a major shareholder of this company, exercises control over its management and has the ability to direct its significant activities of that company. As a result, SST is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Group assumed control.

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 and write-off history, aging profile of outstanding debts and the prevailing information.

Property, plant and equipment and 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. 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: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	2016	2015	2016	2015	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	34.2	31.9	Market price
Professional service income	-	-	19.4	12.2	Actual paid and cost plus margin
Rental income	-	-	9.6	7.7	As per contracts
Sales of medicine and medical supplies	-	-	7.5	1.8	Cost plus margin
Sales of equipment	-	-	-	0.2	Cost plus margin
Dividend income	-	-	206.6	149.3	As declared
Lab service expense	-	-	0.1	0.2	Market price
Pharmacy expense	-	-	9.6	7.7	Market price
Training expenses	-	-	186.0	150.6	Cost plus margin
Service expenses	-	-	8.5	2.1	Cost plus margin
Transactions with associate					
Consulting income	0.2	-	0.2	-	As per contract
Interest expense on long-term loan	2.4	2.5	2.4	2.5	1.38% p.a. (2015: 1.38% and 1.50% p.a.)
Transactions with related parties					
Medical service income	121.5	87.0	121.5	87.0	Market price
Rental income	2.5	2.4	2.5	2.4	Market price
Interest income on short-term investments	26.8	48.6	26.3	46.9	1.58% to 1.80% p.a. (2015: 1.88% to 3.10% p.a.)
Other income	1.0	0.8	1.0	0.8	At cost
Lab service expense	13.1	9.6	13.1	9.6	Market price
Purchase of medicine and medical supplies	12.3	12.8	12.3	12.8	Market price
Donation expense	32.4	24.0	32.4	24.0	-
Insurance expense	30.4	35.1	30.3	34.9	As per insurance policies
Credit card commission fees	129.9	125.3	125.0	120.9	Market price
Legal advisory fee	3.9	2.7	3.8	2.4	Market price
Service fee	1.2	2.1	1.2	2.1	Market price
Interest expense on long-term debentures	46.2	46.2	46.2	46.2	4.13% to 4.97% p.a.
Interest expense on convertible bonds	32.5	32.5	32.5	32.5	10.00% and 1.00% p.a.

The balances of the accounts as at 31 December 2016 and 2015 between the Company and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term investments - Fixed deposits with a local commercial bank (Note 8)				
Related company (common executive)	<u>1,509,000</u>	<u>2,302,000</u>	<u>1,509,000</u>	<u>2,302,000</u>
Trade and other receivables - related parties (Note 9)				
Subsidiaries	-	-	15,942	20,278
Associate	12	3	12	3
Related company (common director)	<u>6,526</u>	<u>3,191</u>	<u>6,526</u>	<u>3,191</u>
Total	<u>6,538</u>	<u>3,194</u>	<u>22,480</u>	<u>23,472</u>
Trade and other payables - related parties (Note 17)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>19,986</u>	<u>16,581</u>
Long-term loan to and interest receivable from a related party				
Subsidiary	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,017</u>
Long-term loan from and interest payable to a related party				
Associate	<u>185,294</u>	<u>182,869</u>	<u>185,294</u>	<u>182,869</u>
Long-term debentures (Note 19)				
Related companies (Major shareholder and common director)	<u>855,000</u>	<u>955,000</u>	<u>855,000</u>	<u>955,000</u>
Convertible bonds treated as equity securities (Note 22)				
Related company (common executive)	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>

Long-term loan to and interest receivable from a related party

During the year ended 31 December 2016, movements of long-term loan to and interest receivable from a subsidiary were as follows.

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 31 December 2016
	Balance as at 31 December 2015	During the year		
		Increase	Decrease	
Bumrungrad Health Network Co., Ltd.				
Principal	9,000	-	(9,000)	-
Interest receivable	17	28	(45)	-
Total	9,017	28	(9,045)	-

As at 31 December 2015, long-term loan to a subsidiary (Bumrungrad Health Network Co., Ltd.) is due at call and carries interest at the 1-year fixed deposit rate of a local commercial bank. Interest is due when principal is paid. Since the Group's management does not plan to call the loan in the near future, it is therefore classified as a long-term loan. However, during the year 2016, the Company received full repayment for principal and interest from the subsidiary.

Long-term loan from and interest payable to a related party

During the year ended 31 December 2016, movements of long-term loan from and interest payable to a related company were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements			Balance as at 31 December 2016
	Balance as at 31 December 2015	During the year		
		Increase	Decrease	
Bumrungrad International Ltd.				
Principal	176,400	-	-	176,400
Interest payable	6,469	2,425	-	8,894
Total	182,869	2,425	-	185,294

As at 31 December 2016 and 2015, long-term loan from and interest payable to an associate (Bumrungrad International Ltd.) is due call and 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 does not plan to call the loan in the near future, it is therefore classified as a long-term loan.

Directors and management's benefits

During the years ended 31 December 2016 and 2015, the Group had employee benefit expenses payable to their directors and management as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term benefits	130,618	123,977	110,545	99,940
Post-employment benefits	5,465	4,726	5,057	4,442
Other long-term benefits	3	2	2	1
Total	136,086	128,705	115,604	104,383

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	7,093	10,836	5,858	10,264
Bank deposits	4,094,824	3,734,880	3,910,653	3,555,436
Promissory notes	1,052,244	1,308,444	1,022,012	1,252,641
Total	5,154,161	5,054,160	4,938,523	4,818,341

As at 31 December 2016, bank deposits in savings accounts, fixed deposits and promissory notes carried interests between 0.05% and 3.60% per annum (2015: between 0.05% and 3.60% per annum).

8. Short-term investments

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed deposits with a local commercial bank	1,523,300	2,305,800	1,509,000	2,302,000
Interest rate (% p.a.)	1.58 - 1.65	1.90 - 2.00	1.58	1.90 - 2.00

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	2,851	1,025	5,857
Total trade receivables - related parties	-	2,851	1,025	5,857
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	885,636	989,973	879,216	984,354
Past due				
1 - 30 days	6,007	5,866	3,882	4,061
31 - 60 days	159,420	260,881	157,076	260,461
61 - 90 days	109,129	220,749	101,314	219,771
91 - 180 days	233,074	312,333	232,919	310,947
181 - 365 days	283,765	397,789	283,765	397,643
More than 365 days	239,030	240,556	239,030	240,207
Total	1,916,061	2,428,147	1,897,202	2,417,444
Less: Allowance for doubtful debts	(234,269)	(119,182)	(234,269)	(118,781)
Total trade receivables - unrelated parties, net	1,681,792	2,308,965	1,662,933	2,298,663
Total trade receivables - net	1,681,792	2,311,816	1,663,958	2,304,520
<u>Other receivables</u>				
Advances and loans to employees	7,143	6,263	6,832	6,248
Accrued income - related parties	6,538	343	21,455	17,615
Total other receivables	13,681	6,606	28,287	23,863
Trade and other receivables - net	1,695,473	2,318,422	1,692,245	2,328,383

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net		Inventories - net	
	2016	2015	realisable value		2016	2015
			2016	2015		
Medicine	165,097	157,592	49	227	165,048	157,365
Medical supplies	70,974	75,843	-	1,083	70,974	74,760
Other supplies	73,992	76,949	-	-	73,992	76,949
Total	310,063	310,384	49	1,310	310,014	309,074

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net		Inventories - net	
	2016	2015	realisable value		2016	2015
			2016	2015		
Medicine	150,697	143,392	-	-	150,697	143,392
Medical supplies	56,705	57,403	-	-	56,705	57,403
Other supplies	72,515	76,777	-	-	72,515	76,777
Total	279,917	277,572	-	-	279,917	277,572

11. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		Allowance for loss on impairment		Carrying amounts based on cost method - net	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)						
Vitalife Corporation Ltd.	Baht 31.5 million	Baht 31.5 million	100	100	25,610	25,610	-	-	25,610	25,610
Asia Global Research Co., Ltd.	Baht 50 million	Baht 50 million	100	100	50,000	50,000	50,000	50,000	-	-
Ruenmongkol Co., Ltd.	Baht 340 million	Baht 340 million	100	100	1,045,034	1,045,034	-	-	1,045,034	1,045,034
Bumrungrad Health Network Co., Ltd.	Baht 120 million	Baht 5 million	100	100	120,000	5,000	-	-	120,000	5,000
Bumrungrad Personnel Development and Training Center Co., Ltd.	Baht 5 million	Baht 5 million	100	100	5,000	5,000	-	-	5,000	5,000
Asia Global Health Ltd.	HKD 7.1 million	HKD 7.1 million	100	100	31,558	31,558	29,500	29,500	2,058	2,058
Life and Longevity Ltd.	USD 82,000	USD 62,000	100	100	2,860	2,143	-	-	2,860	2,143
Health Horizons Enterprises Pte. Ltd.	USD 16.8 million	USD 16.6 million	80	80	436,211	430,611	-	-	436,211	430,611
Bumrungrad Services Co., Ltd.	Baht 2 million	Baht 2 million	100	100	2,000	2,000	-	-	2,000	2,000
Total					<u>1,718,273</u>	<u>1,596,956</u>	<u>79,500</u>	<u>79,500</u>	<u>1,638,773</u>	<u>1,517,456</u>

During the years, the Company received dividends from subsidiaries in the separate financial statements as follows.

(Unit: Thousand Baht)

Company	Separate financial statements	
	2016	2015
Vitallife Corporation Ltd.	74,969	149,308
Bumrungrad Health Network Co., Ltd.	21,600	-
Bumrungrad Personnel Development and Training Center Co., Ltd.	109,999	-
Total	206,568	149,308

During the year 2015, the Company considered to set allowance for loss on impairment of investment in Asia Global Health Ltd. amounting to Baht 29.5 million because it had capital deficit for several years.

11.2 Details of investment in subsidiary that has material non-controlling interests

(Unit: Thousand Baht)

Company	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2016	2015	2016	2015	2016	2015	2016	2015
	(%)	(%)						
Seoul Seniors Tower LLC	49	49	228,614	245,003	16,389	6,466	-	-

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling interests

Summarised information about financial position

(Unit: Thousand Baht)

	Seoul Seniors Tower LLC	
	2016	2015
Current assets	49,842	43,048
Non-current assets	429,186	558,898
Current liabilities	142,306	144,878

Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	Seoul Seniors Tower LLC	
	For the years ended 31 December	
	2016	2015
Revenues	215,647	242,188
Loss	(30,893)	(10,445)
Total comprehensive incomes	(30,893)	(10,445)

Summarised information about cash flows

	(Unit: Thousand Baht)	
	Seoul Seniors Tower LLC	
	For the years ended 31 December	
	2016	2015
Cash flows from operating activities	28,041	37,284
Cash flows used in investing activities	(13,592)	(32,610)
Increase in translation adjustment	545	34
Net increase in cash and cash equivalents	14,994	4,708

11.4 The changes of investments in subsidiaries account during the year 2016

11.4.1 Capital increase of subsidiaries

Bumrungrad Health Network Co., Ltd.

On 11 March 2016, the Annual General Meeting of the shareholders of a subsidiary (Bumrungrad Health Network Co., Ltd.) passed a resolution to increase the registered share capital from Baht 5 million (0.5 million ordinary shares with a par value of Baht 10 each) to Baht 120 million (12 million ordinary shares with a par value of Baht 10 each), by issuing additional 11.5 million ordinary shares with a par value of Baht 10 each to the subsidiary's existing shareholders. The Company acquired all of the additional shares and paid in the additional share capital on 14 March 2016. The subsidiary registered the increase of its share capital with the Ministry of Commerce on 15 March 2016.

Health Horizons Enterprises Pte. Ltd.

On 27 June 2016, the Annual General Meeting of the shareholders of a subsidiary (Health Horizons Enterprises Pte. Ltd.) passed a resolution to increase the registered share capital from USD 16.6 million (16.6 million ordinary shares with a par value of USD 1 each) to USD 16.8 million (16.8 million ordinary shares with a par value of USD 1 each), by issuing additional 0.2 million ordinary shares with a par value of USD 1 each to the subsidiary's existing shareholders. The Company acquired the additional 0.16 million shares and paid in the additional share capital on 22 July 2016. The subsidiary registered the increase of the share capital on 27 July 2016.

Life and Longevity Ltd.

On 5 December 2016, the Directors' Resolutions in writing of a subsidiary (Life and Longevity Ltd.) passed a resolution to increase the registered share capital from USD 62,000 (62,000 ordinary shares with a par value of USD 1 each) to USD 82,000 (82,000 ordinary shares with a par value of USD 1 each), by issuing additional 20,000 ordinary shares with a par value of USD 1 each to the subsidiary's existing shareholders. The Company acquired all of the additional shares and paid in the additional share capital totally USD 20,000. The subsidiary registered the increase of the share capital on 5 December 2016.

11.4.2 Dissolution of a subsidiary

Vitalife International AG

On 24 March 2016, the Extraordinary General Meeting of shareholders of a subsidiary (Vitalife International AG ("VTL AG") (which was held by Life and Longevity Ltd.)), passed a resolution to approve the dissolution of VTL AG. VTL AG registered its dissolution and liquidation on 10 October 2016.

11.5 The changes of investments in subsidiaries account during the year 2015

11.5.1 Establishment of new subsidiaries

Bumrungrad Services Co., Ltd.

On 30 April 2015, the Company set up and registered a new subsidiary, Bumrungrad Services Co., Ltd., incorporated in Thailand with a registered share capital of Baht 2.0 million, comprising of 200,000 common shares with par value of Baht 10 each. The Company's shareholding percentage represents 100% of total issued and paid-up share capital. The Company paid for common shares of the subsidiary on 18 August 2015.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 25 February 2015, which approved the Company's establishment of the new subsidiary to be engaged in referral services to both domestic and foreign patients.

Bumrungrad Myanmar Co., Ltd.

On 14 May 2015, Bumrungrad Health Network Co., Ltd. ("BHN"), the Company's wholly-owned subsidiary which is registered in Thailand, was granted permission to temporarily set up and register a new subsidiary, Bumrungrad Myanmar Co., Ltd. ("BM"), incorporated in Myanmar with a registered share capital of USD 1.3 million, comprised of 1,325,750 common shares with par value of USD 1 each. Thereafter, BM obtained a business permit from the Myanmar Investment Commission on 25 September 2015 and obtained a certificate of permanent incorporation of BM from the Directorate of Investment and Company Administration on 21 October 2015. As at 31 December 2015, BNH has paid for share subscription of 1,060,600 ordinary shares with a par value of USD 1 each, represented 80% of the total issued and paid-up share capital, with an investment of Baht 38.7 million.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 7 November 2014, which approved the establishment of the new subsidiary to engage in the operation of a private clinic and diagnostic services.

11.5.2 Call up of subsidiaries' shares

Life and Longevity Ltd.

On 10 March 2015, Life and Longevity Ltd., the Company's wholly-owned subsidiary which is registered in Hong Kong Special Administrative Region of the People's Republic of China, registered an increase of its capital and called up USD 61,999, or equivalent to Baht 2.1 million, for the additional common shares. The Company made payment for the additional common shares by converting to equity a long-term loan to the subsidiary in the form of promissory notes denominated in Swiss francs, amounting to CHF 51,000, and paid the remaining cost on 4 June 2015.

Bumrungrad Mongolia LLC

On 16 September 2015, Health Horizons Enterprises Pte. Ltd., a subsidiary in Singapore, 80% owned by the Company, acquired 100% of the additional common shares of Bumrungrad Mongolia LLC, a subsidiary in Mongolia, amounting to MNT 60 million or equivalent to Baht 1 million.

12. Investment in an associate

12.1 Details of investment in an associate

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2016	2015	2016	2015	2016	2015
			(%)	(%)				
Bumrungrad International Ltd.	Holding company	Thailand	31.5	31.5	1,447	1,447	236,280	234,067
Total					1,447	1,447	236,280	234,067

(Unit: Thousand Baht)

Company	Separate financial statements			
	Shareholding percentage		Carrying amounts based on cost method	
	2016	2015	2016	2015
	(%)	(%)		
Bumrungrad International Ltd.	31.5	31.5	1,447	1,447
Total			1,447	1,447

12.2 Share of profit and dividend received

During the years, the Company has recognised its share of profit and dividend received from investments in associate companies as follows:

(Unit: Thousand Baht)

Company	Consolidated		Separate	
	financial statements		financial statements	
	Share of profit from investments in associates during the years		Dividend received during the years	
	2016	2015	2016	2015
Bumrungrad International Ltd.	2,213	1,841	-	-
CDE Trading Ltd. (dissolved on 17 November 2015)	-	10,674	-	-
Total	2,213	12,515	-	-

12.3 Summarised financial information of associates

Financial information of the associates is summarised below.

(Unit: Million Baht)

Company	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues		Profit (loss)	
	31 December		31 December		31 December		for the years ended		for the years ended	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Bumrungrad International Ltd. ("BIL")	4.6	4.6	755.9	754.2	5.8	11.2	10.1	13.4	7.0	5.8
CDE Trading Ltd. ("CDE") (dissolved on 17 November 2015)	-	-	-	-	-	-	-	-	-	(1.1)

On 17 November 2015, the Extraordinary General Meeting of shareholders of CDE passed a resolution to approve the dissolution of CDE. CDE registered its dissolution with the Ministry of Commerce on 17 November 2015. During the year ended 31 December 2015, the Company received the return of share capital of Baht 0.6 million from CDE. The Company has written-off the investment in CDE and recognised loss from dissolution of an associate amounting to Baht 0.8 million in the separate income statement.

13. Other long-term investment

(Unit: Thousand Baht)

Company	Shareholding		Consolidated		Separate	
	percentage		financial statements		financial statements	
	2016	2015	2016	2015	2016	2015
	(%)	(%)				
Chantaburi Country Club Co., Ltd.	0.1	0.5	4,500	4,500	4,500	4,500
Less: Allowance for loss on impairment			(2,800)	(2,800)	(2,800)	(2,800)
Other long-term investment - 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 2015	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
Additions	754,933	-	33,142	46,226	195,757	112,339	19,734	1,046	306,384	1,469,561
Disposals/write-off	-	-	(247)	(8,266)	(105,116)	(33,993)	(35,092)	(61)	(4,000)	(186,775)
Transfer in (out)	-	-	366,574	45,255	-	1,014	-	-	(444,583)	(31,740)
Capitalised interest	-	-	-	-	-	-	-	-	54,230	54,230
Translation adjustment	-	38	19,261	-	218	5,336	426	84	64	25,427
31 December 2015	3,618,681	36,647	6,384,258	872,577	4,332,950	1,139,162	587,676	43,838	555,566	17,571,355
Additions	408,644	549	53,283	159,833	516,662	275,259	18,757	2,334	837,729	2,273,050
Disposals/write-off	-	-	(2,423)	(30)	(142,464)	(38,270)	(860)	(26)	-	(184,073)
Transfer in (out)	-	-	200,929	96,439	-	26,475	12,003	-	(335,846)	-
Capitalised interest	-	-	-	-	-	-	-	-	24,492	24,492
Translation adjustment	-	(232)	(119,050)	-	(1,636)	(37,835)	(2,731)	(513)	(326)	(162,323)
31 December 2016	4,027,325	36,964	6,516,997	1,128,819	4,705,512	1,364,791	614,845	45,633	1,081,615	19,522,501

(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
Accumulated depreciation										
1 January 2015	-	18,696	1,976,763	262,313	2,841,577	782,843	374,962	34,809	-	6,291,963
Depreciation for the year	-	694	356,090	72,770	407,990	93,596	42,400	2,872	-	976,412
Depreciation on disposals	-	-	(247)	(8,055)	(104,093)	(29,144)	(32,981)	(61)	-	(174,581)
Translation adjustment	-	5	1,771	-	211	2,955	233	35	-	5,210
31 December 2015	-	19,395	2,334,377	327,028	3,145,685	850,250	384,614	37,655	-	7,099,004
Depreciation for the year	-	4,586	451,087	98,070	384,550	72,921	47,292	2,711	-	1,061,217
Depreciation on disposals	-	-	(2,447)	(30)	(140,393)	(38,053)	(480)	(26)	-	(181,429)
Translation adjustment	-	(42)	(12,546)	(8)	(1,742)	(19,423)	(1,570)	(232)	-	(35,563)
31 December 2016	-	23,939	2,770,471	425,060	3,388,100	865,695	429,856	40,108	-	7,943,229
Allowance for impairment loss										
1 January 2015	-	-	-	-	-	239	-	-	-	239
31 December 2015	-	-	-	-	-	239	-	-	-	239
31 December 2016	-	-	-	-	-	239	-	-	-	239
Net book value										
31 December 2015	3,618,681	17,252	4,049,881	545,549	1,187,265	288,673	203,062	6,183	555,566	10,472,112
31 December 2016	4,027,325	13,025	3,746,526	703,759	1,317,412	498,857	184,989	5,525	1,081,615	11,579,033
Depreciation for the years										
2015 (Baht 759 million included in cost of hospital operations, and the balance in administrative expenses)										976,412
2016 (Baht 802 million included in cost of hospital operations, and the balance in administrative expenses)										1,061,217

(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 2015	1,818,714	16,192	4,729,779	764,372	3,648,469	774,255	468,414	17,918	641,601	12,879,714
Additions	754,933	-	27,280	46,226	194,323	73,981	19,119	1,046	295,530	1,412,438
Disposals	-	-	(247)	(8,266)	(108,256)	(30,611)	(35,092)	(61)	-	(182,533)
Transfer in (out)	-	-	366,574	45,255	-	1,014	-	-	(444,583)	(31,740)
Capitalised interest	-	-	-	-	-	-	-	-	54,230	54,230
31 December 2015	2,573,647	16,192	5,123,386	847,587	3,734,536	818,639	452,441	18,903	546,778	14,132,109
Additions	408,644	383	25,378	159,017	468,409	258,194	15,043	2,334	837,694	2,175,096
Disposals	-	-	(2,423)	(30)	(148,387)	(34,327)	(860)	(26)	-	(186,053)
Transfer in (out)	-	-	194,067	96,439	-	26,475	12,003	-	(328,984)	-
Capitalised interest	-	-	-	-	-	-	-	-	24,492	24,492
31 December 2016	2,982,291	16,575	5,340,408	1,103,013	4,054,558	1,068,981	478,627	21,211	1,079,980	16,145,644

(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
Accumulated depreciation										
1 January 2015	-	11,279	1,219,797	229,432	2,301,537	536,012	269,598	11,778	-	4,579,433
Depreciation for the year	-	585	340,166	72,770	406,941	69,585	41,113	2,630	-	933,790
Depreciation on disposals	-	-	(247)	(8,055)	(104,733)	(27,230)	(32,981)	(61)	-	(173,307)
31 December 2015	-	11,864	1,559,716	294,147	2,603,745	578,367	277,730	14,347	-	5,339,916
Depreciation for the year	-	4,463	430,610	97,811	378,899	48,254	45,535	2,482	-	1,008,054
Depreciation on disposals	-	-	(2,447)	(30)	(145,989)	(35,046)	(480)	(26)	-	(184,018)
31 December 2016	-	16,327	1,987,879	391,928	2,836,655	591,575	322,785	16,803	-	6,163,952
Allowance for impairment loss										
1 January 2015	-	-	-	-	-	239	-	-	-	239
31 December 2015	-	-	-	-	-	239	-	-	-	239
31 December 2016	-	-	-	-	-	239	-	-	-	239
Net book value										
31 December 2015	2,573,647	4,328	3,563,670	553,440	1,130,791	240,033	174,711	4,556	546,778	8,791,954
31 December 2016	2,982,291	248	3,352,529	711,085	1,217,903	477,167	155,842	4,408	1,079,980	9,981,453
Depreciation for the years										
2015 (Baht 735 million included in cost of hospital operations, and the balance in administrative expenses)										933,790
2016 (Baht 770 million included in cost of hospital operations, and the balance in administrative expenses)										1,008,054

As at 31 December 2016, the Company had an outstanding balance of land, work under construction of building and building improvement of Baht 1,414 million (2015: Baht 1,129 million) which has been financed by long-term debentures and borrowing costs totaling Baht 24 million (2015: Baht 54 million) were capitalised during the year ended 31 December 2016. The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 4.87% and 4.78% per annum (2015: 4.87% per annum).

As at 31 December 2016, certain building and 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 2,350 million (2015: Baht 1,751 million) (separate financial statements: Baht 2,312 million, 2015: Baht 1,715 million).

15. Intangible assets

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
	<u>Computer software</u>	<u>Computer software</u>
Cost		
1 January 2015	1,046,773	1,080,603
Additions	42,621	41,182
Transfer from assets under installation	31,740	31,740
Translation adjustment	9	-
31 December 2015	1,121,143	1,153,525
Additions	229,116	225,583
Capitalised interest	61	61
Translation adjustment	(99)	-
31 December 2016	1,350,221	1,379,169
Accumulated amortisation		
1 January 2015	530,197	554,692
Amortisation during the year	68,332	67,964
Realised gain on sales in the past	(11,019)	-
Translation adjustment	14	-
31 December 2015	587,524	622,656
Amortisation during the year	77,469	76,871
Translation adjustment	(52)	-
31 December 2016	664,941	699,527

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Computer software	Computer software
Allowance for impairment loss		
1 January 2015	370,233	370,233
31 December 2015	370,233	370,233
31 December 2016	370,233	370,233
Net book value		
31 December 2015	163,386	160,636
31 December 2016	315,047	309,409

16. Goodwill

Goodwill resulted from the acquisition by Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary that is 80% owned by the Company, of a 100% interest in the common shares of Bumrungrad Mongolia LLC ("BML") on 28 March 2014. BML holds 51% of the common shares of Seoul Seniors Tower LLC ("SST"), which operates Ulaanbaatar Songdo Hospital in Mongolia. The excess of the purchase price over the net value of the tangible assets acquired was allocated as goodwill. The amount of goodwill is USD 3.4 million, which mainly comprises the value of expected synergies from customer base expansion.

The change in the goodwill account is due to the impact of exchange differences on translation of the foreign operation's financial statements.

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables - unrelated parties	735,780	754,355	715,629	732,435
Construction and medical equipment payables	101,869	52,671	101,869	52,671
Other payables - related parties	-	-	19,986	16,581
Other payables - unrelated parties	37,965	23,018	32,026	18,810
Total	875,614	830,044	869,510	820,497

18. Long-term loan from and interest payable to an unrelated party

During the year ended 31 December 2016, movements of long-term loan from and interest payable to an unrelated party were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	During the year		Balance as at
	1 January 2016	Increase	Decrease	31 December 2016
Principal	-	19,073	-	19,073
Interest payable	-	181	-	181
Translation adjustment	-	395	-	395
Total	-	19,649	-	19,649

As at 31 December 2016, long-term loan was a loan which Bumrungrad Myanmar Co., Ltd., a subsidiary, entered into a loan agreement with other shareholder in USD and due at call. The loan carries interest at the 1-year fixed deposit rate of a local commercial bank but not over 3.25% per annum. Interest is due annually. The other shareholder does not plan to call the loan in the near future, it is therefore classified as a long-term loan.

19. 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 tenure not more than 10 years.

As at 31 December 2016 and 2015 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	
						2016	2015
1	Entirely redeemed on 20 December 2016 (5 years)	1,500	1,000	4.13	Semi-annual	-	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
3	Entirely redeemed on 20 December 2021 (10 years)	2,500	1,000	4.97	Semi-annual	2,500,000	2,500,000
Total						3,500,000	5,000,000
	Less: Deferred debenture issuing costs					(15,459)	(21,845)
	Long-term debentures - net					3,484,541	4,978,155
	Less: Current portion					-	(1,497,145)
	Non-current portion					3,484,541	3,481,010

The long-term debentures are unsecured and unsubordinated debentures in Baht currency with fixed interest rates.

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

20. Undrawn loan facilities

As at 31 December 2016, the Group has short-term credit facilities which have not yet been drawn down amounting to Baht 2,310 million (2015: Baht 3,310 million).

21. 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	
	2016	2015	2016	2015	2016	2015
Provision for long-term employee						
benefits at beginning of year	440,617	379,874	36,077	30,455	476,694	410,329
Included in the income statement:						
Current service cost	68,316	55,822	6,540	5,641	74,856	61,463
Interest cost	10,993	10,969	889	915	11,882	11,884
Past service cost and gains or losses						
on settlement	3,904	-	(3,907)	2,707	(3)	2,707
Included in the statement of comprehensive						
income:						
Actuarial (gain) loss arising from						
- Demographic assumption changes	-	94	-	-	-	94
- Financial assumptions changes	(7,979)	16,967	-	-	(7,979)	16,967
- Experience adjustments	(13,084)	16,546	-	-	(13,084)	16,546
Benefits paid during the year	(45,640)	(39,655)	(4,210)	(3,641)	(49,850)	(43,296)
Provision for long-term employee						
benefits at end of year	<u>457,127</u>	<u>440,617</u>	<u>35,389</u>	<u>36,077</u>	<u>492,516</u>	<u>476,694</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Compensations on employees' retirement		Other long-term employee benefits		Total	
	2016	2015	2016	2015	2016	2015
Provision for long-term employee benefits at beginning of year	433,341	375,447	35,648	30,072	468,989	405,519
Included in the income statement:						
Current service cost	66,339	54,862	6,307	5,573	72,646	60,435
Interest cost	10,826	10,807	876	902	11,702	11,709
Past service cost and gains or losses on settlement	3,875	-	(3,704)	2,723	171	2,723
Included in the statement of comprehensive income:						
Actuarial (gain) loss arising from						
- Financial assumptions changes	(7,548)	16,271	-	-	(7,548)	16,271
- Experience adjustments	(11,532)	15,566	-	-	(11,532)	15,566
Benefits paid during the year	(44,430)	(39,612)	(4,196)	(3,622)	(48,626)	(43,234)
Provision for long-term employee benefits at end of year	450,871	433,341	34,931	35,648	485,802	468,989

Line items in the income statement under which long-term employee benefit expenses as recognised are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of hospital operations	50,729	41,318	50,729	41,318
Administrative expenses	36,006	34,736	33,790	33,549
Total expenses recognised in the income statement	86,735	76,054	84,519	74,867

The Group expects to pay Baht 54 million (2015: Baht 57 million) (separate financial statements: Baht 54 million, 2015: Baht 57 million) of long-term employee benefits during the next year.

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is 6 - 24 Years (2015: 19 - 24 years) (separate financial statements: 22 years, 2015: 22 years).

Key actuarial assumptions used for the valuation are as follows.

(Unit: % p.a.)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Discount rate	2.4 - 3.2	2.0 - 2.8	2.8	2.6
Salary increase rate	5.0	5.0	5.0	5.0
Turnover rate	0.0 - 18.0	0.0 - 18.0	0.0 - 14.0	0.0 - 14.0

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2016 and 2015 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December 2016		As at 31 December 2016	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(46.7)	54.9	(45.6)	53.7
Salary increase rate	45.0	(39.0)	43.9	(38.1)
Turnover rate	(49.9)	31.9	(48.8)	31.5

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December 2015		As at 31 December 2015	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(44.2)	52.1	(43.3)	51.1
Salary increase rate	42.6	(36.9)	41.7	(36.1)
Turnover rate	(47.1)	30.6	(46.1)	30.2

22. Convertible bonds treated as equity securities

Convertible bonds treated as equity securities as at 31 December 2016 and 2015 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% p.a. for years 1 - 4, 5% p.a. for years 5 - 8, and 10% p.a. 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% p.a., 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.

On 9 November 2015, the meeting of bonds' holders and on 30 November 2015, 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 10 years maturing on 23 August 2027 and to cancel the appointment of a bondholders' representative since the collateral for the convertible bonds has already been released. In addition, it is proposed that the name of the BH Convertible Bonds Series#1 and Series#2 be changed to reflect the new maturity date and the release of the collateral for the bonds.

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 2016 of the convertible bonds amounted to Baht 33 million (2015: Baht 33 million), being recorded as a reduction to unappropriated retained earnings.

23. 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 2016, 20,000 preference shares (2015: 25,000 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 8 March 2016.

24. 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.

25. Expenses by nature

Significant expenses classified by nature are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Salaries and wages and other employee benefits	3,093,556	3,256,712	2,987,594	3,081,219
Physicians' fee	3,890,375	3,876,569	3,847,266	3,841,544
Depreciation	1,061,183	976,412	1,008,054	933,790
Amortisation	77,503	68,332	76,871	67,964
Loss on impairment of investment in a subsidiary	-	-	-	29,500
Loss from share capital reduction and dissolution of an associate	-	-	-	817
Property, plant and equipment rental expenses from operating lease agreements	92,125	77,908	80,772	75,469
Building and equipment maintenance expenses	316,530	308,545	315,707	294,227
Advertising and public relation expenses	260,939	255,174	244,593	245,715
Medicine, medical supply and other supply consumptions	2,848,793	2,961,992	2,795,397	2,836,084

26. Income tax

Income tax expenses for the years ended 31 December 2016 and 2015 are made up as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Current income tax:				
Current income tax for the year	832,599	831,141	812,306	811,748
Deferred tax:				
Relating to origination and reversal of temporary differences	(58,752)	(7,822)	(58,714)	(10,402)
Income tax expenses reported in the income statement	773,847	823,319	753,592	801,346

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Deferred tax relating to actuarial gain (loss)	3,970	(6,452)	3,816	(6,367)
Total	3,970	(6,452)	3,816	(6,367)

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Accounting profit before tax	<u>4,377,878</u>	<u>4,250,839</u>	<u>4,424,626</u>	<u>4,212,552</u>
Applicable tax rate	10 and 20%	10 and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate (before eliminations)	916,438	871,404	884,925	842,510
Effects of:				
Tax-exempt revenues	(59,186)	(41,417)	(41,314)	(29,861)
Non-deductible expenses	8,003	15,030	7,921	15,092
Additional expense deductions allowed	(97,670)	(37,344)	(97,671)	(37,344)
Others	6,262	15,646	(269)	10,949
Total	<u>(142,591)</u>	<u>(48,085)</u>	<u>(131,333)</u>	<u>(41,164)</u>
Income tax expenses reported in the income statement	<u>773,847</u>	<u>823,319</u>	<u>753,592</u>	<u>801,346</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	
	2016	2015	2016	2015
Deferred tax assets				
Allowance for doubtful accounts	46,854	23,756	46,854	23,756
Allowance for diminution in value of inventories	10	45	-	-
Allowance for loss on impairment of investments	5,900	5,900	5,900	5,900
Accumulated depreciation - building and equipment	81,601	55,924	81,601	55,924
Accumulated amortisation - intangible assets	6,651	5,992	6,610	5,944
Provision for long-term employee benefits	107,196	103,020	106,845	102,666
Unrealised loss from exchange rate	4,486	2,737	-	-
Total	<u>252,698</u>	<u>197,374</u>	<u>247,810</u>	<u>194,190</u>
Deferred tax liabilities				
Deferred debenture issuing costs	(3,092)	(4,369)	(3,092)	(4,369)
Interest receivable	(1,819)	-	-	-
Total	<u>(4,911)</u>	<u>(4,369)</u>	<u>(3,092)</u>	<u>(4,369)</u>
Deferred tax assets - net	<u>247,787</u>	<u>193,005</u>	<u>244,718</u>	<u>189,821</u>

As at 31 December 2016 the subsidiaries have unused tax losses totaling Baht 37 million (2015: Baht 46 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.

The unused tax losses amounting to Baht 37 million will expire between 2017 and 2020.

27. 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.

The following tables set forth the computation of basic and diluted earnings per share.

Consolidated financial statements						
Profit for the year		Weighted average number of ordinary shares		Earnings per share		
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders						
of the Company						
3,626,174	3,435,834	728,642	728,621	4.98	4.72	
Effect of dilutive potential ordinary shares						
Preference shares						
-	-	1,410	1,431			
Convertible bonds						
-	-	137,363	137,363			
Diluted earnings per share						
Profit of ordinary shareholders						
assuming the conversion of						
dilutive potential ordinary shares						
<u>3,626,174</u>	<u>3,435,834</u>	<u>867,415</u>	<u>867,415</u>	4.18	3.96	

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	3,671,034	3,411,206	728,642	728,621	5.04	4.68
Effect of dilutive potential ordinary shares						
Preference shares	-	-	1,410	1,431		
Convertible bonds	-	-	137,363	137,363		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>3,671,034</u>	<u>3,411,206</u>	<u>867,415</u>	<u>867,415</u>	4.23	3.93

28. 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 Group has only one main reportable operating segment, which is the hospital and health care center business, and the major geographical area of its operations is Thailand, with its overseas operations not being material. 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 2016 and 2015, the Group has no major customer with revenues of 10% or more of the Group's revenues.

29. 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% - 15% of their basic salaries and the Group 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. The contributions for the year 2016 amounting to Baht 72 million (2015: Baht 67 million) (separate financial statements: Baht 70 million, 2015: Baht 65 million), were recognised as expenses.

30. Dividends paid

Dividend	Approved by	Dividend paid (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2014	Annual General Meeting of the shareholders on 29 April 2015	912,557	1.25
Interim dividends for 2015	Board of Director's meeting on 10 August 2015	656,668	0.90
Total for 2015		<u>1,569,225</u>	
Final dividends for 2015	Annual General Meeting of the shareholder on 27 April 2016	1,058,340	1.45
Interim dividends for 2016	Board of Director's meeting on 28 July 2016	693,524	0.95
Total for 2016		<u>1,751,864</u>	

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2016 and 2015, the Group has capital commitments as below.

Details of Commitments	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
1) Design and renovation agreements of buildings	691	146	689	144
2) Purchase of medical instruments and hospital equipment	104	177	100	176
3) Purchase of computer software agreements	368	-	368	-

31.2 Operating lease and long-term service commitments

The Group 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 1 and 30 years.

As at 31 December 2016 and 2015, future minimum payments required under the above agreements were as follows.

(Unit: Million Baht)

Details of commitments	Consolidated financial statements					
	Payable within					
	1 year		1 to 5 years		More than 5 years	
	2016	2015	2016	2015	2016	2015
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	1	2	4	7	1	2
2) Lease of office space	24	32	1	33	-	-
3) Maintenance service fee for medical instruments	167	136	214	100	4	-
4) Rental and maintenance service fee for cars	13	11	25	16	-	-
5) Service fee for medical treatment information database	42	41	230	218	-	-
6) Maintenance service fee for computer system	7	-	61	-	-	-

(Unit: Million Baht)

Details of commitments	Separate financial statements					
	Payable within					
	1 year		1 to 5 years		More than 5 years	
	2016	2015	2016	2015	2016	2015
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	1	2	4	7	1	2
2) Lease of office space	24	32	-	33	-	-
3) Maintenance service fee for medical instruments	157	128	204	64	4	-
4) Rental and maintenance service fee for cars	12	10	22	15	-	-
5) Service fee for medical treatment information database	42	39	230	213	-	-
6) Maintenance service fee for computer system	6	-	59	-	-	-

31.3 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 2016, the outstanding amount of medical supplies and services that the Company is required to purchase in accordance with the contract is Baht 159 million (2015: Baht 239 million).

31.4 Uncalled portion of investment in subsidiary

As at 31 December 2016, the Company has commitment in respect of the uncalled portion of investment in an overseas subsidiary (Asia Global Health Ltd.) of HKD 2.34 million (2015: HKD 2.34 million).

31.5 Bank guarantees

As at 31 December 2016, there were outstanding bank guarantees of Baht 30 million (2015: Baht 28 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.

31.6 Contingent liabilities arising from agreement to acquire investments in subsidiaries

Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary that is 80% owned by the Company, has contingent liabilities under the Share Sales and Purchase Agreement, dated 5 March 2014, whereby it acquired common shares of Bumrungrad Mongolia LLC ("BML") and Seoul Seniors Tower LLC ("SST"). The seller is entitled to receive an additional contingent consideration in the form of earn-out payments, provided certain cumulative net profit targets are achieved through 31 December 2016, at a maximum amount of MNT 10,966 million, or equivalent to approximately Baht 158 million.

The Group has reviewed and reassessed the likelihood that the Group will have to pay this additional amount, taking into consideration the economic situation, operating performance and the forecast operating results of SST for the years 2014 to 2016. As at 31 December 2016 and 2015, the Group estimated that it has no obligation to pay an additional consideration.

32. Fair value hierarchy

As at 31 December 2016 and 2015, the Group had liabilities that were disclosed their fair value using a level of inputs as follows.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements			
	As at 31 December 2016			
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed				
Debentures	-	3,780,717	-	3,780,717

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements			
	As at 31 December 2015			
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed				
Debentures	-	5,232,275	-	5,232,275

33. Financial instruments

33.1 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 2016							
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	1,063	-	-	4,017	74	5,154	0.05 - 3.60
Short-term investments	1,523	-	-	-	-	1,523	1.58 - 1.65
Trade and other receivables	-	-	-	-	1,695	1,695	
	<u>2,586</u>	<u>-</u>	<u>-</u>	<u>4,017</u>	<u>1,769</u>	<u>8,372</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	876	876	-
Accrued physicians' fees	-	-	-	-	597	597	-
Long-term loan from and interest payable to a related party	-	176	-	-	9	185	1.38
Long-term loan from and interest payable to an unrelated party	-	19	-	-	-	19	1.38
Long-term debentures	-	3,485	-	-	-	3,485	4.59 and 4.97
	<u>-</u>	<u>3,680</u>	<u>-</u>	<u>-</u>	<u>1,482</u>	<u>5,162</u>	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2016							
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	1,022	-	-	3,902	15	4,939	0.05 - 1.53
Short-term investments	1,509	-	-	-	-	1,509	1.58
Trade and other receivables	-	-	-	-	1,692	1,692	-
	<u>2,531</u>	<u>-</u>	<u>-</u>	<u>3,902</u>	<u>1,707</u>	<u>8,140</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2016						
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 liabilities						
Trade and other payables	-	-	-	870	870	-
Accrued physicians' fees	-	-	-	590	590	-
Long-term loan from and interest payable to a related party	-	176	-	9	185	1.38
Long-term debentures	-	3,485	-	-	3,485	4.59 and 4.97
	-	3,661	-	1,469	5,130	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2015						
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	3,986	-	995	73	5,054	0.05 - 3.60
Short-term investments	2,306	-	-	-	2,306	1.90 - 2.00
Trade and other receivables	-	-	-	2,318	2,318	-
	6,292	-	995	2,391	9,678	
Financial liabilities						
Trade and other payables	-	-	-	830	830	-
Accrued physicians' fees	-	-	-	713	713	-
Long-term loan from and interest payable to a related party	-	176	-	7	183	1.38
Long-term debentures	1,497	996	2,485	-	4,978	4.13 - 4.97
	1,497	1,172	2,485	1,550	6,704	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2015						
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	3,897	-	908	13	4,818	0.05 - 1.85
Short-term investments	2,302	-	-	-	2,302	1.90 - 2.00
Trade and other receivables	-	-	-	2,328	2,328	-
Long-term loan to and interest receivable from a related party	-	9	-	-	9	1.38
	6,199	9	908	2,341	9,457	

(Unit: Million Baht)

	Separate financial statements						Effective interest rate (% per annum)
	As at 31 December 2015						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
	Within 1 year	1-5 years	Over 5 years				
Financial liabilities							
Trade and other payables	-	-	-	-	820	820	-
Accrued physicians' fees	-	-	-	-	708	708	-
Long-term loan from and interest payable to a related party	-	176	-	-	7	183	1.38
Long-term debentures	1,497	996	2,485	-	-	4,978	4.13 - 4.97
	1,497	1,172	2,485	-	1,535	6,689	

In addition, as at 31 December 2016 and 2015, 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 2027 and carry interests at the rates 1% and 10% per annum, as described in Note 22 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 2016 and 2015.

33.2 Fair values of financial instruments

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.

Since 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 the statement of financial position. The carrying amount of long-term debentures with fixed interest rates as at 31 December 2016 amounted to Baht 3,485 million (2015: Baht 4,978 million), and their fair value amounted to Baht 3,781 million (2015: Baht 5,323 million).

34. 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 2016, the Group's debt-to-equity ratio was 0.44:1 (2015: 0.63:1) and the Company's was 0.45:1 (2015: 0.66:1).

35. Events after the reporting period

35.1 On 20 January 2017, Life and Longevity Ltd., the Company's wholly-owned subsidiary which is registered in Hong Kong Special Administrative Region of the People's Republic of China, acquired 49% of the common shares of Inovital International AG which is incorporated in Swiss Confederation, for CHF 49,000 (490 ordinary shares with a par value of CHF 100 each). That company is principally engaged in manufacture and sale of vitamin supplement products and after sales services.

The investment was made in accordance with a resolution of the Investment Committee Meeting held on 28 July 2016.

35.2 On 28 February 2017, 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 2017 to adopt a resolution to pay a dividend of Baht 2.5 per share, or a total of Baht 1,825.1 million, to the shareholders in respect of the 2016 profit. The Company already paid an interim dividend of Baht 0.95 per share, or a total of Baht 693.5 million on 26 August 2016. The remaining dividend of Baht 1.55 per share, or a total of Baht 1,131.6 million will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

36. Reclassifications

The Company reclassified certain amounts in the income statements for the year ended 31 December 2015 to conform to the current periods' classification, as following.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously	As reclassified	As previously
		reported		reported
Cost of hospital operations	10,484,365	10,396,068	10,203,096	10,114,800
Administrative expenses	3,020,247	3,108,544	2,946,587	3,034,883

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

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2017.