ANNUAL REPORT 2018



Srivichai Vejvivat Public Company Limited
www.vichaivej.com



โรงพยาบาลวิชัยเวช อินเตอร์เนชั่นแนล อ้อมน้อย

74/5 หมู่ 4 ถนนเพชรเกษม ตำบลอ้อมน้อย อำเภอกระทุ่มแบน
จังหวัดสมุทรสาคร 74130 โทร. 02 441 7899
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Vichaivej International Hospital Omnoi

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เขตหนองแขม กรุงเทพฯ 10160
โทร. 02 441 6999 แฟกซ์ 02 421 1784

Vichaivej International Hospital Nongkhaem

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NongKheam Bangkok 10160
Tel. (+662) 441 6999 Fax: (+662) 421 1784



โรงพยาบาลวิชัยเวช อินเตอร์เนชั่นแนล สมุทรสาคร

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อำเภอเมือง จังหวัดสมุทรสาคร 74000
โทร. 034 410 700-6 แฟกซ์ 034 410 710

Vichaivej International Hospital Samutsakhon

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โรงพยาบาลวิชัยเวช แยกไฟฉาย

240/2-4 ถนนจรัญสนิทวงศ์ แขวงบ้านช่างหล่อ เขตบางกอกน้อย
กรุงเทพมหานคร 10700
โทร. 02 412 0055-60 แฟกซ์ 02 412 7581-2

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240/2-4 Charunsanitwong Road, Banchanghlor, Bangkoknoi,
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โรงเรียนศรีวิชัยอาชีวศึกษา

74/5 หมู่ 4 ถนนเพชรเกษม ตำบลอ้อมน้อย อำเภอกระทุ่มแบน
จังหวัดสมุทรสาคร 74130 โทร. 1792 ต่อ 1703 , 1704

Srivichai Vocational School

74/5 Phetkasem Road, Omnoi, Krathumbaen,
Samutsakhon 74130 Tel. 1792 Ext. 1703 , 1704

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Vision

"Vichaivej International Hospital Group is strongly determined to be the leading hospital that operates at international standard level by using modern technology and medical equipment, engaging teams of specialist physicians from every field, and upholding strict moral and ethical principles."

Mission

"We are firmly determined to provide medical care service that is based on holistic professional standards through use of quality tools and qualified staffs and by adopting a service recipient-centric approach in order to be sure that our service recipients receive utmost satisfaction."

Core Value

1. Working with systems based on good governance.
2. Customer focus
3. Support empowered decision-making.
4. Continuous development
5. Teamwork

Business Objective

1. Develop the hospital group to become one of the leading private hospital groups that is equipped with treatment capability in every field of medicine, with emphasis on accident and Orthopedic care. The objective is to become a medical center for specific disease and eventually escalating into Tertiary Medical Care, involving development of necessary medical personnel and modern diagnostic and treatment facilities ready to administer complicated diseases.

2. Set high standards for quality and service and focus on being customer-centric with a genuine belief that "customers are highly valued individuals which every hospital personnel has to pay close attention and ensure that they receive proper medical treatment, health care, and various services available at the hospital in a proper manner and according to professional standards, which in all creates utmost satisfied experience for the customers."

3. Establish efficient organizational management process and proper human resources management system that give priority to every single employee, by enhancing the quality, skills, and knowledge of all level staff on a regular basis, meanwhile creating a culture that allows a free exchange of ideas and opinions in order to build a sense of ownership and strong commitment among the employees with the hospital.

4. Develop quality and management operations to be more systematic and consistent by connecting and fostering joint work between management and quality development teams that will enable us to set our goal of improving the quality of medical care and service. The ensuing focus is to reduce risks in terms of medication administration and medical records, complaints, nursing practice, etc. in order to establish patient safety goal and customer satisfaction.

5. Explore opportunities for business or product line expansion by increasing the number of specialty clinics and developing such clinics to serve as integrated specialized centers, to be in line with the company's mission to expand its customer base in the country and abroad.

6. Give priority and social responsibility attention to society and community where hospital is located by promoting safety and good hygiene as well as environment protection care on a regular basis.

Letter from the Chairman

On December 17, 2018, Srivichaivejvivat Public Company Limited celebrated the 25th anniversary of its foundation. During this period, the company has developed continuously and was listed on the Stock Exchange of Thailand in 2012, and subsequently, the Company steadily achieves public recognition with the steady growth in our business. In 2018, the Company was rated "Excellent" level in Corporate Governance Scoring organized by Thai Institute of Directors Association in conjunction with the Stock Exchange of Thailand; the Company is one of the 47 companies who received top quartile rating for group with market capitalization between 3,000 to 9,999-million-baht range, and only company in the health care services category to receive such recognition.

The Central Laboratory of the Vichaivej International Hospital Group has been accredited to ISO 15190:2003 Medical laboratories -- Requirements for safety as well as ISO 15189:2012 Medical laboratories -- Requirements for quality and competence. These accreditations are essential for our mobile medical services to ensure that we have ready access to government sectors as well as big business. Subsequently, the mobile business unit exceeded our target in 2018. In late last year, the Company opened up a new MRI unit with the latest technology from Siemens, at our Omnoi site. The new equipment will enhance our rapid diagnosis in many areas such as orthopedic, and neuroimaging. Which is expected to be able to generate revenue from the MRI service provided by other hospitals in the nearby provinces since 2019. Meanwhile, our Heart Clinic at Vichaivej International Hospital Nongkhaem has maintained a satisfactory growth rate during the last 12 months, and our Akarabut Fertility Center is expected to be on a good growth trajectory in the coming years.

The financial performance during the fiscal year 2018, therefore, has met our revenue target of 2,259.25 Million baht, with a net profit of 177.12 Million baht, some 40.92% higher than last year, during a climate of lower global growths and lower public confidence in the Thai economy. I would like to express my sincere thanks for the management team, doctors, nurses as well as supporting staffs of Vichaivej International Hospital Group for their efforts, working together to achieve our higher growth targets. I would also like to express our appreciations to all the stakeholders of Vichivej, patients, customers, shareholders, suppliers, business alliances, government agencies and local communities that have been providing support in many ways towards the proper running of our hospital group towards a long term and sustainable growth.



(Assoc.Prof.Vichai Vanadurongwan, M.D.,Ph.D.,FIMS)
Chairman of the Board

Board of Director

as at 31 December 2018

























1. Assoc. Prof. Vichai Vanadurongwan, M.D.,Ph.D.,FIMS
   Chairman of the Board
2. Asst. Prof. Saisunee Vanadurongwan, M.D.
   Vice President / Chief Executive Offer
3. Virah Mavichak
   Independent Director / Director
4. Visut Montriwat
   Independent Director / Director
5. Surin Premamornkit
   Independent Director / Director
6. Prof.Porntep Siriwanarangsun,MD., MPH., PhD.
   Independent Director / Director
7. Pongsak Vathana, M.D.
   Director
8. Vilawan Vanadurongvan
   Director
9. Nopporn Tirawattanagool
   Director
10. Tinnawat Mahatharadol
    Director
11. Mongkon Wanitphakdeedecha, M.D., M.Sc.
    Director
12. Prut Rojmahamongkol
    Director



01

Assoc. Prof. Vichai Vanadurongwan, M.D., Ph.D., FIMS

Age : 79 years

Position

Chairman of the Board of Director (Authorized Signatory) /
Acting Director of Vichaivej International Omnoi Hospital

Education and Experience

- Honorary philosophical Doctor of Science (Sport Medicine), Mahidol University
- F.I.M.S., International federation of sport medicine
- Diploma of the Thai Medical Board (Orthopaedic Surgery), The Medical Council, Thailand
- Diploma of the Surgery, Faculty of Medicine Siriraj Hospital, Mahidol University
- Medical Doctor, University of Medicine
- Bachelor of Science (Chemistry - Physics), Chulalongkorn University
- Directors Certification Program (DCP), class of 30/2003, IOD
- Directors Accreditation Program (DAP), class of 89/2011, IOD
- Advanced Master of Management Program, AMM, class of 2, Graduate School of Public Administration, National Institute of Development Administration

Work Experience

- Assistant Secretary of the Ministry of Education
- Advisor to Ministry of Public Health Ministry of Thailand
- Advisor to the Minister Ministry of Labour
- Advisor to the Minister Ministry of Tourism and Sports
- Associate Professor 9, Surgeon (Orthopedic Specialist), Faculty of Medicine, Siriraj Hospital
- Director, College of Science and sports technology. Mahidol University
- Director of the Sports Authority of Thailand, The Prime Minister
- Vice President, Hospital Administration Association of Thailand
- Director, Mahidol University Council
- President of Thai Gymnastics Association
- Vice President Asian Federation of Sport Medicine (A.F.S.M)

Other Positions

Subsidiary Company

- Chairman of the Board of Director (Authorized Signatory), Saivichai Development Company Limited
- Chairman of the Board of Director (Authorized Signatory), Srisakorn Vejavivat Company Limited

Listed Company

None

Other Company / Organizations / Institutions

- Director of Mahanakorn Maesod Company Limited
- The president of Srivichai Foundation and Srivichai Rescue.
- The President of Srivichai Savings Cooperative
- Vice President Asian Federation of Sport Medicine(AISM)
- Honorary Advisor of Office of Sports and Recreation Development, Ministry of Tourism and Sports of Thailand
- Advisor of Faculty of Medicine Siriraj Hospital
- Vice President, Hospital Administration Association of Thailand

Number year of services

7 years

Number of the shareholding includes spouses and dependents

1.51

Family Relation with Other Directors

The spouse of Asst Prof. Dr. Saisunee Vanadurongwan and Father in law of Mongkon Wanitphakdeedecha M.D.,M.Sc. and Prut Rojmahamongkol, Mr.

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes



02

Asst. Prof. Saisunee Vanadurongwan, M.D.

Age : 73 years

Position

Vice President (Authorized Signatory) / Chief Executive Officer / Nomination and Remuneration Committee

Education and Experience

- M.D. , Faculty of Medicine, Siriraj Hospital, Mahidol University, Thailand
- Higher certificate of clinical science in Pathology Siriraj Hospital
- Certificate of Executive Administration Project 31st Badge, Faculty of commerce and Accounting Thammasat University
- Certificate of the High Flyer 4th Badge Institute of Management and Psychology
- Certificate of Environmental Medicine, 3rd Badge Department of Medical Service, Ministry of publish Health
- Certificate of Sport Medicine, Society of Sport Medicine of Thailand
- Directors Certification Program, Class of110/2008, Thai Institute of Directors Association
- Certificate of Alternative Medicine in Chelation Therapy, Department for Development of Thai Traditional and Alternative Medicine, Ministry of Public Health
- Certificate "Cost-effectiveness for modern hospital management", 3rd edition, Faculty of Public Health, Mahidol University
- CEO CLUB 2016 : CEO Branding & CEO as a Brand Champion for Sustainability

Work Experience

- Honorary Committee of the Committee the Child Protection, Samut Sakhon Province
- Subcommittee of Health Promotion for Workers at the Provincial Level, Samut Sakhon Province
- Development Committee of Strategic combines the tuberculosis and AIDS, Ministry of Health.
- Medical Committee, Ministry of Laser and Social Affair
- Service Development committee of Public Services for Oversea Laser, Samutsakorn Province

Other Positions

Subsidiary Company

- Vice President (Authorized Signatory), Saivichai Development Company Limited
- Vice President (Authorized Signatory), Srisakorn Vejavivat Company Limited
- Director (Authorized Signatory), Bangkok Orthopedic Hospital Company Limited

Listed Company

None

Other Company / Organizations / Institutions

- Vice President of Srivichai hospital Foundation
- Advisory Committee of Internal Security Operations Commmand, Samut Sakhon Province
- Director of Public Health, The National Council of Women of Thailand
- Executive Committee of Public Health Service for Oversea Labor, Ministry of Public Health
- Advisory Committee of Public Health, The Federation of Samut Sakhon Province

Number year of services

7 years

Number of the shareholdingincludes spouses and dependents

1.51

Family Relation with Other Directors

The spouse of Associate Professor Vichai Vanadurongwan, M.D., Ph.D., FIMS and Mother in law of Mongkon Wanitphakdeedecha M.D.,M.Sc. and Prut Rojmahamongkol, Mr.

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

03

Virah Mavichak

Age : 75 Years

Position

Independent Director /
Chairman of the Nomination and Remuneration Committee

Education and Experience

- Honorary Degree of Doctor of Science in Engineering, Dhurakij Pundit University
- Master's degree in chemical engineering, The University of Texas at Austin, USA
- Bachelor of Engineering, Chulalongkorn University.
- Directors Certification Program (DCP), Class of 26/2003, IOD.
- Audit Committee Program (ACP), Class of 7/2005, IOD.
- Role of the Chairman Program (RCP), Class of 17/2007, IOD.
- Finance for Non-Finance Directors (FND), Class of 23/2005, IOD.

Working Experience

- Distinguished scholar in Faculty of Engineering, Chulalongkorn University.
- The former President of the Council of Engineers
- Director General, Department of Industrial Works Ministry of Industry
- The former members of the Senator of Thailand
- Audit Committee and independent directors,TPT Petrochemicals PCL
- The President and independent directors,TPT Petrochemicals PCL
- Director of Refine Tech Co.,Ltd.
- Independent Director of B.S. Metal Co.,Ltd.

Other Position

Subsidiary Company

None

Listed Company

- Chairman of the Board of Director (Independent director), Global Connections PCL

Other Company / Organizations / Institutions

None

Number year of services

7 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

04

Visut Montriwat

Age : 73 Years

Position

Independent directors /Chairman of the Audit Committee / Nomination and Remuneration Committee / Chairman of the Corporate Governance Committee

Education and Experience

- M.B.A, Northern Illinois University
- Bachelor of Commerce, Chulalongkorn University
- National Defense College, Class 38
- Director Certification Program (DCP), class of 77/2006 IOD.
- Audit Committee Program (ACP), class of 15/2006 IOD.
- Role of the Compensation Committee (RCC), class of 2/2007 IOD.
- Monitoring the System of Internal Control and Risk Management (MIR), class of 1/2007 IOD.
- Monitoring the Quality of Financial Reporting (MFR) class of 7/2009, IOD.
- Corporate Fraud, IOD.

Working Experience

- Director of Credit Division, The Comptroller General's Department
- Director of State Enterprise Division,The Comptroller General's Department
- Public Debt Specialist, The Comptroller General's Department
- Deputy Comptroller-General, The Comptroller General's Department
- Deputy Director-General, The Treasury Department
- Deputy Director-General, The Excise Department
- Inspector-General, Ministry of Finance
- Deputy Permanent Secretary, Ministry of Finance
- Director-General, The Treasury Department

Other Position

Subsidiary Company

None

Listed Company

- Independent Director, Audit Committee, Chairman of the Remuneration Committee of Bangkok Aviation Fuel Services PCL (Thailand).

Other Company / Organizations / Institutions

- Director of Aviation Fuel Co. Ltd. Thailand.
- Director of Lynn Phillips Mortgage Credit Foncier Co., Ltd.

Number year of services

7 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

05

Surin Premamornkit

Age : 70 years

Position

Independent directors /Audit Committee / Nomination and Remuneration Committee

Education and Experience

- B.A. (Economics in Finance and Banking),Thammasat University
- Directors Accreditation Program (DAP), class of 59/2006, IOD
- Directors Certification Program (DCP), class of 147/2011, IOD
- Audit Committee Program (ACP), class of 39/2012, IOD
- Risk Management Program (RMP), class of 5/2014, IOD
- Role of the Compensation Committee (RCC), class of 14/2012, IOD
- Advance Audit Committee Program (AACP), class of 31/2018, IOD
- Finance Executive 8 (FINEX 8), Thai Institute of Banking and Finance Association
- Syndicated Loans, The Euro money Institute, Hong Kong
- Boss Game Asia, Singapore.

Working Experience

- Senior Executive Vice President, Bankthai Public Co.,Ltd.
- Director, BT Security Co.,Ltd.
- Director, BT Business Consulting Co.,Ltd.
- Director, BT Asset Management Co.,Ltd.
- Director, BT Insurance Co.,Ltd.
- Director, KTT Leasing Co.,Ltd

Other Position

Subsidiary Company

None

Listed Company

- Independent Director and Audit Director, Chukai PCL

Other Company / Organizations / Institutions

- Director, Thai-Nichi Ventures Co.,Ltd.

Number year of services

7 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

06

Porntep Siriwanarangsun MD., MPH., Ph.D

Age : 63 years

Position

Independent directors / Audit Committee

Education and Experience

- M.D., Chiang Mai University, Chiang Mai, Thailand
- M.P.H., Mahidol University, Bangkok, Thailand
- Certificate of Epidemiology, Medical Council, Thailand
- Ph.D (Health Planning and Financing), University of London, U.K.
- Certificate of the Community Mental Health Programs, The Medical Council
- Diploma, National Defence
- Directors Certification Program, class of 212/2015, IOD
- Financial Statement for Directors Class of 28/2015, IOD

Working Experience

- Director-General, Department of Health
- Director-General, Department of Disease Control
- Deputy Permanent Secretary
- Inspector General, Ministry of Public Health
- Senior Medical Advisor Public Health, Office of the Permanent Secretary, Ministry of Public Health
- Deputy Director – General, Department of Mental Health, Ministry of Public Health
- Director, Bureau of Health Policy and Planning, Office of the Permanent Secretary, Ministry of Public Health
- Provincial Chief Medical Officer, Satun Province
- Director, Wangthong Hospital, Phitsanulok Province
- Audit Committee, The Provincial waterworks authority

Other Position

Subsidiary Company

None

Listed Company

None

Other Company / Organizations / Institutions

- Advisor to the Director of the Dental Unit in the Royal Majesty.
- Bangkok Councils Members / Chairman of the Board of Health.
- Director of the Provincial Waterworks Authority
- Executive Director of the Institute of Nuclear Technology
- The Board of Directors of the second plans of the Department of Health.
- Member of the Medical Board, Office Fund, Social Security Office.
- Subcommittee of Risk Management and Corporate Governance, Metropolitan Electricity Authority

Number year of services

3 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

07

Pongsak Vathana, M.D.

Age : 79 years

Position

Director (Authorized Signatory) / Vice Chief Executive Officer

Education and Experience

- The Medical Council of Thailand Certified Orthopedic Surgeon
- Diploma of American Board of Orthopedic Surgery
- Doctor of Medicine, Faculty of Medicine, Siriraj Hospital, Mahidol University
- Directors Certification Program, class of 30/2003, IOD
- How to develop a Risk Management Plan (HRP), class of 4/2013, IOD

Work Experience

- President of Orthopaedic Foundation under the Royal Patronage HRH Princess Maha Chakri Sirindhorn, Lerdsin Hospital
- President of the Orthopaedic Surgeon Club of Thailand
- President of Thailand Orthopaedic Association
- President of the Royal College of Orthopaedic Surgeons of Thailand
- Director of the Orthopaedic Institute, Lerdsin Hospital
- Director of Lerdsin Hospital
- First Vice President of the Medical Council of Thailand
- Editor of Journal of ASEAN Orthopaedic association

Other Positions

Subsidiary Company

- Chairman of the Board of Director (Authorized Signatory), Srivichai Vocational School Company Limited

Listed Company

None

Other Company / Organizations / Institutions

- Advisor of Department of Medical Services
- Advisor of Lerdsin Hospital

Number year of services

7 years

Number of the shareholding includes spouses and dependents

0.32

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

08

Vilawan Vanadurongvan

Age : 71 years

Position

Director / Vice Chief Executive Officer /
Chairman of Risk Management Committee /
Chairman of the Working Group for Financial and Investment Planning/ Nomination and Remuneration Committee

Education and Experience

- Bachelor of Faculty of Commerce and Accountancy, Chulalongkorn University
- Directors Accreditation Program, Class 84/2010 the Thai Institute of Directors Association (IOD)
- Risk Management Committee Program, the Thai Institute of Directors Association (IOD)

Working Experience

- Information and Communication Technology, Financial sector
- Information and Communication Technology, DIGITAL MEDIA and E-BUSINESS
- Improved workflow “Process Improvement”

Other Position

Subsidiary Company

- Director, Saivichai Development Company Limited

Listed Company

None

Other Company / Organizations / Institutions

- Committee, Foundation for Research in Information Technology (FRIT)
- Committee, Information Technology center of Thai Red Cross Society
- Honorary Director of the Executive Committee, Faculty of Medicine. Chulalongkorn University

Number year of services

6 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

Sister of Asso.Prof. Vichai Vanadurongwan, M.D., Ph.D., FIMS

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

09

Nopporn Tirawattanagool

Age : 64 years

Position

Director / Working Group for Financial and Investment Planning Committee

Education and Experience

- Master of Accounting, Faculty of Commerce and Accountancy, Thammasat University
- Bachelor of Business Administration (in Accounting), Thammasat University
- Director Accreditation Program (DAP) class of 5/2003, IOD
- Role of the Compensation Committee (RCC) class of 8/2009, IOD
- Audit Committee Program (ACP) class of 31/2010, IOD
- Director Certification Program (DCP) class of 135/2010, IOD
- Financial InstitutionsGovernance Program (FGP) class of 2/2011, IOD
- Anti-Corruption for Executive Program (ACEP) class of 7/2013, IOD
- Risk Management Program for Corporate Leaders (RCL) class of 1/2015, IOD
- National Director Conference 2018 "Rising above Disruption: A Call for Action" 2018
- Future customer experience in financial and banking service 2018
- National Director Conference 2017 "Steering Governance in a Changing World"
- Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016
- CG Forum 2/2016 "Honest,Cautious, Protective for the director", Year 2016
- Seminar on "Cyber Security Awareness Training for Senior Executive", Year 2016
- Strategic IT Governance (for non-IT) , Year 2017

Working Experience

- Director (Authorized Signatory), Bank of Ayudhya PCL
- Executive Committee Member, Bank of Ayudhya PCL
- Head of Human Resources, Bank of Ayudhya PCL
- First Executive Vice President, Bank of Ayudhya PCL
- Secretary to the Executive Committee, Bank of Ayudhya PCL

Other Position

Subsidiary Company

None

Listed Company

- Risk and Compliance Committee Member, Director (Authorized Signatory), Nomination and Remuneration Committee Member of Bank of Ayudhya PCL
- Director, Director of Nomination and Compensation Committee, Director of Governance Risk and Compliance Committee, Siam City Cement PCL
- Nomination and Remuneration Committee Member, SriAyudhya Capital PCL
- Director, Grand Canal Land PCL

Other Company / Organizations / Institutions

- Director (Authorized Signatory) BBTV asset management co. ltd
- Director (Authorized Signatory) CKS Holding Co., Ltd.
- Director (Authorized Signatory) Super Assets Co., Ltd.
- Director (Authorized Signatory) C.K.R Co., Ltd.
- Director (Authorized Signatory) The Bangkok Lighters Co., Ltd.
- Director (Authorized Signatory) The Thai Tapioca Flour Produce Co., Ltd.
- Director (Authorized Signatory) Cyber Venture Co., Ltd.
- Director (Authorized Signatory) Khao Kheow Country Club Co., Ltd.
- Director (Authorized Signatory) Siam Purimongkol Co., Ltd.
- Director (Authorized Signatory) Grand Fortune Co., Ltd
- Director Bangkok Broadcasting & TV Co., Ltd.
- Director (Authorized Signatory) BBTV Satelvision Co., Ltd.
- Director (Authorized Signatory) Mahakij Holdings Co., Ltd.
- Director (Authorized Signatory) BBTV Production Co., Ltd.
- Director (Authorized Signatory) BBTV Alliance Ltd.
- Director (Authorized Signatory) BBTV Bond Street Building Ltd.
- Director (Authorized Signatory) ITBC Business Consultant Group Co., Ltd.
- Director (Authorized Signatory) Exclusive Senior Care International Co., Ltd.
- Director (Authorized Signatory) BBTV International Holding Company
- Director (Authorized Signatory) Sunrise Equity Co., Ltd.
- Director (Authorized Signatory) BBTV Equity Co., Ltd.

Number year of services

4 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

10

Tinnawat Mahatharadol

Age : 60 years

Position

Director / Working Group for Financial and Investment Planning Committee

Education and Experience

- Master of Business Administration, Ball State University, USA
- Bachelor of Law, Thammasat University
- Directors Certification Program, Class of 205, Thai Institute Directors Association.
- Risk Management Committee Program (RMP), Class of 6/2015, IOD

Working Experience

- Director, Ayudhya Capital Lease Co.,Ltd.
- Executive Committee Member, Bank of Ayudhya PCL
- Chief Financial Officer, Bank of Ayudhya PCL
- Head of treasury, Bank of Ayudhya PCL
- Director, Krungsriayudhya Card Co., Ltd.

Other Position

Subsidiary Company

None

Listed Company

- Executive Director of Eastern Star Real Estate PCL

Other Company / Organizations / Institutions

- Managing Director, Mahatharadol Co., Ltd.
- Director of Sunrise Equity Co., Ltd.
- Director of BBTV Equity Co., Ltd.
- Director of Rattanarak Co., Ltd.
- Director of Siam City Cement Vietnam Co Ltd

Number year of services

4 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

11

Mongkon Wanitphakdeedecha M.D.,M.Sc.

Age : 47 years

Position

Director (Authorized Signatory) / Vice Chief Executive Officer / Working Group for Financial and Investment Planning/ Nomination and Remuneration Committee / Director of Vichaivej International Hospital Samutsakhon / Managing Director of Vichaivej International Hospital Omnoi

Education and Experience

- M.D., Chulalongkorn University, 1994
- Diploma of General Surgery, Medical Council
- Master of Science (Technology Management),Thammasat University
- Thai Board of Family Medicine
- Certificated Fellowship of Anti-Aging Medicine, the American Academy of Anti-Aging Medicine
- Certificate in Occupational Medicine, Class of 19, Department of Medical Sciences
- Directors Certification Program, Class of 52, Thai Institute of Directors Association
- Role of the Compensation Committee (RCC), Class of 14, Thai Institute of Directors Association
- Certificate of good governance, medical. Executive Class 3 the King Prajadhipok and Medical Council of Thailand
- Metropolitan Administrator Training Course (MATC), Institute of Metropolitan Development, Navamindradhiraj University

Working Experience

- General Practitioner, Department of Surgery,Bangkok Metropolitan General Hospital
- Resident, Department of Surgery, Chulalongkorn Hospital

Other Position

Subsidiary Company

- Director (Authorized Signatory), Srisakorn Vejavivat Company Limited
- Director (Authorized Signatory), Bangkok Orthopedic Hospital Company Limited

Listed Company

None

Other Company / Organizations / Institutions

None

Number year of services

7 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes

Prut Rojmahamongkol

Age : 48 years

Position

Director / Executive Director / Working Group for Financial and Investment Planning / Director of Information Technology of Vichaivej Hospital Group / Deputy Director of Vichaivej International Hospital Samutsakhon / Deputy Director of Accounting and Finance of Vichaivej International Hospital Samutsakhon

Education and Experience

- Bachelor of Architecture, Chulalongkorn University
- Master Certificate Strategic Organizational Leadership and Management Michigan State University, USA
- M.Sc. Faculty of Information and Communication Information Technology Assumption University
- Director Certification Program class of 135, Thai Institute of Directors Association
- Financial Statement for Director class of 7, Thai Institute of Directors Association
- Urban Leader Training Course (ULTC), Class of 3/2018, Navamin dradhiraj University

Working Experience

- Director of Information Technology, Vichaivej International Hospital Group
- Chairman of the Construction Management, Vichaivej International Hospital Group
- Deputy Director of the Procurement, Vichaivej International Hospital Group
- Deputy Director of the premises, Vichaivej International Hospital Samutsakhon
- Acting Deputy Director of Finance and Accounting, Vichaivej International Hospital Samutsakhon
- Deputy Director of Quality and Technology, Vichaivej International Hospital Samutsakhon
- Director of Saivichai Development Co.,Ltd.
- Assistant deputy of Operations Project, Noble Development Public Company Limited (Thailand)
- Architect, plan consultants co. ltd

Other Position

Subsidiary Company

- Director (Authorized Signatory), Srisakorn Vejavivat Company Limited
- Director (Authorized Signatory), Bangkok Orthopedic Hospital Company Limited

Listed Company

None

Other Company / Organizations / Institutions

None

Number year of services

3 years

Number of the shareholding includes spouses and dependents

None

Family Relation with Other Directors

None

Dispute in the 5 Preceding Years

None

Directorship Qualifications according to Applicable laws and does not have prohibited Qualifications according to the announcement of the Capital Market Supervisory Board

Yes



Executive Committee

as at 31 December 2018

1 

Asst. Prof. Saisunee Vanadurongwan, M.D.
Chairman

2 

Pongsak Vathana, M.D.
Member of the Executive Committee

3 

Mongkon Wanitphakdeedecha M.D.,M.Sc.
Member of the Executive Committee

4 

Vilawan Vanadurongvan
Member of the Executive Committee

5 

Sakda Tangchitwatanakorn, Ph.D.
Member of the Executive Committee

6 

Assoc. Prof. Suchat Areemit, M.D.
Member of the Executive Committee

7 

Prof. Saranate Waikakul, M.D.
Member of the Executive Committee

8 

Sunee Thirakaroonwongse, M.D.
Member of the Executive Committee

9 

Vatchara Cheupraknam, M.D.
Member of the Executive Committee

10 

Prut Rojmahamongkol
Member of the Executive Committee

11 

Pacharapan Vanadurongwan
Member of the Executive Committee

12 

Komrit Kavinakarathiti
Member of the Executive Committee

13 

Teerawan Rattanapak, B.Sc., PG.Cert., Ph.D.
Member of the Executive Committee

14 

Phannee Kannee
Member of the Executive Committee

15 

Sunee Joychumras
Member of the Executive Committee

16 

Kwanyuen Suksomphoj
Member of the Executive Committee

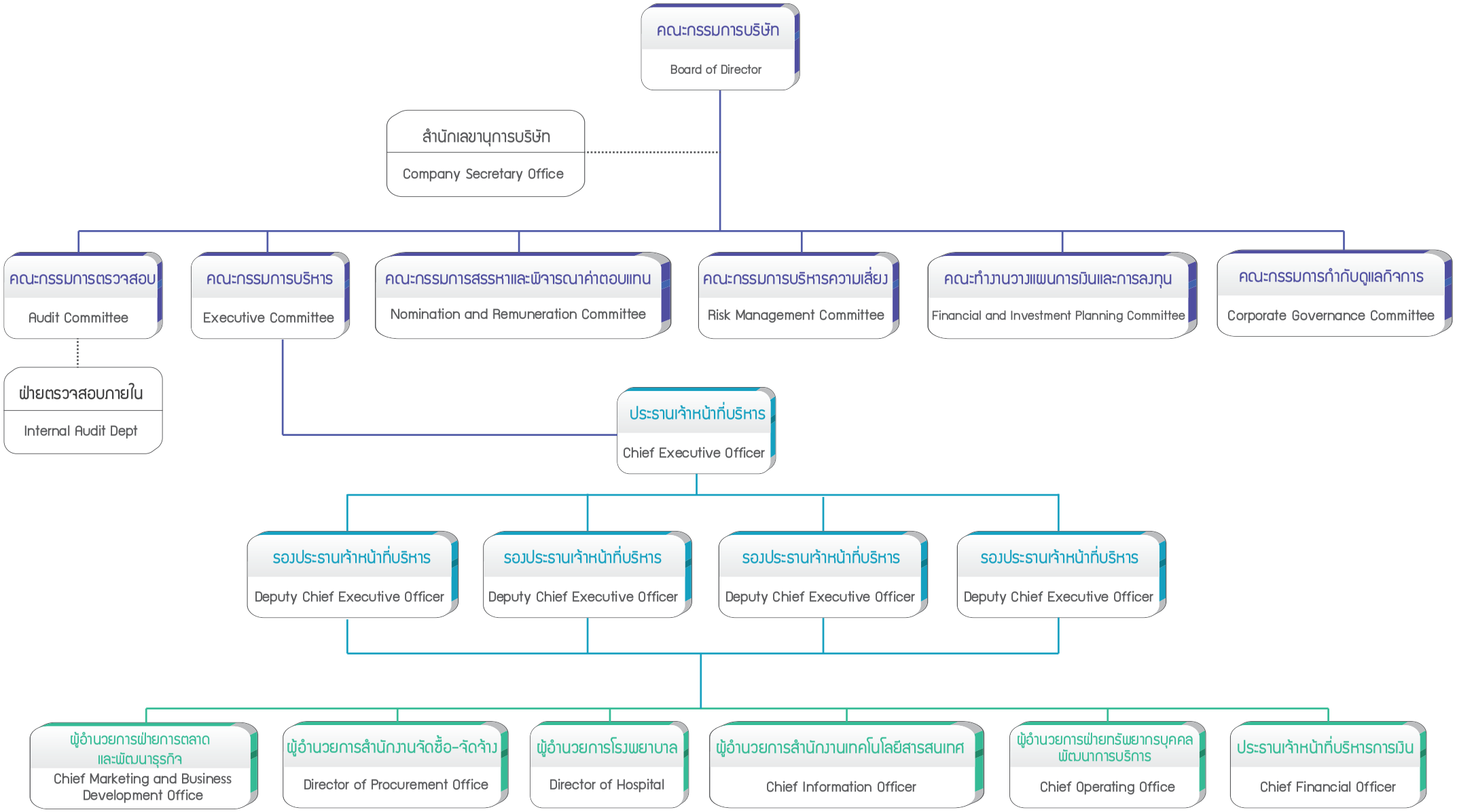
17 

Kochabhorn Kerdrak
Member of the Executive Committee

18 

Rachada Fongtanakit, Ph.D.
Member of the Executive Committee / Secretary

Organization Chart as at December 31, 2018



Report of the Executive Committee

Dear Shareholders of Srivichai Vejvivat Public Company Limited,

The Board of Directors of Srivichai Vejvivat Public Company Limited had appointed the Executive Committee to ensure that management and business operation of Srivichai Vejvivat Public Company Limited and its subsidiaries progress in the right direction and consistent with the current economic situations.

Structure of the Executive Committee

The lists of the Executive Committee as at December, 31 2018 as follows:

1. Asst. Prof. Saisunee Vanadurongwan, M.D.
   Chairman of the Executive Committee
2. Pongsak Vathana, M.D.
   Member of the Executive Committee
3. Mongkon Wanitphakdeedecha M.D.,MSc.
   Member of the Executive Committee
4. Vilawan Vanadurongvan
   Member of the Executive Committee
5. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Executive Committee
6. Assoc. Prof. Suchat Areemit, M.D.
   Member of the Executive Committee
7. Prof. Saranate Waikakul, M.D.
   Member of the Executive Committee
8. Sunee Thirakaroonwongse, M.D.
   Member of the Executive Committee
9. Vatchara Cheupraknam, M.D.
   Member of the Executive Committee
10. Prut Rojmahamongkol
    Member of the Executive Committee
11. Pacharapan Vanadurongwan
    Member of the Executive Committee
12. Komrit Kavinakarathiti
    Member of the Executive Committee
13. Teerawan Rattanapak, B.Sc., PG.Cert.,Ph.D.
    Member of the Executive Committee
14. Phannee Kannee
    Member of the Executive Committee
15. Sunee Joychumras
    Member of the Executive Committee
16. Kwanyuen Suksomphoj
    Member of the Executive Committee
17. Kochabhorn Kerdrak
    Member of the Executive Committee
18. Rachada Fongtanakit, Ph.D.
    Member of the Executive Committee / Secretary

Throughout 2018, the Executive Committee had completely performed its role based on the authority, duty, and responsibility set forth in the management framework by arranging altogether 18 meetings, which the key points of the meetings can be summarized as follows.

1. Plan and set policy, direction, strategy, work plans and organizational structure and management structure of the business operation of the Company and subsidiaries in accordance to economic conditions and competition in the market to present to the Board of Directors for approval.
2. Plan and prepare business plans, annual budgets and the authority in management in various job divisions of the Company and subsidiaries to propose to the Board of Directors for consideration and approval and also to consider and approve the annual budget and budget change and addition to annual expense budget. If there is an urgent necessity, proceed to present to the Board of Directors for further acknowledgement.
3. Audit and operate according to the policies and guidelines for the management of the Company and subsidiaries that has been defined to be effective and conducive for business environment.
4. Monitor the operations of the Company and subsidiaries that has been defined to proceed according to the approved business plan.
5. Consider large investment projects of the Company and subsidiaries in order to provide recommendation to the Board of Directors for approval.

The Executive Committee carried out its duties, assigned by the Board of Directors, by utilizing knowledge and abilities to carry out its duties carefully, prudently, and reasonably in order to develop the business at full capacity and the maximum benefit for the Company, shareholders, and all stakeholders in order to build confidence in the performance and regulation of the organization's management to be efficient and further sustainable.



(Asst. Prof. Saisunee Vanadurongwan,M.D.)
Chairman of the Executive Committee
Srivichai Vejvivat Public Company Limited

Report of the Audit Committee

Dear Shareholders of Srivichai Vejvivat Public Company Limited,

The Audit Committee was appointed by the Board of Directors and comprises of 3 independent directors who are qualified according to the requirements of the Stock Exchange of Thailand and well accomplished in finance, accounting and management. The Audit Committee of Srivichai Vejvivat Public Company Limited consists of 3 independent directors as follows

1. Visut Montriwat
   Chairman of the Audit Committee
2. Surin Premamornkit
   Member of the Audit Committee
3. Porntep Siriwanarangsun, MD., MPH.,Ph.D
   Member of the Audit Committee

For 2018, the Audit Committee has performed its duties as prescribed carefully and independently. The Audit Committee held 12 meetings, with discussions with internal auditors and external auditors on relevant issues, those major activities can be summarized as follows:

1. Reviewed the quarterly and annual financial statements as well as the consolidated statements of the Company and its subsidiaries in collaborations with the appointed Auditor, prior to submission for the due consideration of the Board of Directors. The Audit Committee is in the opinion that the above financial statements are complete, accurate, credible, timely and disclosed all relevant information adequately.

2. Considered and approved the internal audit plans and reviewed the sufficiency of control systems to ensure the appropriateness and effectiveness in mitigation risks so as to allow adequate internal supervision and control.

3. Reviewed and verify the compliances with all relevant laws and regulations relating to the Company's business and operations in accordance with the Securities and Exchanges Acts, as well as Regulations of the Stocks Exchange of Thailand and other relevant acts to ensure that there is no incident or nonconformance that may affect the good will and financial status of the company.

4. Review and follow the company, comply with the law on securities and exchange, regulations of the Stock Exchange of Thailand and / or laws related to the business of the company. In order to prevent damages in the form of penalties, warnings and company reputation and other related laws, there is no problem or defect that will affect the reputation and financial position of the company.

5. Considered connected or potential conflict of interest transactions. The Audit Committee viewed that all those transactions are properly disclosed in line with the Company's normal business and transparency requirements.

6. Report the performance of the Audit Committee each year to the Board of Directors for acknowledgment. The Audit Committee has performed all duties as specified in the Audit Committee Charter.

7. Considered, selected and nominated the Company's independent auditor, from E. Y. Office Limited and their audit fee as the Company's auditor for the fiscal year 2018 to the Board of Directors.

The Audit Committee has performed its duties carefully and independently in accordance with the responsibilities assigned by the Board of Directors, and in compliance with the Charters of Independent Directors to ensure adequate and effective internal control for the benefits of the shareholders and all the stakeholders.



(Visut Montriwat)
Chairman of the Audit Committee
Srivichai Vejvivat Public Company Limited

Report of the Nomination and Remuneration Committee

Dear Shareholders of Srivichai Vejvivat Public Company Limited,

The Board of Directors of Srivichai Vejvivat Public Company Limited had appointed the Nomination and Remuneration Committee (NRC) in accordance with the guideline on good corporate governance of listed companies. The Committee shall consist of members with abilities, experiences, knowledgeable on qualifications, duties, responsibilities, including understanding good governance of public companies framework as well willingness to dedicate oneself in the realization of the objectives of the Committee. The list of the members for the year 2018 are as follows:

1. Virah Mavichak
   Chairman of the Nomination and
   Remuneration Committee (Independent Director)
2. Surin Premamornkit
   Member of the Nomination and
   Remuneration Committee (Independent Director
3. Visut Montriwat
   Member of the Nomination and
   Remuneration Committee (Independent Director)
4. Asst. Prof. Saisunee Vanadurongwan, M.D.
   Member of the Nomination and
   Remuneration Committee
5. Vilawan Vanadurungvan
   Member of the Nomination and
   Remuneration Committee
6. Mongkon Wanitphakdeedecha, M.D.,M.Sc.
   Member of the Nomination and
   Remuneration Committee

The NRC had performed its duties The NRC had performed its duty as prescribed by considering the nomination criteria, guidelines, and selection process as well as determining the fees appropriate for the Directors and various committee members in order to propose to the Board of Directors for their consideration and approval before further presentation to the shareholders' meeting in requesting for their considerations and approvals every year. This includes considering the fee of the Company's chief officers before proposing to the Board of Directors for their further consideration and approval.

In 2018, the Nomination and Remuneration Committee had completed the scope of work based on the implementation framework set forth during 2 meetings. The key points of the meeting are as follows:

1. Identify, verify and selection persons who are qualified to a Director of the Company, various committee members, Chief Executive Officer and Company Advisors, to the Board of Directors in the event that a such position is vacant or the term of office has ended
2. Consider and nominate persons with suitable qualifications to be directors of subsidiaries. And consider nominating qualified directors to be sub-committees to propose to the Board of Directors for appointment as appropriate
3. Define policy and guideline on remuneration for Director, senior executives of the Company and subsidiaries and present this to the Shareholders or the Board of Directors for approval as appropriate
4. Consider the remuneration, in monetary or otherwise including meeting attendance fee, salary, bonuses, shares and other related benefits, for the Board of Directors and other committee members, by benchmarking the job scopes, responsibilities, achievements with comparable business in similar industries, for the considerations of the Board of Directors for reviews and approvals
5. Perform any other duties assigned by the Board of Directors to be appropriate

The Nomination and Remuneration Committee mainly carried out assigned duties carefully, prudently, transparently, equitably, and straightforwardly, according to the Good Corporate Governance principles for the maximum benefit of shareholders, investors, and stakeholders.



(Virah Mavichak)
Chairman of Nomination and
Remuneration Committee
Srivichai Vejvivat Public Company Limited

Report of the Corporate Governance Committee

Dear Shareholders of Srivichai Vejvivat Public Company Limited,

The Board of Directors recognizes the importance of good corporate governance. And is committed to supervising the organization to operate and comply with good corporate governance principles. The company has given importance to ensuring that shareholders have the right to exercise their rights and to protect the interests of all shareholders equally. Either institutional investors or major shareholders or minor shareholders As an investor in the stock market And as a shareholder who owns the company in accordance with the principles of good corporate governance of the Stock Exchange of Thailand. And in accordance with relevant laws to supervise and promote the company to operate in accordance with good corporate governance principles and develop a corporate governance system for good governance and efficiency

The Corporate Governance Committee which involved 6 directors as follows:

1. Visut Montriwat
   Chairman of the Corporate Governance Committee
2. Rachada Fongtanakit, Ph.D.
   Member of the Corporate Governance Committee
3. Saipin Phaising
   Member of the Corporate Governance Committee
4. Pakkawadee Mahawongtrakool
   Member of the Corporate Governance Committee
5. Chinapat Upaijit
   Member of the Corporate Governance Committee
6. Kevalee Phaisanpayak
   Member of the Corporate Governance Committee / Secretary

In 2018, the Corporate Governance Committee had meeting to monitor operations and performed the duties in accordance with the Charter. The significant consideration issues in these meeting was:

1. The Committee has established the anti-corruption policy of the company. Which has been approved and approved by the Board of Directors meeting and announced to all departments to acknowledge and abide. And also published anti-corruption policy on the company website. Including the Committee has followed the implementation of the anti-corruption policy of all relevant agencies
2. The Committee has created a self-assessment form for anti-corruption measures. And inspecting various departments that have been carried out in an appropriate, correct, and complete manner in accordance with the guidelines set forth in the self-assessment form of anti-corruption measures to request certification to the CAC Council to consider approving the CAC project for the company
3. In order for the management to comply with the anti-corruption policy. The Committee has reviewed the guidelines for the operation of gifts that directors, executives, and employees of the company during important festivals including notification to partners, customers, and business stakeholders of the company
4. Perform any other duties assigned by the Board of Directors to be necessary

The Corporate Governance Committee is determined to improve the company's operation and ensure its strict alignment with the Good Corporate Governance policy and business ethics. This also includes emphasis on Anti-Corruption policy in creating confidence among shareholders and stakeholders that contribute to corporate growth in a sustainable manner.



(Visut Montriwat)
Chairman of the Corporate Governance Committee
Srivichai Vejvivat Public Company Limited

Report of the Risk Management Committee

Dear Shareholders of Srivichai Vejvivat Public Company Limited,

The Board of Directors of Srivichai Vejvivat Public Company Limited had appointed the Risk Management Committee to ensure that management and business operation of Srivichai Vejvivat Public Company Limited and its subsidiaries progress in the right direction and consistent with the current economic situations.

The list Risk Management Committee as at December 26, 2018

1. Viroj Mavichak, Ph.D.
   Advisory of the Risk Management Committee
2. Vilawan Vanadurongwan
   Chairman of the Risk Management Committee
3. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Risk Management Committee
4. Hathaiwan Suwantaweerak
   Member of the Risk Management Committee
5. Kjtjaporn Pomsanarm
   Member of the Risk Management Committee
6. Anchalee Suphopark
   Member of the Risk Management Committee
7. Muratha Promyalee
   Member of the Risk Management Committee
8. Prapaphan Techatanang
   Member of the Risk Management Committee / Secretary
9. Tanawan Srirattanapitak
   Member of the Risk Management Committee / Assistant Secretary
10. Passara Sarapol
    Member of the Risk Management Committee / Assistant Secretary

Throughout 2018, the Risk Management Committee had completely performed its role based on the authority, duty, and responsibility set forth in the risk management framework by arranging altogether 23 meetings, which the key points of the meetings can be summarized as follows.

1. Define policies and guidelines for risk management of the Company and subsidiaries. This covers the financial risk, Corruption risk, business and market risks, investment risks, Corruption risks and other risks that may affect the operation and reputation of the Company, and presents this to the Board of Directors for consideration and approval.
2. Define criteria to measure risks and limit the risks that the Company and subsidiaries accept.
3. Consider the important risks of the Company and subsidiaries and make recommendations to prevent or reduce risk to an acceptable level.
4. Supervise, monitor and evaluate the results as well as improve action plan to reduce the risk continuously and appropriate to the business circumstances of the Company and subsidiaries.
5. Review the sufficiency of risk management policies and systems by including the effectiveness of the system and compliance with the policy set.
6. Report operations to reduce the risk to the Board of Directors regularly and for important matters where there is impact to the Company and subsidiaries significantly. These must be reported to the Board of Directors for consideration as soon as possible.
7. Perform any other duties assigned by the Board of Directors to be necessary.

According to the issues and tasks mentioned above, the Risk Management Committee responsibilities assigned by the Board of Directors and ensured that the Corporate Risk-Management operations have been carried out efficiently and effectively in line with the Good Corporate Governance Principle, sufficient internal control including compliance with the law and regulations concerning Company's business.



(Vilawan Vanadurongvan)
Chairman of the Risk Management Committee
Srivichai Vejvivat Public Company Limited

Report of the Working Group for Financial and Investment Planning

In order to enhance the value of Srivichai Vejvivat Public Company Limited and subsidiaries companies in the future and ensuring that there is ongoing growth and secure financial position, it was deemed appropriate to appoint the Working Group for Financial and Investment Planning.
Structure of the Working Group for Financial and Investment Planning

The lists of the Working Group for Financial and Investment Planning Committee as at December, 31 2018 as follows:

1. Vilawan Vanadurongvan
   Chairman of the Working Group for Financial and Investment Planning
2. Nopporn Tirawattanagool
   Member of the Working Group for Financial and Investment Planning
3. Tinnawat Mahatharadol
   Member of the Working Group for Financial and Investment Planning
4. Mongkon Wanitphakdeedecha M.D., M.Sc.
   Member of the Working Group for Financial and Investment Planning
5. Prut Rojanamahamongkol
   Member of the Working Group for Financial and Investment Planning
6. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Working Group for Financial and Investment Planning / Secretary

Throughout 2018, the Working Group for Financial and Investment Planning Committee had completely performed its role based on the authority, duty, and responsibility set forth in the management framework by arranging altogether 8 meetings, which the key points of the meetings can be summarized as follows.

1. Consider investment projects, investment plans, investment budgets. Which includes considering the feasibility of the project. Appropriate financial returns and relevant risk factors to be in line with the company's goals and operational plans

2. Considering and approving important financial transactions. Procurement of appropriate sources of funds for the company, and presenting to the Board of Directors for approval

3. Inspect, monitor, and supervise the investment of the company in order to obtain the return according to the target, evaluate the project approved for investment. And summary of important information to report investment results to the Board of Directors

4. Consider and approve the annual budget of the company and subsidiaries, to present to the Board of Directors

5. Providing advice and advice to management in finding business channels

6. Perform other tasks as assigned by the Board of Directors and the Chairman

The Working Group for Financial and Investment Planning has performed duties as assigned by the Board of Directors with caution and opinion provision were made independently and based on the Company's benefits. The Committee has also monitored, followed up and appraised the performance of the projects the Company has invested in to ensure that the return on investment is as planned. The Committee also plays a significant role in preventing and solving risks problem that might affect project development and operations. The Committee considered that the Company's investment decision was prudently and carefully made based on both in-depth and breadth analysis by internal and external experts under the good corporate governance principle to ensure continuous and stable growth of the Company.

Vilawan Vanadurongvan

(Vilawan Vanadurongvan)
Chairman of the Working Group for
Financial and Investment Planning

Policy and Business Overview



Srivichai Vejvivat Public Company limited ("Company" or "VIH") was established in 1993 in order to operate a private hospital business under the name Vichaivej International Hospital Omnoi which is a hospital under Vichaivej International Hospital Group. In 1993 when the Company was established, its registered capital was 200 million Baht with major shareholders and controlling directors being Assoc. Prof. Vichai Vanadurongwan, M.D., Ph.D., FIMS and Asst. Prof. Saisunee Vanadurongwan, M.D., who is founder of the hospital Group.

In 2008, the Company reorganized its structure by purchasing ordinary shares of Saivichai Development Company Limited and Srisakorn Vejavivat Company Limited from the Directors who were former shareholders in order to rearrange the investment structure of the

Company that would suit the business operating nature as a hospital Group, with Saivichai Development Company Limited and Srisakorn Vejavivat Company Limited being subsidiary companies.

At the beginning of 2011, Vichaivej International Hospital Group underwent a corporate re-branding to become more modern and be able to reflect the hospital group's ability in elevating its service potential and undergoing continuous development as well as maintaining consistency with the Company's vision of wanting to expand its service to reach foreign customers on a wide scale. The hospital group had changed its name from Srivichai Hospital Group to Vichaivej International Hospital Group and underwent logo change as well.

In 2012, the Company registered as listed securities in the SET with total registered capital of 535 million Baht, divided into 535 million ordinary shares valued at 1.00 Baht per share in which the 535 million Baht was paid-up capital.

In 2014, the Company increased its registered capital at 35,666,666 Baht, which led the new registered capital to be 570,666,666 Baht from originally 535,000,000 Baht, by issuing additional 35,666,666 million ordinary shares valued at 1.00 Baht per share in which the 570,665,433 Baht was paid-up capital.

In the same year, BBTV Equity Company Limited bought the Company's shares at 20% of total shares in the Company which brought about change in the major shareholder group of the Company. The change was executed in order to support expansion of hospital care business and increase the variety of medical service to be more comprehensive in the future.

The Company also purchased shares at 15% of total shares in Mahanakorn Maesod Vejchakarn Company Limited which operates Nakorn Maesod International Hospital, which is regarded as an investment in area with future potential and a formation of business partnership.

In the year 2016, The meeting had approved the entering into the acquisition of asset by the acquisition of The Bangkok Orthopedic Hospital Company Limited's ordinary shares, in the number of 90,000 shares or equivalent to 100 percent of total registered capital from the existing shareholders, The company had been singed the Share Purchase Agreement relating to the ordinary shares of The Bangkok Orthopedic Hospital Company Limited on 28 June 2016

As of 31 December 2018, the Company has total registered capital of 570,666,666 Baht, divided into 570,666,666 ordinary shares valued at 1.00 Baht per share in which 570,665,433 Baht was paid-up capital.
At present, Vichaivej International Hospital Group runs secondary general hospital business with 4 hospitals within the Group, that is, 1) Vichaivej International Hospital Omnoi; 2) Vichaivej International Hospital Nongkhaem; 3) Vichaivej International Hospital Samutsakorn; and 4) Vichaivej Yeakfaichai, being operated by the Company. The subsidiary companies comprise Srivichai Vejvivat Public Company limited, Saivichai Development Company Limited, Srisakorn Vejavivat Company Limited, and The Bangkok Orthopedic Hospital Company Limited, respectively. In addition, the Company also has another subsidiary company, Srivichai Vocational School Company limited, which operates business under the name Srivichai Vocational School and serves as a training facility for assistant nurses of Vichaivej International Hospital Group. The Company and subsidiary companies operate under the management of Ass. Prof. Saisunee Vanadurongwan, M.D. who is the Chief Executive Officer and Vice Chairman since establishment until today.

The main customer group of Vichaivej International Hospital Group comprises 2 major groups: 1) Non-capitation customer group, namely general individual customers, contract party customers, member customer type, customers under workmen compensation fund program, and foreign customers; and 2) Capitation customer group, namely customers under social security fund program, customers under Universal Health Care Coverage Project, and customers under foreign laborer health insurance project. Moreover, the Company and subsidiaries have outlined the plan for attracting more target customer groups to use the services provided by the hospital group, such as: 1) private companies, factories, educational institutions; 2) life insurance companies; 3) civil servants and their family under Diagnosis-Related Group (DRG) project; and 4) foreign customers residing in Thailand and came as tourist or to work.

Main revenue of Vichaivej International Hospital Group is divided into 2 major categories based on the nature of customers, that is: 1) Non-capitation; and 2) Capitation. For non-capitation revenue, this is made up of non-capitation OPD and non-capitation IPD revenues. Capitation revenue comprises earnings from the services provided to patients under social security program, patients under Universal Health Care Coverage Project, and patients under foreign laborer health insurance project. The ratio of non-capitation revenue to capitation revenue was 76.24 , 77.23, and 78.22 in 2016-2018 respectively. However, revenue of the hospital group is subject to seasonal variation as shown in the quarterly financial statements of 2016-2018.

In terms of operating performance, the Company and subsidiaries achieved total revenue from the hospital group in 2016-2018 equivalent to 1,718.60 million Baht, 1,962.08 million Baht, and 2,246.69 million Baht respectively. The revenue type which has the highest proportion was the revenue from non-capitation IPD, followed by revenue from non-capitation OPD and social security program respectively. In addition, during the same period, the hospital which showed the highest revenue among the hospital group was Vichaivej International Hospital Omnoi, followed by Vichaivej International Hospital Nongkhaem, Vichaivej International Hospital Samutsakorn and Vichaivej Yeakfaichai respectively.

In 2016-2018, the hospital group achieved net profit at 153.46 million Baht, 125.68 million Baht, and 177.12 million Baht respectively, while its operating profit margins were 10.53%, 7.97%, and 9.59% in 2016, 2017, and 2018 respectively. As of 31 December 2018, the Company and subsidiary companies has total assets of 1,988.70 million Baht comprising land, building, and equipment totaling 1,144.57 million Baht. Meanwhile, the hospital group's total liabilities as of 31 December 2018 was 817.07 million Baht and equity at 1,169.63 million Baht comprising retained earnings of 542.36 million Baht.

However, the hospital business operated by the Company and its subsidiaries may still encounter impact from certain risk factor which the hospital group has recognized the significance of such risk factor and, therefore, set guideline for preventing and solving the problem in manner suitable to each risk type. The Company has placed great emphasis and close attention on management of different risks as per the details mentioned under risk factors.



Each hospital has different unique features in providing services as follows

Vichaivej International Omnoi Hospital provides 24-hour medical service with specialist physicians ready to provide OPD care until midnight, in addition to the different kinds of specialized treatment available, such as Laparoscopic Surgery Center, Orthopedic Center, Urology Center, Brain Center, Cardiology Clinic, Nephrology Center, Endocrinology Clinic, Gastrointestinal Clinic, Pediatric Clinic, Obstetrics and Gynecology clinic, Emergency and Trauma Center, Dental Center, Check - up Center and Anti-aging and Wellness Center. It is the first hospital in Samutsakorn Province and nearby provinces such as Nakhon Pathom, Ratchaburi that has operating rooms under positive pressure system, 100% sterile, dust-free, and moisture-free according to international standards.

Vichaivej International Nongkhaem Hospital is a hospital that provides comprehensive care and counseling services. There are specialist doctors available to serve in various fields. By the Vichaivej Heart Center, which is a heart center that is ready and highly effective, providing services in all aspects of heart disease, from prevention, early diagnosis, treatment, to heart rehabilitation. Including 24-hour critical care for patients. By a team of cardiologists including Cardiologist, Heart and Chest Surgeon Along with a team of nurses and trained personnel specialized in the care of patients with heart disease. Led by Dr. Wattana Bunsom, a specialist in cardiovascular disease. In addition, Vichaivej International Nongkhaem Hospital also has an Orthopedic Center, Child Development Center, Pediatric Center. Laparoscopic Surgery Center, Obstetrics & Gynecology Center , iSKY Innovative Skin & Laser Surgery Center, which is famous and recognized in the country as a full-service aesthetic laser surgery center, Comprehensive Health Check Center, i-SHA Anti-Aging Center. The international patient service center that is ready to provide services and facilitate the treatment for all users to receive the best convenience and service.

Vichaivej International Samutsakorn Hospital also has similar comprehensive clinical service capacity as Vichaivej International Hospital Omnoi and has expertise in the provision of health services offsite such as in the establishment of the private and public sectors and enterprise. Moreover, Vichaivej International Hospital Samutsakorn has a clinic at Mae Sod District, Tak Province that serves Thai and Burmese customers, and has cooperated with partners in the Republic of the Union of Myanmar in examining the health of foreign laborers in Yangon, the Republic of the Union of Myanmar.

Vichaivej Yeakfaichai Hospital In the Midyear of 2016, The Company has invested in Vichaivej Yeakfaichai Hospital by focusing on to develop a treatment for specialty care units due to the location of Vichaivej Yeakfaichai Hospital is closed to Siriraj Hospital. That will cause the doctors of Siriraj Hospital to cure the patients at Sam Yaek Fai Chai. Moreover, there is a construction of the skytrain at Fai Chai junction that will help a convenient transportation to the hospital. Moreover, Vichaivej Yeakfaichai Hospital has a renowned iSKY Innovative Skin & Laser Surgery Center, SMILE by iSKY dental clinic, Orthopedic Center, Trauma and Emergency Center, Check - up Center and Fertility Center



Nature of Business Operation

Vichaivej International Hospital Group provides patients with 24 hours medical treatment covering every disease in order to satisfy their needs, such as Orthopedic Center, General Surgery and include Urology, Brain Center, General Medicine Clinic and it subspecialty as Cardio Vascular Medicine, Nephrology, Endocrinology, Dermatology and Neurology. Addition service include; Dental Center, Physical Rehabilitation and Plastic Surgery, etc. For inpatient treatment, the Hospital Group is equipped with 551 sickbeds divided into different room types, such as 1) special private single-bed consisting of GRAND VIP, VIP, Deluxe and Standard, 2) special private 2-beds, 3) special private 4-beds, 4) common 8-beds, 5) ICU, and 6) Infant ward.

Revenue Structure

Revenues and profits of the Company and its subsidiaries for the years 2016 - 2018 (each hospital)

Name of Hospital	2018		2017		2016	
	Thousand baht	%	Thousand baht	%	Thousand baht	%
Vichaivej International Hospital Omnoi						
: Revenue from sales and services	895,086.09	39	799,475.60	40	787,995.17	44
: Net profit	105,329.37	47	105,111.86	58	92,354.81	53
Vichaivej International Hospital Nongkhaem						
: Revenue from sales and services	732,116.44	32	623,840.28	31	533,951.01	30
: Net profit (loss)	84,381.92	37	56,621.80	31	51,766.05	30
Vichaivej International Hospital Samuttsakhon						
: Revenue from sales and services	484,929.86	21	398,615.79	20	359,389.10	20
: Net profit	35,079.11	15	19,382.14	11	21,909.52	13
Vichaivej Hospital Yeakfaichai						
: Revenue from sales and services	201,318.90	8	188,337.39	9	92,094.73	5
: Net profit	1,255.16	1	653.72	0	5,910.58	3
Srivichai Vocational School						
: Net profit	589.29	0	903.64	0	750.51	0
Total revenue before eliminate transaction	2,313,451.29	100	2,010,269.06	100	1,773,430.01	100
Value of eliminate transaction	66,765.14	-	48,187.72	-	54,826.70	-
Total revenue after eliminate transaction	2,246,686.15	-	1,962,081.34	-	1,718,603.31	-
Total Profit before eliminate transaction	226,634.85	100	182,673.16	100	172,691.47	100
Value of eliminate transaction	49,517.07	-	56,990.13	-	19,226.84	-
Total Profit after eliminate transaction	177,117.78	-	125,683.03	-	153,464.63	-

(table note on the next page)

Remark: 1. In 2016-2018, Srivichai Vocational School Limited Company (its subsidiaries) with revenue at 2.72 million Baht, 3.35 million Baht, and 3.02 million Baht respectively and achieved net profit at 0.75 million Baht, 0.90 million Baht, and 0.59 million Baht respectively, which Srivichai Vocational School Limited Company (its subsidiaries) in the list of other income in the consolidated financial statements.

2. The Company acquired shares of The Bangkok Orthopedic Hospital Company Limited on 28 June 2016, so it is cumulative revenue for the period on 1 July – 31 December, 2016

Revenues of the Company and its subsidiaries for the year 2016 - 2018 (by the type of client).

Name of Hospital	2018		2017		2016	
	Thousand baht	%	Thousand baht	%	Thousand baht	%
Vichaivej International Hospital Omnoi						
Revenues from Capitation	295,769.80	12.78	253,753.69	12.62	239,819.72	13.52
Revenues from Non-Capitation	599,316.29	25.90	545,721.91	27.15	548,175.45	30.91
Total revenues from services	**895,086.09**	**38.69**	**799,475.60**	**39.77**	**787,995.17**	**44.43**
Vichaivej International Hospital Nongkhaem						
Revenues from Capitation	3,110.46	0.13	2,470.55	0.12	1,786.51	0.10
Revenues from Non-Capitation	729,005.98	31.51	621,369.73	30.91	532,164.50	30.01
Total revenues from services	**732,116.44**	**31.64**	**623,840.28**	**31.03**	**533,951.01**	**30.11**
Vichaivej International Hospital Samuttsakhon						
Revenues from Capitation	147,557.26	6.37	141,766.56	7.05	131,075.85	7.39
Revenues from Non-Capitation	337,372.60	14.58	256,849.23	12.78	228,313.25	12.87
Total revenues from services	**484,929.86**	**20.96**	**398,615.79**	**19.83**	**359,389.10**	**20.27**
Vichaivej Hospital Yeakfaichai						
Revenues from Capitation	65,691.26	2.83	63,416.64	3.15	35,982.75	2.03
Revenues from Non-Capitation	135,627.64	5.86	124,920.75	6.21	56,111.98	3.16
Total revenues from services	**201,318.90**	**8.70**	**188,337.39**	**9.37**	**92,094.73**	**5.19**
Total revenue before eliminate transaction	2,313,451.29	100	2,010,269.06	100	1,773,430.01	100
Value of eliminate transaction	66,765.14	-	48,187.72	-	54,826.70	-
Total revenues from services of VIH Group	2,246,686.15	-	1,962,081.34	-	1,718,603.31	-

Remark : 1. The Company acquired shares of The Bangkok Orthopedic Hospital Company Limited on 28 June 2016, So it is cumulative revenue for the period on 1 July – 31 December, 2016

Business Operation by Each Product Line

Nature of Service

As of 31 December 2018, the Company has operated its business in the form of hospital group with four hospitals within the group, Vichaivej International Omnoi Hospital formed service contracts with 10 hospitals (supra contractor) in order to manage appropriate patient transfer as necessary for each case and also has 17 social security network clinics ready to provide first aid care for social security patients. By the way Vichaivej International Samutsakhon Hospital formed service contracts with 10 hospitals (supra contractor) and also has 9 social security network clinics. With such structure, the Company has been able to manage its cost effectively and extend the scope of service to reach the public comprehensively.

The hospital group provides service to two major customer groups: 1) Non-capitation customer group that pays treatment fees based on actual treatment provided, namely cash customers, life insurance customers, Workmen Compensation Fund customers, contract counterparty customers, right according to the act customers, and others; and 2) Capitation customer group under state project, namely social security customers, Universal Health Care Coverage customers, and foreign laborer health insurance project customers.

Medical Services

The Company and subsidiary companies in the Vichaivej International Hospital Group are strongly determined to provide medical care services for every type of disease and specialist physicians in every field as follows.

Heart Clinic

Cardiovascular Center at Vichaivej provides modern medical service for every step of treatment since checking initial symptoms of coronal heart disease or heart disease, treatment of heart disease, and recovering the function of the heart by cardiovascular medical specialists (Dr. Wattana Boonsom) and medical specialist team. Moreover, we also provide modern medical devices and CCU, which enable nursing teams and cardiovascular medical specialist to conduct treatment and give advices to patients effectively 24 hours.

Orthopedic Center

Orthopedic center, Vichaivej International Hospital Group provide treatment service about the bones, muscles, tendons, nerves, bone and joint operation including Osteoporosis and bone disease in children by the professional surgeon's team of Orthopedic who have knowledge, potential, and experience. The hospital we provide service of treatment diseases of the bones, muscles, tendons, nerves and treatment to people who have been injured in sports, exercises or injury from the use of too much.

Trauma and Emergency Center

Vichaivej International Hospital has a Trauma and Emergency Center. To provide help victims of an accident and emergency accurately and promptly with the team of medical experts and nursing staff with expertise. With all advanced technology devices and the ambulance to rescue fully the Advance Life Support (ALS) and Basic Life Support (BLS) availability with an emergency 24 hours.



Microsurgery Center

Finger and hand injuries are the number one accident found in the industrial factories. According to statistics of Thai Social Security Office.

Laparoscopic Surgery Center

Vichaivej International Hospital providing services and surgical treatment of all kinds such as Gastrointestinal surgery, Urology Surgery, Neurological Surgery and

surgical correction of defects and disabilities. With the technology of laparoscopic surgery, which method is help wounds heal faster, hurt less, wounds from surgery are small. This is different from old surgical scars that are long and large. Vichaivej International Hospital provides diagnosis and surgical treatment by the specialist team of experienced surgeons with modern medical equipment and nurses who will take care you in a highly integrated.

Obstetrics Surgery Center

Obstetrics and Laparoscopic Surgery Center at Vichaivej Internation Hospital provides thorough medical consultation and treatment of Obstetrics / Gynecologic's diseases by highly skilled specialists. Moreover, we perform Obstetrics / Gynecologic service for women of all ages such as check-up, Mammography including biopsy, Thin Prep Cytology, Ultrasound diagnostics, Female reproductive organs and Pelvic exam by Laparoscopic, Laparoscopic surgery remains the leading brink when it comes to Gynecologic surgical techniques since it has a faster recovery time, less pain, less tissue trauma, few complications and better aesthetic result.

Breast Center

Vichaivej International Hospital recognizes the importance of breast cancer significantly. In addition has establishment of Breast Center and to provide counseling and surgical care for patients of breast cancer or the people who want to know how to prevent of disease. And also provide knowledge to the public about breast self-examination with modern medical device, the diagnosis of breast cancer is correct and accurate by the Mammogram and Ultrasound technology is a safe alternative for patients with breast cancer before the surgery. Monitoring and rehabilitation of physical and mental health of the patient by a team of medical specialists, such as surgeons, radiologists, cancer physicians and nurses, nutritionists, physical therapists, etc., so that the patient has returned to live in society with other people.



Urology Center

The hospital provides medical care for gallstones and urinary system diseases, such as urinary tract stones, Kidney stone and ureter, Stone in the gallbladder, Kidney cancer, Bladder cancer, Urinary Tract Diseases, Hematuria, etc. under the care of highly experienced medical specialists and nurses who take care of patients throughout the course of treatment until healed.

Mother and Child Health Center

Mother and Child Health Center at Vichaivej International Hospital, We provide a full range of healthcare services for children. Our experienced and dedicated team of doctors, nurses and staff are committed to providing the best medical care possible for children. Our clinic greets families and visitors in a bright, modern facility where clients are treated with dignity, respect and kindness.

Diabetes Mellitus and Endocrinology Center

Vichaivej International Hospital preservation for patients with diabetes and endocrine-related diseases such as Thyroid disease, Adrenal Gland Disorders, Pituitary disease, Obesity and Disorders of Calcium and osteoporosis. By a team of specialist doctors and nurses trained with highly experienced and advanced technology of medical devices to ensure patients in the treatment process. And also promote patients or the general public gets to know the facts about diabetes and endocrine disorders to understand and take care of themselves properly

Gastroenterology

The hospital has a medical specialist of the digestive system and liver disease with advanced equipment, such as a laparoscope esophagus, Stomach, Duodenum and Colon. Making clear and accurate diagnosis and can also Endoscopy for makes the problems caused by disorders of the



digestive system and liver were treated quickly and completely, Includes instructions in caring of the digestive system and vaccination against diseases of the digestive system.

Medicine Clinic

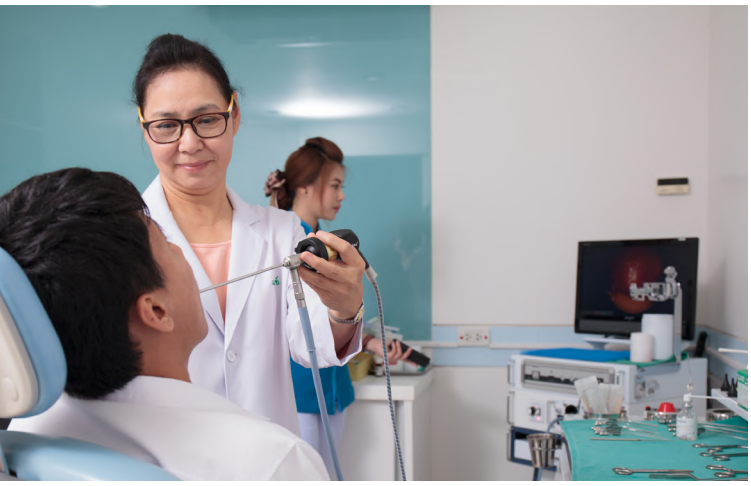
Vichaivej International Hospital provides medical treatment by a specialist team of doctors and high experience for 24 hours such as cardiovascular diseases, Neurological, Diseases of the blood, Kidney disease, Skin diseases, Nervous system and the brain. And provide advice and counseling to take care of yourself deprived these diseases. We also encourage patients to have a medical examination to ensure that patients have a healthy body as well.

Eye Clinic

Vichaivej International hospital provides care for all types of eye diseases for both children and adults. By a team of an experienced ophthalmologists and team of nurses with completed the trainings and according to international standards. Consultation and instructions treatment for people who have visual problems such as Visual acuity measurement, Treatment of cataract, Glaucoma, Pinquecula, Retinal surgery, short-sightedness, Presbyopia, Astigmatism, Diabetic Retinopathy, Eye Infection, etc.

Ear Nose and Throat (ENT) Clinic

Vichaivej International Hospital providing services at all types of ear, nose, throat such as otitis, sinusitis, etc. By a team of medical experts and highly experienced staff with modern medical devices safety throughout the treatment.



Dialysis Center

Dialysis Center at Vichaivej International Hospital, We provides hemodialysis procedure that cleans and filters the blood from individuals whose kidneys have failed. And we provides dialysis services in a clean, comfortable, and safe environment, using modern dialysis machines, and offering the care under high standard of professional conduct. With 10 State-of-the-Art imported Dialysis Machines and We use Reverse Osmosis water treatment system dedicated to the Dialysis Unit meeting the international standards

Dental Center

Dental Center at Vichaivej International Hospital, here we provide attentive dental services with advice and recommendations by a highly qualified trained team of dentists as if you were our family member. For your healthy teeth, the dental clinic offers the services such as Restorative dental care, Gum disease treatment, Prosthodontics treatment, Oral surgery, Pediatric dental treatment, Endodontic or root canal treatment, Aesthetic dentistry, etc... With taking care of dentists and nurse keeping you healthy teeth and a bright smile.

Health Check-up Center

Check-up Center at Vichaivej International Hospital, We offer all types of physical exam and test with accurate results, convenience, comfort and modern facilities including internet access and relaxing atmosphere. We provide comprehensive check-up services for personal and companies. For group check-ups can be arranged at Vichaivej International Hospital or on-site using our team of check-up including doctors, nurses, medical technicians and staff with highly experienced. We personal assist you into the best health checkup package including Annual health check-up program, Pre-employment health check-up program, Pre-Marriage check-up program, Mammography & Breast exams and much more.

Physical Therapy Clinic

Vichaivej International Hospital have providing Rehabilitation or Physical therapy by a team of physiotherapists that through training and highly experienced. Along with consulting and advice If the patients requires to physical therapy by themselves. It also has the international standard of physical tools and safe for patients such as Lumbar traction & cervical traction, Ultrasound therapy, Electrical Stimulation, Short wave diathermy, Transcutaneous Electrical Nerve Stimulation, Electrical Tilt table, etc.. To ensure that patients can return to normal or close to normal as possible.

Skin Clinic

Vichaivej International hospital provides treatment for all types of skin diseases such as dermatitis, psoriasis, allergies, vitiligo, melasma, freckles, drug allergy, skin diseases in children and the elderly. Including beauty such as Botox and Filler injections to fix wrinkles, deep cheek, lips up and customize the face, Injection treatment of varicose veins, Treatment of acne, melasma, freckles, and diseases related to the hair.

Anti-Aging Thai-Philos

Anti-Aging Thai-Philos Center at Vichaivej International Hospital Omnoi provide consultation and beauty care services with team of specialists in dermatology and aesthetic surgeon also Technology with aesthetic adapt to Thai Traditional Medicine and the Chinese Medical to nurture your skin and cosmetics made from natural extracts. Anti-Aging Thai-Philos Center focuses on the care of Healthy on the Inside, Beautiful on the Outside by the service as well as facial skin care, facial Lifting, smooth skin, reduce wrinkles, slimming, weight loss for beauty and healthy without side effects. It also has Thai massage, relaxing massage, massage therapy for migraine headaches. Services by professional therapist with a variety of massage services to the recipient's convenience.

Radiology Center

Vichaivej International hospital provides medical services to patients with care and attention to all the preserve of specialized medical personnel and nurses who have experienced. With medical technologies that have helped to maintain a high quality, fast and efficient. Make the patient trust and confidence that will get good service and satisfaction.

Practical Nurse Training Center by Srivichai Vocational School

Srivichai Vejvivat Public Company Limited has invested as major shareholders in Srivichai Vocational School Company Limited which the facility will be mainly used to produce, train, and develop the personnel for Vichaivej International Hospital Group. The emphasis has been to produce nurse aid whose duty is to take care and provide convenience for patients, such as taking care of primary health. Srivichai Vocational School Company Limited plays instrumental role in producing nurse aid personnel for Vichaivej International Hospital Group as a way of reducing personnel shortage and poor quality personnel problems. The training lasts for 6 months and has been certified by the Ministry of education. In the past, the school produced a total of 936 nurse aid and 793 nurse aid work under Vichaivej International Hospital Group.

Furthermore, the Company has formed an agreement with the Faculty of Nursing, both public and private universities in organizing course for practical nurses certified by Thailand Nursing and Midwifery Council. The School produced nurse aid staff to work under Vichaivej International Hospital Group that allows the hospitals to have higher quality nursing personnel thereby assuring the patients and customers receiving service with the hospitals. Simultaneously, this serves as a channel for developing hospital personnel's career path.

Medical Support Service

- Medical Records Department
- Diagnostic Radiology Department
- Physical Therapy Department
- Laboratory Unit
- Nutrition Department
- Vehicle Department
- Facilities Department

Operation Marketing and Competition

Status of Industry and Competition

Fluctuations in economic conditions in Thailand are caused by different factors, both from changes in values, thoughts, behaviors, specifically the growth of technology, communication systems, including the impact of politics. Cause of hospital business industry in Thailand has been fluctuating continuously and one of the reasons came from the government's decision to expand the health care coverage of The Social Security Scheme, Universal health Coverage, Migrant Health Coverage, and Civil Servant Medical Benefit Scheme. At the same time, the private health care providers have been adjusting their strategies in line with the competition, and in order to comply with changes in behavioral health services

For keep pace with such changes Vichaivej international Hospital Group has created a combination of its unique selling points in order to develop a clear and positive image for the hospital, and emphasizing on the specialization of the hospital in the treatment of certain ailments is an important part of the strategy. Forming part of this is the creation of a network of business partners in the form of hospital chain that can be effective in terms of hospital operation and management, cost and human resources; the expansion of customer data base and the standardization of services; the modernization of medical equipment and advance technologies.;the development of staff and public relation activities to promote the hospital, such as "The mobile medical unit providing community cares on various occasions", "The project Jit-ar-sa-mo-tor-zai-kuu-chiph" (The motorcycle taxi driver was a volunteer rescue), "Obesity in Children", and school tours to explain about health care etc.

Competitions

Hospital and health-related service business is considered to be one of the businesses that remains in the people's interest as today consumers turn more attention to taking care of their health and having proper hygiene. For that reason, this has led competition to be more intense, from both the competition amongst private hospitals and the competition against state hospitals that have adjusted their operations to gear toward consumer market more. At the same time, consumers are more educated and start to compare quality and price. This implies that service prices are regulated by the factors of business competition situation, replacement products, buyer's power, and partner's negotiation power. In the past, Vichaivej International Hospital Group has created strong competition power in that it has managed its purchasing operation together as a group and with other hospital partners in order to establish negotiation power against business counterparties, such as medicine and medical supplies suppliers, in order to minimize product costs.

The hospital business competition that Vichaivej International Hospital Group has to face is not just from hospitals in southern part of Bangkok, Samutsakorn Province, and Nakhon Pathom Province only, however, private hospitals in nearby provinces, alternative medicine treatment as well as drug stores and clinics all try to compete in the business in order to take away the market share from Vichaivej International Hospital Group. The reason for such strong competition is due to the locations of the three hospitals which lie in industrial areas with not less than 5,400 factories and densely-populated community zones. However, Private hospital nearby in 10-20 kilometers as the following



Vichaivej International Omnoi Hospital	- kasemrad Hospital Bangkae - Bangkok Hospital Sanamchan - Thonburi 2 Hospital - Mahachai 2 Hospital
Vichaivej International Nongkheam Hospital	- Phyathai 3 Hospital - kasemrad Hospital Bangkae - Petkasem Hospital - Bangphai Hospital - Thonburi 2 Hospital
Vichaivej International Samutsakhon Hospital	- Mahachai 1 Hospital - Mahachai 3 Hospital - Ekachai Hospital - Vibharam Samutsakhon Hospital
Vichaivej Yeakfaichai Hospital	- Phyathai 3 Hospital - Thonburi Hospital - Bangphai Hospital - Yanhee Hospital - Chaophya Hospital

Marketing policy

Customer: The current customer of the hospital can be categorized into two: non-capitation and Capitation.

Non-capitation: Those who live or work near the hospital and outside the area, but do trust the doctor especially in orthopedic clinic, including office employees, factory workers and the government offices who have the contract with the hospital or customers of insurance companies. We also have group of foreign clients from the Middle East, ASEAN who come to use the medical services of the hospital and avail of cosmetic surgery.

Capitation: The patients who are treated in the hospital under a contract and pay annually through The Social Security Scheme, Universal health Coverage, Migrant Health Coverage, and Medical benefits of civil servants and State Enterprise's Employees Scheme.

Characteristics of target customers

Target customers are separated into 4 groups.

1. The group that lives within the radius of 10-20 km of each hospital in which the hospital has publicized among its target customer group so that they are informed and understand the hospital group's expertise in treating bone and joint disease including the standard and readiness to treat other diseases. The hospitals have expanded and introduced new service that promotes strong health or prevents illnesses in addition to general treatment service available in order to attract non-patient customers.

2. The group comprising private companies, factories, educational institutes, banks, schools, government agencies, and business group in the industry that have not formed service contracts with the hospital group including management level staffs who are drawn to use more treatment service from the hospital group. The hospital group assigns its marketing and sales departments to be responsible for publicizing and contacting the various companies.

3. With life insurance companies, the hospital group certainly places great emphasis in doing marketing activities with this customer group as they are perceived to have high growth rate due to public attitude change that turns more attention to taking care of their health. This certainly is consistent with the government's promotion in wanting people to pay more attention to their health, plus the state's policy in allowing the use of premiums to deduct tax. Each hospital within the group would have marketing officers contact and form contracts with life insurers in order to become their contract hospitals and treat their patients. This would offer convenience to patients who come for treatment at the hospital.

4. International customer group that lives in Thailand and comes into the country to do business or work or just as tourists as the hospital recognizes the growth potential in this customer group. The hospital group has started to contact representatives and partners overseas in order for them to send foreign patients in Asia and Middle East to receive treatment at the hospital.

Quality service at competitive price

The entire Vichaivej International Hospital Group, focuses on service through the customer relation service center to achieve customer satisfaction which leads to customer loyalty and create an impressive experience for customers.

The medical

Vichaivej International Hospital Group focuses on the recruitment of doctors who have specialized knowledge, experience and expertise in each clinic. They are available to patients 24 hours a day, together with nurses and staff who have the knowledge and expertise in each job to deliver maximum benefits to customers.

Advertising and public relations

Public relations is one way of creating public awareness and understanding about the capability and service quality of the hospital. We have established community commitment projects such as Provide knowledge about health in schools and workplaces annually, etc..

In addition, it will also promote the national level to the reputation and expertise of the hospital is known and familiar to the public at large, by means of focusing on digital marketing to increase communication efficiency such as

• Promoting the activities and events of the hospital through leading newspaper such as Thairath, Dailynews, Komchadluek, Matichon , etc. including local newspapers and television media

• Educating the community under various projects, such as through a broadcast on one local radio station FM 89.50 MHz broadcast every Monday - Friday

• Website Vichaivej International Hospital Group including social media such as Facebook, Instagram, Twitter, Google plus, YouTube, Pinterest and Line. By creating info graphic and VDO content to support the focus on social media communication

Sales and distribution channels

The hospital has several distribution channels. The direct sales focus on customers paying cash, Life insurance, Contract companies and through the government such as Social Security Scheme.

Social Responsible Activities

The Hospital aims to run the business with social responsibility and contribution to community as an organization of medical care.

Setting the treatment fee

For cash customer group, the hospital group operates with a pricing policy that takes into account the business operating costs and pricing that is market competitive, such as physician fee, medicine and medical supplies fees, medical equipment fee. For room charges, price would be set by referring to market prices of nearby hospitals, inclusive of items and facilities inside the room. Overriding everything, fees must be set based on pricing fairness principle and with consumers being the focal concern. Each hospital within the group would take into account the income level of target customer group before setting price standard to be consistent and suitable. The group has studied the possibility of adjusting its medical fees to be equivalent with other hospitals at the same level as today Vichaivej International Hospital Group has made leaping progress and is fully equipped with tools and equipment while its fees were still low compared to other hospitals.

Products and services

1. Providing medical staff: Doctors, nurses and staff are a valuable asset in the business. Recruiting doctors also means building a good relationship with them via the development of the medical staff through training and scholarship programs. The Hospital provides on-the-job training for nursing students from Thai universities.

2. Providing medicines and medical supplies: The raw materials and cost of hospital pharmaceutical and Therapeutics Committee. This includes doctors, nurses, pharmacists, and the purchasing department. The Purchasing Department in order to compare quality, price, quantity, and reliability of each distributor before ordering.

3. Providing medical equipment: Medical device directors will consider the appropriateness of the tool to compare quality, price, service, delivery, after sales service and reliability of each distributor before ordering.

General and other Important Information

Srivichai Vejvivat Public Company Limited

Type of Business	Private Hospital operating under the name "Vichaivej International Omnoi Hospital"		
Location	74/5 Moo 4, Phetkasem Road, Omnoi Subdistrict, Krathumbaen District, Samutsakorn Province 74130		
Telephone Number	(+662) 441-7899 and Hotline 1792		
Facsimile	(+662) 431-1404	First Trade Date	09 May 2012
Website	www.vichaivej.com	Par Value	1.00 Baht
Email	bod@vichaivej.com	Common Stock	
Number of beds	200 beds	Authorized Capital	570,666,666 Bath
Registration Number	0107554000062	Paid-up Capital	570,665,433 Bath

General Information of Subsidiary Companies

Saivichai Development Company Limited

Type of Business	Private Hospital operating under the name "Vichaivej International Nongkhaem Hospital"		
Location	456-456/8 Phetkasem Road, NongkhangPlue Subdistrict, Nongkhaem District, Bangkok 10160		
Telephone Number	(+662) 441-6999	Registered Capital	150, 000,000 Bath
Facsimile	(+662) 421-1784	Paid-up Capital	150, 000,000 Bath
Website	www.vichaivej.com	Common Stock	30,000,000 shares
Email	nongkhaem@vichaivej.com	Par Value	5.00 Bath
Number of beds	172 beds	The proportion of	
Registration Number	0105530047130	shares held by VIH	99.43%

Srisakorn Vejavivat Company Limited

Type of Business	Private Hospital operating under the name "Vichaivej International Samutsakhon Hospital"		
Location	93/256 Mahachai Intersection, Sethakit 1 Road, Tasai Subdistrict, Muang Samutsakorn District, Samutsakorn Province 74000		
Telephone Number	(+6634) 410-700-6	Registered Capital	99,200,000 Baht
Facsimile	(+6634) 410-710	Paid-up Capital	99,200,000 Baht
Website	www.vichaivej.com	Common Stock	19,840,000 shares
Email	samutsakhon@vichaivej.com	Par Value	5.00 Bath
Number of beds	120 beds	The proportion of	
Registration Number	0105537019778	shares held by VIH	99.56%

Bangkok Orthopedic Hospital Company Limited

Type of Business	Private Hospital operating under the name “Vichaivej Yaekfaichai Hospital”		
Location	240/2-4 Charunsanitwong Road, Banchanghlor, Bangkoknoi, Bangkok 10700		
Telephone Number	(+662) 412-0055-60	Registered Capital	9,000,000 Bath
Facsimile	(+662) 412-7581-2	Paid-up Capital	9,000,000 Bath
Website	www.vichaivej.com	Common Stock	90,000 shares
Email	yeakfaichai@vichaivej.com	Par Value	100.00 Bath
Number of beds	59 beds	The proportion of	
Registration Number	0105525008687	shares held by VIH	99.99%

Srivichai Vocational School Company Limited

Type of Business	Occupational School operating to produce child and senior caretaker personnel		
Location	74/5 Moo 4, Phetkasem Road, Omnoi Subdistrict, Krathumbaen District, Samutsakorn 74130		
Telephone Number	(+662) 441-7899 Ext. 1703	Registered Capital	100,000 Bath
Facsimile	(+662) 813-4510	Paid-up Capital	100,000 Bath
Website	www.srivichai.ac.th	Common Stock	20,000 shares
Email	teacher@srivichai.ac.th	Par Value	5.00 Bath
Registration Number	0745553005535	The proportion of	
		shares held by VIH	99.98%

References

Securities Registrar

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Dindaeng,
Bangkok 10400, Thailand
Tel. 02-009-9000 Fax 02 009-9991

Auditor

EY OFFICE COMPANY LIMITED
33rd Floor, Lake Rajada Office Complex
193/136-137 New Rajadapisek Road
Klongtoey District, Bangkok 10110, Thailand
Tel. 02-264-9090 Fax 02-264-0789-90

Other Important Information -None-

Risk Factors

The Company manages the business risk through supervision of the Risk Management Committee that is responsible for formulating risk management policy and risk management guideline, monitoring, assessing and improving operation plan in order to reduce risk caused by both internal and external factors. The Committee needs to ensure efficient risk management and control risk at an acceptable level in accordance to the Company policy, which recognizes the importance of risk management to cope with any situations and changing trends, both inside and outside the organization that change rapidly.

Strategic Risk

Have risk management to expand the business and manage income to meet the target

Risk from increased hospital industry competition

The private hospital business is highly competitive and is likely to be even more competitive in the future. Apart from competition with hospitals at the same level, the Company must also compete with low level private hospitals, as well as public hospitals that have also expanded their medical services such as opening after-hours clinics. In that case, the Company has augmented and expanded the service area by investing additionally in Vichaivej Heart Center, mobile medical unit service, Occupational Medicine Center, Sports Medicine Center, and midnight clinics in order to respond to community and customers residential surroundings.

Financial Risk

To have confidence in the investment, cash flow and income - expenditure according to the target

Risk in collecting medical fees

Since the medical treatment service provided by the Company is a service rendered before collecting due treatment fees, the Company then runs the risk of being unable to collect such fees in full amount. For that reason, the Company has created a process that would help reduce the risk of being unable to collect treatment fees, for instance, checking the eligibility and financial status of the service recipient. However, it has turned out that there were still some cases which the hospital could not collect treatment fees from the patient as such patient was in critical state that necessitated immediate treatment, otherwise, the patient may die. In such case, the Company had no choice but to provide treatment based on moral and professional code of ethics.

Risk of reliance on distributors of medicine and medical supplies

One of the important factors in providing medical services is the sufficient procurement of quality medicine and medical supplies. There are few major distributors of medicine and medical supplies in Thailand. Therefore, the Company faces risk of dependence on medicine and medical supplies distributors, which may affect bargaining power or operational costs and may have material negative impact on the business, financial status, performance and business opportunities. Most distributors are only dealers and not producers which the Company can order medicines directly from the producers or other distributors instead. Guideline has been set in case there is shortage of medicines and supplies in the market by contacting the seller or arranging to have reserved medicine while contacting network hospitals to find ways to bargain with the seller or adopt the system of borrowing medicine interchangeably within the hospital group. In the end, there will be some monitoring to check the outcome after implementing this guideline. At the same time, the hospital group has enhanced the potential and knowledge in medicines and supplies of its purchasing unit in order to reduce risk and prevent effect from the trend of medicines and supplies shortage.

Operation Risk

Has set up operational procedures, such as analyzing the work processes of hospital groups to find problems / risks / gathering information. Analyze the occurrence and impact of risks and find ways to prevent significant risks.

Risk in losing medical personnel or key executives+

Presently, the hospital business in Thailand is faced with the problem of lack of medical personnel. Great reliance is placed upon the public sector to develop medical personnel and there have not been sufficient medical personnel to meet demand. The Company has had to compete with other hospital operators in retaining and attracting skilled medical personnel, which will affect the Company's operation costs. Vichaivej International Hospital Group has a standard in setting the remuneration fee and welfare to closely match with competitors. Along with that, the hospital has also created a clear and fair evaluation system as well as the hospital's environment that fosters caring attitude among colleagues. Moreover, the hospital grants scholarships to its employees as a gesture of promoting and supporting continual learning that would contribute to developing the organization further.

Medical Device Risk

Currently, medical equipment in Vichaivej The International Hospital Group is more diverse and more modern. Resulting in higher maintenance and calibration fees and inconsistent with the budget set. Therefore set up a working group of medical devices of the hospital group to respond to service recipients.

IT Risk

Establish an IT Infrastructure Plan, Information System Security, Infringement Rights. Including the development of the HIS system to ensure the stability of the system.

Legal risks

Risk of lawsuits

As the hospital business provides medical care services, which relates to the life and health of the patrons, the Company and network hospitals are faced with the risk of being sued by persons receiving medical services. This may affect the Company's reputation and patrons' confidence in the Company and network hospitals. Furthermore, the Act on Court Proceedings for Consumer Cases B.E. 2551 (2008) has laid out a system in considering cases that enable patients to fight for their rights. Patients who have been wronged will receive speedy remedy as the Act provides patients the right to go to court. Businesses are therefore more likely to be sued by patrons or have to pay damages for medical services provided. It was then required of physicians to take out insurance in order to protect in case of lawsuits or damage claims in part of workers who through their role have to set a plan for analyzing the work process of their unit in order to look out for any risks and prepare proper work system to prevent such risks from arising.

Risk from future changes in standards or regulations governing the Company

The enforcement of laws or new regulations, as well as the deliberation of the draft Patient Protection Act, which protects persons who have been wronged or received damages from health care services with the goal to compensate the patients in a timely manner without having to prove wrongdoing, may affect health care providers including the Company. There is also consideration of setting up a patient protection fund to pay for damages to patients, whereby the health care institutions have to make contribution to such fund according to the criteria and rate specified by the Patient Protection Commission. Therefore, the Company may not be able to guarantee that future changes to laws and regulations or issuance of new regulations or new policies related to the Company's business will not affect the Company's operations and business opportunities. However, a resolution has been developed by clearly identifying the responsible person and implementing a confirmation system to make sure that related laws are updated at all times and set the means to access related laws and different standards for internal staffs via the Company's Intranet system.



Shareholder

Srivichai Vejvivat Public Company Limited respects the rights of shareholders to obtain the required information to equally evaluate the Company's growth, in order to determine profitability and return for shareholder, and would disclose operating performance, financial position, as well as supporting true information as required by The Stock Exchange of Thailand (SET) and Securities and Exchange Commission, Thailand (SEC).

Relationships with shareholders and investors

Srivichai Vejvivat Public Company Limited is also responsible for providing accurate and complete information and listens to the opinion of shareholders and investors consistently. Shareholders and investors can contact us for information and provide comments directly to the Office of the Secretary of the Company at Tel. 0-2411-7899 Ext. 1707, 1708, Fax 0-2431-1404 or by e-mail: shares@vichaivej.com. The Company's annual plan has included development of channels for communication and activities to be held between the shareholders and investors and senior executives of the Company as follows.

A. The shareholders' meeting: The shareholders' meeting is important for the Company as directors and executives will attend the meeting to listen and answer questions raised by the shareholders.

B. Annual Report and information display: The Company prepares the annual report and provides information display in order for the shareholders and investors to acknowledge important corporate information. The Company also prepares the annual report in CD format to be distributed among shareholders.

C. Website: The Company offers information about the financial reports, lectures, annual reports, minutes of the shareholders' meetings and news about the Company on the Company's website www.vichaivej.com to give equal access to information among all the shareholders. Through the website, shareholders, investors, and stakeholders can make comments, as well as propose meeting agenda and candidate whom they think are qualified to be directors prior to the Company sending them meeting invitation letter via the website.

D. Contact with the Board of Directors and Company Secretary: Shareholders can contact the Board of Directors, committees or directors at the add

Srivichai Vejvivat Public Company Limited
74/5 Moo 4 Petchkasem Road, Omnoi Subdistrict,
Krathumban District, Samutsakorn Province 74130
Tel. 0-2441-7899 Ext. 1707, 1708 Fax 0-2431-1404
or E-mail: shares@vichaivej.com

The Company Secretary is responsible for receiving documents sent to the Board of Directors and submitting them to the committee or director involved and at the same time will prepare a summary of all suggestions and issues to be brought to the attention of the Board of Directors each month. This, however, does not include letters sent to the Audit Committee, which will be sent directly to the Audit Committee.

E. Newsletters (Media Relations): The Company disseminates information on the progress of business and public relations activities of the Company through various media relationship forms, such as radio, newspapers and public websites, as well as the website of the Company to promote activities, such as corporate social responsibility (CSR), medical knowledge sharing, community engagement, as well as other internal activities of Vichaivej Hospital.

F. Evaluation of information disclosure: Srivichai Vejvivat Public Company Limited would provide a questionnaire to evaluate the efficiency of information disclosure every time there is a meeting with shareholders, investors and analysts, as these will serve as a guideline in determining the efficiency of the information disclosure.

Srivichai Vejvivat Public Company Limited would like to thank all shareholders and investors for providing information to the Company via different channels on how to improve the operations and make it more efficient in order to create more value to the Company and to the shareholders.

Dividend Policy



The Company's policy is to pay dividend to shareholders at a rate not less than 50 per cent of net profit after tax and net of all reserves required by law based on the separated financial statements. However, the payment of dividend will depend on the cash flow, investment plan, contract terms and conditions that the Company is bound, including legal restrictions, necessity and other matters appropriate in the future. The resolution of the Board of Directors' approval for dividend payment will have to be proposed for approval by the general meeting of shareholders, unless it is an interim dividend payment whereby the Board of Directors has authority to approve the payment. However, such interim dividend payment has to be reported to the shareholders' following meeting.

Dividend Payout Information

Dividend payments details	Unit	2017	2016	2015	2014
1. Net profits	Million Baht	105.11	92.35	84.34	86.58
2. Number of shares	Million shares	570.67	570.67	570.67	570.67
3. Dividend payment	Baht per share	0.12	0.11	0.10	0.0941
4. Total dividend payments	Million Baht	68.48	62.77	57.07	51.06
5. Payout ratio	percent	65.15	67.97	67.66	58.97

Remark : 1. The Company paid an interim dividend in 2014.

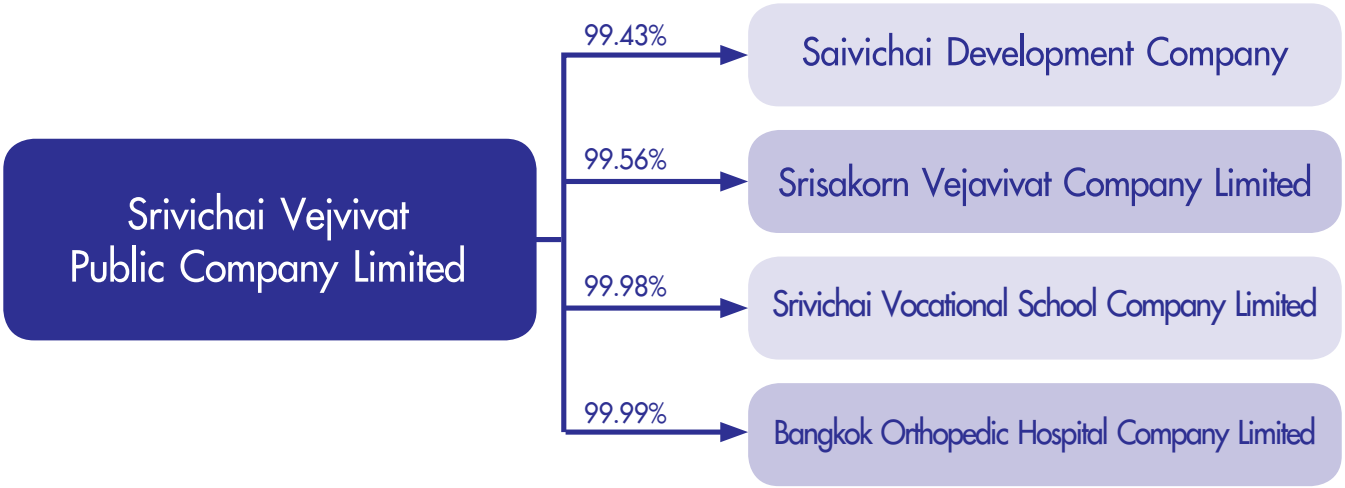
2. Use the net profit of the separate financial statements to calculate.

3. The Board of Directors resolved to set dividend payment rate at Baht 0.12 per share, for further proposal to the shareholders' general meeting year 2018 for approval, on April 22, 2019.

Shareholding and Management Structure

Shareholding Structure and the Company Group Structure

Shareholding Structure of the Company as at 31 December 2018



The details of the registered capital of Srivichai Vejvivat Public Company Limited and subsidiaries companies as at 31 December 2018

Company	Registered Capital (Baht)	Paid-up Capital	Bed	Number of shares	Holding shares	
					No.shares	%
Srivichai Vejvivat Public Company Limited :Vichaivej International Hospital Omnoi	570,666,666	570,665,433	200	570,666,666	-	-
Subsidiaries						
Saivichai Development Company Limited :Vichaivej International Hospital Nongkhaem	150,000,000	150,000,000	172	30,000,000	29,829,500	99.43
Srisakorn Vejavivat Company Limited :Vichaivej International Hospital Samutsakhon	99,200,000	99,200,000	120	19,840,000	19,752,654	99.56
Bangkok Orthopedic Hospital Company Limited : Vichaivej Yaekfaichai Hospital	9,000,000	9,000,000	59	90,000	89,998	99.99
Srivichai Vocational School Company Limited :Srivichai Vocational School	100,000	100,000	-	20,000	19,996	99.98

Shareholding Structure

The first 10 major shareholders as at December 28, 2018 are as follows:

Name	As of 28 Dec 2018		As of 29 Dec 2017		change	
	No.of shares	% of Paid up Capita	No.of shares	% of Paid up Capita	+/(-)	%
1. BBTV Equity Company Limited	114,240,000	20.02	114,240,000	20.02	-	-
2. Bavornrat Vanadurongwan, M.D.	82,496,107	14.46	-	-	82,496,107	-
3. Pat Rojmahamongkol, M.D.	78,556,000	13.77	116,000,000	20.33	(37,444,000)	(32.28)
4. Rungsima Wanitphakdeedecha,M.D.	78,555,999	13.77	123,608,106	21.66	(45,052,107)	(36.45)
5. Patcharapan Vanadurongwan, Ms	28,000,000	4.91	28,000,000	4.91	-	-
6. Kachen Benjakul, Mr	13,018,000	2.28	10,608,000	1.86	2,410,000	22.72
7. Vichit Chinnawongvorakul, Mr	11,160,900	1.96	12,000,200	2.10	(839,300)	(6.99)
8. Saowakol Mekasawad, Ms	5,909,153	1.04	4,760,953	0.83	1,148,200	24.12
9. Asso.Prof.Vichai Vanadurongwan, M.D., Ph.D., FIMS	4,792,320	0.84	4,792,320	0.84	-	-
10. Mongkol Wanitphakdeedecha,M.D.	3,940,107	0.69	3,940,107	0.69	-	-

Remark : Rungsima Wanitphakdeedecha, the major shareholder of company (holding 21.66%) has sold the company's shares to Bavornrat Vanadurongwan totaling 45,052,102 shares representing 7.89% and Pat Rojmahamomgkol, the major shareholder of company (holding 20.33%) has sold the company's shares to Bavornrat Vanadurongwan totaling 37,444,000 shares representing 6.56%. So this is made Bavornrat. Vanadurongwan holds the company's shares totaling 82,496,107 representing 14.46%. Made change in the shareholding structure on August 28, 2018. So this transfer within group, this acquisition not related concert party and Bavornrat. Vanadurongwan has no duty to make an offer of securities (tender offer) and holding shares not exceeding 25 per cent of the total shares sold of the Company. It does not constitute a takeover

Shareholding structure classified by shareholding party categories As of December 28, 2018

Shareholder Category	Number	No. of shares	%
Legal entity			
Thai nationality	7	115,696,158	20.28
Foreign nationality	3	1,592,400	0.28
Total legal entity	**10**	**117,288,558**	**20.56**
Ordinary person			
Thai nationality	3,366	453,298,609	79.43
Foreign nationality	2	78,266	0.01
Total Ordinary person	**3,368**	**453,376,875**	**79.44**
Total	**3,378**	**570,665,433**	**100.00**

Shareholding structure classified by shareholding ratio As of December 28, 2018

Shareholder Category	Number	No. of shares	%
Legal entity			
Holding shares over 0.5%	1	114,240,000	20.02
Holding shares not over 0.5% but not less than 1 board lot	8	3,048,545	0.54
Holding shares less than 1 board lot	1	13	0.00
Total legal entity	10	117,288,558	20.56
Ordinary person			
Holding shares over 0.5%	16	331,175,793	58.03
Holding shares not over 0.5% but not less than 1 board lot	2,863	122,184,907	21.41
Holding shares less than 1 board lot	489	16,175	0.00
Total ordinary person	3,368	453,376,875	79.44
Total	3,378	570,665,433	100.00

Remark: Refer to the Thailand Securities Depository Company Limited (TSD)

The company not have any Shareholders' Agreement between major shareholders with possible impact on the issuance and offering of securities or on the management of the company, co-signed by the company



Statement of change in Shareholdings of directors and management executives (Based on the SEC's definitions)

Name	Type	28 December 2018	Bought during fiscal period	Sold during fiscal period	29 December 2017
Assoc. Prof. VichaiVanadurong-wan,M.D.,Ph.D.,FIMS (Husband of Saisunee Vanadurongwan)	Direct	4,792,320	-	-	4,792,320
Ass. Prof.Saisunee Vanadurongwan,M.D. (Wife of VichaiVanadurongwan)	Direct	3,841,624	-	-	3,841,624
Virah Mavichak,Mr.	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Surin Premamornkit,Mr.	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Visut Montriwat,Mr.	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Porntep Siriwanarangsun, MD., MPH., Ph.D	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Pongsak Vathana,M.D.	Direct	1,828,571	-	-	1,828,571
By Spouse and Minor	Indirect	-	-	-	-
Nopporn Tirawattanagool, Miss	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Tinnawat Mahatharadol,Mr.	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	
Vilawan Vanadurongvan, Miss	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	
Mongkon Wanitphakdeedecha M.D.,M.Sc.	Direct	3,940,107	-	-	3,940,107
By Spouse and Minor	Indirect	78,555,999	-	45,052,107	123,608,106
Prut Rojmahamongkol,Mr.	Direct	3,940,106	-	-	3,940,106
By Spouse and Minor	Indirect	78,556,000	-	37,444,000	116,000,000
Sakda Tungchiwatanakorn, Dr.	Direct	1,720,416	-	-	1,720,416
By Spouse and Minor	Indirect	13,500	-	-	13,500
Nichapa Roenthongdee, Miss	Direct	-	-	-	-
By Spouse and Minor	Indirect	-	-	-	-
Total		177,188,643	-	82,490,107	259,684,750

During the year 2018, The directors and management executives holds 177,188,643 shares, representing 31.05% of the Company's paid-up capital.

Remark: Executives refer to the first four executives and the equivalent of four executives from the Company's Chief Executive Officer, including executives in accounting or finance, in accordance with the law. With Securities and Stock Market

Management Structure

Board of Directors

As of December 31, 2018, the Board of Directors is comprised of 12 Directors as followed: 6 non-executive directors, 4 of which are independent directors and 6 executive director namely:

Name - Surname	Position	Appoint Date
Non-Executive Directors		
Virah Mavichak, Mr.	Independent director Chairman of Nomination and Remuneration Committee	First term: February 22, 2011 - March 30, 2012 Second term: March 30, 2012 - April 24, 2015 Third term: April 24, 2015 - April 21, 2018 Fourth term: April 21, 2018 - Present
Surin Premamornkit, Mr.	Independent director Audit Committee Nomination and Remuneration Committee	First term: February 22, 2011 - April 5, 2013 Second term: April 5, 2013 - April 22, 2016 Third term: April 22, 2016 - Present
Visut Montriwat, Mr.	Independent director Chairman of Audit Committee Nomination and Remuneration Committee Chairman of Corporate Governance Committee	First term: February 22, 2011 - April 5, 2013 Second term: April 5, 2013 - April 22, 2016 Third term: April 22, 2016 - April 21, 2018 Fourth term: April 21, 2018 - Present
Porntep Siriwanarangsun, MD., MPH., Ph.D	Independent director Audit Committee Director	First term: February 19, 2016 - April 29, 2017 Second term: April 29, 2017- Present
Nopporn Tirawattanagool, Ms.	Director Working Group for Financial and Investment Planning	First term: October 17, 2014 - April 29, 2017 Second term: April 29, 2017- Present
Tinnawat Mahataradol, Mr.	Director Working Group for Financial and Investment Planning	First term: October 17, 2014 - April 29, 2017 Second term: April 29, 2017- Present
Executive Directors		
Assoc.Prof.VichaiVanadurongwan, M.D.,Ph.D.,FIMS	Chairman of the Board	First term: February 22, 2011 - March 30, 2012 Second term: March 30, 2012 - April 24, 2015 Third term: April 24, 2015 - April 21, 2018 Fourth term: April 21, 2018 - Present
Ass.Prof.Saisunee Vanadurongwan, M.D.	Vice Chairman Chief Executive Officer (CEO) Nomination and Remuneration Committee	First term: February 22, 2011 - April 25, 2014 Second term: April 25, 2014 - April 29, 2017 Third term: April 29, 2017- Present
Pongsak Vathana,M.D.	Director Deputy Chief Executive Officer	First term: February 22, 2011 - March 30, 2012 Second term: March 30, 2012 - April 24, 2015 Third term: April 24, 2015 - April 21, 2018 Fourth term: April 21, 2018 - Present
Vilawan Vanadurongvan, Ms.	Director Deputy Chief Executive Officer Chairman of Risk Management Committee Nomination and Remuneration Committee Chairman of Working Group for Financial and Investment Planning	First term: April 25, 2014 - April 22, 2016 Second term: April 22, 2016 - Present
Mongkon Wanitphakdeedecha, M.D.,M.Sc.	Director Deputy Chief Executive Officer Nomination and Remuneration Committee Working Group for Financial and Investment Planning	First term: February 22, 2011 - April 25, 2014 Second term: April 25, 2014 - April 22, 2016 Third term: April 22, 2016 - Present
Prut Rojmahamongkol,Mr.	Director Working Group for Financial and Investment Planning	First term: April 29, 2017- Present

Remark: Mr. Virah Mavichak resigned from the position of Chairman of the Audit Committee and Audit Committee due to health problems. But continue to be an independent director of the company with effect from 1 April 2018 and according to the resolution of the Audit Committee appointed Mr.Visut Montriwat as Chairman of the Audit Committee with effect from 7 April 2018.

Structure of the Board of Directors

According to the Company's articles of association, the Board of Directors shall consist of at least five members. Not less than half of the number of such directors must reside in the Kingdom of Thailand.

Appointment of Directors

The appointment of directors are prescribed in the Company's article of association, which can be summarized as followed:

1. Each shareholder shall have a number of votes equal to the number of shares held multiplied by the number of the directors to be elected;
2. Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may allot his or her votes to any person in any number;
3. After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order, until all of the director positions are filled. Where there is an equality of votes cast for candidates in descending order causing the number of directors to be exceeded, the remaining appointments shall be made by drawing lots.
4. In case of a vacancy on the Board of Directors otherwise than by rotation, the Board of Directors shall elect any person who is qualified and not subject to prohibition under the laws as a replacement director at the next meeting of the Board of Directors, except in the case where the remaining term of office of such director is less than two months. The replacement director shall hold the office only for the remaining term of the director whom he replaces.

Removal and Termination of Directors

1. At every annual general meeting, one-third of the number of the directors shall vacate the office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office.
2. Other than vacancy by rotation, the director shall vacate the office upon:
   (1) death;
   (2) resignation;
   (3) lack of qualifications or subject to prohibition under the law;
   (4) being removed by resolution of the shareholders meeting by voting of not less than three-fourths of the number of the shareholders present and entitled to vote and having shares in aggregate not less than one-half of the number of shares held by the shareholders present and entitled to vote;
   (5) being removed by the court order.
3. Any director wishing to resign from the director position shall submit the resignation letter to the Company. The resignation shall take effect upon the date on which the resignation letter reaches the Company.

The term of office of Directors.

At every annual general meeting, one-third of the number of the directors shall vacate the office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office. After these Articles of Association become effective, the directors to retire from office pursuant to the first paragraph in the first and the second years shall be determined by ballots. In every subsequent year the directors who have served longest in office shall retire. Upon an occasion where several directors who have been in office for an equal length of time exceed the number of directors to retire from office for such time, the directors due to retire shall be determined by ballots. A retiring director based on the fore goings shall be eligible for re-election.

Duties and Responsibilities of the Chairman

The Company stipulates that the Chairman and Chief Executive Officer must not be the same person. The Chairman's duties and responsibilities include the following:
The Chairman's duties and responsibilities include the following:

1. Call Board meetings, chair Board meetings and shareholders' meeting, as well as set meeting agenda in collaboration with the President.

2. Attend Board meetings and shareholders' meetings, ensure efficient meetings in compliance with Company's rules and regulations, while encouraging directors to express their independent views with adequate information provided.

3. Encourage the Board to work with their utmost ability, based on their duties and responsibilities, under corporate governance, and support the work of the President.

4. Supervise and follow up the work of the Board and other sub-committees to ensure that Company's objectives are reached.

5. Cast a decisive vote in Board meetings in case of equal votes of both sides.

Duties and Responsibilities of the Board of Directors

1. Supervision and management of the Company and subsidiary companies to be in accordance with the laws, objectives and regulations of the Company and its subsidiaries as well as the resolution of the shareholders, except in matters that require approval by the shareholders before proceeding, for instance matters that need approval from the shareholders' meeting, related party transactions and purchase or sale of major assets by the rules of the Stock Exchange of Thailand and the Office of the SEC or other government agencies as required and so on.

2. Review and approve key matters namely the policy, work plan and budget, investment in projects not included in the annual budget, management structure, authority in management of policy relating to compliance transactions or any actions that may affect the financial condition, liabilities, business status and reputation of the Company and its subsidiaries, interim dividend payment as well as other matters stipulated by the Stock Exchange or the law.

3. Overseeing the management operations to comply with the policy, plan and budget that have been approved.

4. To consider and approve the appointment of a person who is qualified and has no prohibited characteristics as defined in the Public Companies Limited Act B.E. 2535 (1992) (including the amendments) and securities and exchange laws as well as notifications, provisions, and/or relevant regulations, when Director position is vacant by other causes apart from by rotation, and the appointment of the Chief Executive Officer of the Company and subsidiaries.

5. To consider appointment and assignment of the role of Committees as follows:

5.1 Establish Committees as deemed appropriate and necessary to perform the responsibilities of the Board of Directors including Audit Committee, Executive Committee, Nomination and Remuneration Committee and Risk Management Committee, etc.

5.2 Consider and approve the role of the Committees, as well as changes in the composition of Committees that have been appointed.

6. Oversee the interests of both major and minor shareholders fairly and treat shareholders and stakeholders justly.

7. Provide a balance of management and/or major shareholder in the appropriate level. It is important to maintain a good ratio or number of independent directors on the Board of Directors of the Company.

8. Ensure that the Board of Directors receives adequate information from management to perform their authorized role, duty and responsibility fully.

9. Ensuring a transparent operation and management of the Company, including related party transactions between the Company and subsidiaries and related parties in order to prevent conflicts of interest by providing accurate and adequate information disclosure, as well as reporting to the Board of Directors regularly.

10. Consider determining and changing the names of Authorized Directors who have the authority to bind the Company and its subsidiaries.

11. To provide the accounting system, financial reporting and credible auditing, as well as a system of internal control and internal audit that is effective and efficient, and to approve ch anges in policies and practices that have material effect on accounting and internal control of the Company and subsidiaries.

12. Authority to do as following can only be made upon receiving approval from the shareholders' meeting first. For matter where there may be Director or person who may have disagreement, stake or conflicts of interest in the Company or subsidiaries, it is stipulated that that Director who has a stake in the matter shall have not rights to cast a vote for that matter.

12.1 The matter which the law requires the resolution of the shareholders' meeting.

12.2 To perform transaction where Director will have a stake and required by the law or the Stock Exchange of Thailand to receive the approval from the shareholders' meeting.

13. The Board of Directors may authorize a Director or many Directors or other person to perform either one act on behalf of the Board of Directors. This authorization does not include the authorization or sub-authorization that allows the Director or authorized person to approve transaction where the Director or authorized person may have conflicts of interest with the Company or subsidiaries. It is a requirement to seek approval from the shareholders' meeting in all related transactions and the acquisition or selling of important assets of the Company and its subsidiaries, in line with the requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, and/or other relevant government agencies.

Executive Director (As defined by the SEC)

As of December 31, 2018, Executive Director is comprised of 6 Directors as followed:

1. Asst. Prof. Saisunee Vanadurongwan,M.D.
   Chief Executive Officer
2. Pongsak Vathana,M.D.
   Deputy Chief Executive Officer
3. Mongkon Wanitphakdeedecha M.D.,M.Sc.
   Deputy Chief Executive Officer
4. Vilawan Vanadurongvan
   Deputy Chief Executive Officer
5. Sakda Tangchitwatanakorn
   (be on duty) Deputy Chief Executive Officer And Chief Financial Officer (CFO)
6. Nichapa Roenthongdee
   Finance Accounting Manager

Company Secretary

The Board of Directors appointed the company secretary to take responsibilities in providing advices to the Board and executives regarding the applicable laws and regulations that the Board must recognize and act upon, the corporate governance policies as well as the arrangement of the Board of Directors meetings and the annual general meeting of shareholders. The company secretary must also monitor and coordinate to ensure that the Board and shareholders' resolutions are fully complied. The company secretary is also assigned to keep Company's important documents as required by the laws. The Company has assigned a person who holds the department manager of the Corporate Management Office to perform the duties as the company secretary, presently Rachada Fongtanakit,Ph.d. holds such position.



Remuneration of Directors and Executives

Monetary Remuneration

a) Remuneration of Board of Directors

Remuneration for the Board of Directors from fiscal year ended 31 December 2018 as the followings:

Name	Meeting Fee (Baht)						
	Board of Directors	Audit Committee	Financial and Investment Planning	Nomination and Remuneration Committee	Evaluation of the CEO	Corporate Governance Committee	Total
Non-Executive Directors							
Virah Mavichak	108,000	36,000	-	24,000	12,000	-	180,000
Surin Premamornkit	117,000	108,000	-	18,000	-	-	243,000
Visut Montriwat	108,000	135,000	-	18,000	9,000	12,000	282,000
Porntep Siriwanarangsun	117,000	108,000	-	-	-	-	225,000
Nopporn Tirawattanagool	117,000	-	72,000	-	-	-	189,000
Tinnawat Mahataradol	108,000	-	72,000		-	-	180,000
Executive Directors							
Vichai Vanadurongvan	156,000	-	-	-	-	-	156,000
Saisunee Vanadurongwan	130,000	-	-	14,000	-	-	144,000
Pongsak Vathana	70,000		-	-	-	-	70,000
Vilawan Vanadurongvan	84,000	-	84,000	14,000	7,000	-	189,000
Mongkon Wanitphakdeedecha	77,000	-	56,000	7,000	-	-	140,000
Prut Rojmahamongkol,Mr.	91,000	-	49,000	-	-	-	140,000
Total	1,283,000	387,000	333,000	95,500	28,000	12,000	2,138,000

Besides the meeting allowances per each meeting as showed in the table above, the Company had grant monthly compensation to Non-Executive Directors as a total of Baht 720,000. Anyway all remunerations are approved by shareholder meeting in amount which is not exceeded Baht 7,000,000.

b) Remuneration of Executive (Identified only as compensation executives)

In 2018, the Company and its subsidiaries paid compensation in the form of salaries, bonuses and other compensation to Executive (As defined by the SEC) of the company's total of six persons in the amount totaling 30,576,605 Baht (in the form of salary, bonus and provident fund. And other remuneration is paid in the administration)

Determination Remuneration of Directors and Executives

Currently, the company has established a Nomination and Remuneration Committee to consider the remuneration for the Board of Directors and committees whereby the remuneration includes meeting attendance fee, salary, bonuses, shares and other related benefits, and present to the shareholders' meeting for consideration and approval.

For remuneration of senior executives the Company has established the evaluation based on the guidelines of the Board of Director and the Human Resources Department for each level executives in connection with the Company's operating results and performance of each executive.

Board of Directors Meeting

The Company has scheduled a year in advance by the Board of Directors held a meeting every month to keep you informed of Directors meeting scheduled in advance and can set aside time to attend all sessions of the meeting will be set the agenda in advance and shall continue to follow the work assigned by the Secretary of the Company has delivered notice of the meeting and the agenda at least seven working days to provide the Board of Director with sufficient time to study previous attendance.

The number of meeting and the amount of annual gratuity for the Board of Directors as the followings:

Name	Attendance/Number of Meeting													
	Board of Directors		Nomination and Remuneration Committee		Audit Committee		Financial and Investment Planning		Risk Management Committee		Corporate Governance Committee		Evaluation of the CEO	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Assoc.Prof.Vicha Vanadurongwan, M.D.,Ph.D.,FIMS	13/13	13/13	-	-	-	-	-	-	-	-	-	-	-	-
Ass.Prof.Saisunee Vanadurongwan,M.D.	13/13	13/13	2/2	2/2	-	-	-	-	-	-	-	-	-	-
Virah Mavichak	12/13	13/13	2/2	2/2	3/3*	12/12	-	-	-	-	-	-	1/1	1/1
Surin Premamornkit	13/13	12/13	2/2	2/2	12/12	11/12	-	-	-	-	-	-	-	-
Visut Montriwat	12/13	12/13	2/2	2/2	12/12	11/12	-	-	-	-	1/1	2/2	1/1	1/1
Porntep Siriwanarangsun, MD., MPH., Ph.D	13/13	13/13	-	-	12/12	12/12	-	-	-	-	-	-	-	-
Pongsak Vathana,M.D.	10/13	13/13	-	-	-	-	-	-	-	-	-	-	-	-
Vilawan Vanadurongvan	12/13	13/13	2/2	2/2	-	-	7/8	12/12	22/23	20/20	-	-	1/1	1/1
Nopporn Tirawattanagool	13/13	13/13	-	-	-	-	8/8	12/12	-	-	-	-	-	-
Tinnawat Mahataradol	12/13	13/13	-	-	-	-	8/8	12/12	-	-	-	-	-	-
Mongkon Wanitphakdeedecha M.D.,M.Sc.	11/13	13/13	1/2	2/2	-	-	8/8	10/12	-	-	-	-	-	-
Prut Rojmahamongkol,Mr.	13/13	13/13	-	-	-	-	7/8	10/12	-	-	-	-	-	-

Remark : 1. In 2018, the company has provided the Board of Directors of a total of 11 times by attending the AGM 1 time and Special Session 1 time

2. Mr. Virah Mavichak resigned from the position of Chairman of the Audit Committee and Audit Committee due to health problems. But continue to be an independent director of the company with effect from 1 April 2018 and according to the resolution of the Audit Committee appointed Mr.Visut Montriwat as Chairman of the Audit Committee with effect from 7 April 2018.

Employees

As at December 31, 2018, the Company and its subsidiaries employ. (Excluding directors and executive of the Company and its subsidiaries) amounted to 2,518 people, with details as follows:

Category	Number of employees As of December 31, 2018
Doctor	626
Nurses and nursing assistants	757
Medical operations and support staff	88
General staff	1,047
Total	**2,518**

Employee Compensation

The Board of Directors has set clear and concrete guidelines and guidelines on compensation and welfare to the employees in line with the performance of the organization and associate the performance of the employees as follows

- Short-term returns the company has set a compensation plan that can be appropriately aligned with the overall pay rate of other organizations in the same business to maintain and enhance human resource competitiveness for the organization. In addition, the Company has set a bonus for each year's performance, linked to the performance of its employees, in order to motivate its employees to achieve their goals in the year.
- Long-term return the company has set a remuneration policy to maintain and motivate its employees to perform their work in the long run in the future, such as the annual wage, living expenses, contribution to Provident Fund and other benefits.

The Board of Directors has set policies and practices regarding compensation and benefits to employees are clear and tangible to comply with the operating results of the company in both the short and long term. Employees of the Company will receive benefits including salaries, overtime pay, benefits, annual funds and other grants, the provident fund and also receive financial assistance for medical treatment and other benefits such as vacation leave, maternity leave etc. During the fiscal year ended December 31, 2018, total compensation of employees as 685,099,782.12 baht.

Provident Fund

The Company and its subsidiaries and employees have jointly established a fund on February 1, 2007 with TMB Asset Management Co., Ltd., with the aim to build morale among the staff and to motivate employees to work with the Company and its subsidiaries in the long term. Later, the Company and its subsidiaries have changed from TMB Asset Management Limited to American International Assurance Co., Ltd. (Thailand) and the Company has appointed American. International Assurance Co., Ltd. (Thailand) to manage the provident fund of the Company and its subsidiaries on October 1, 2011 to the present.

Personnel Development Policy

The company has a policy of human resource development in accordance with the vision, mission and goals of business operation by developing personnel to have knowledge of operating and maintenance personnel with the ability to work with the company long term and have career advancement. The company has provided training regularly in addition to training also focuses on the need for training of personnel at all levels in each department, and will consider the training provided is appropriate to the standard career based of each career. The Company has determined that all employees must be trained not less than 20 hours / person / year especially medical staff.

However, the average number of training hours per employees of the Company the year 2018 equal to 21.39 hours / person / year. This is in accordance with the policy set forth by the Company.

Safety supervision, Hygiene and Environment in workplace

The company cares and commitment to provide employees and surrounding community are safe in every way such as sanitation and has good environment. It establishes guidelines to ensure safety in the workplace as required by law.

However, the statistics of accident from working or Injury / illness Severity rate of employees in 2018, equal to 0.43 percent of the total employees in the company.

Labor disputes over the past three years

The Company and subsidiary has no significant labor disputes in the last three years. As at December 31, 2018 the company has employs totaling of 2,518 people and not have any strike or any protest.



Corporate Governance



The company respects the rights of shareholders, equitable and accountable to stakeholders to make organizational structure, workflow and process management and operational efficiency. Which is Board of Directors and management have a vision and have responsible for the company's transparency, ethics and accountability including the adequacy of the internal control and monitoring systems.

The Company has had a clearly written corporate governance policy and requires that one responsibility of directors, executives, and employees of Company and its affiliates is to acknowledge and comply with this policy. The Company is to regularly revise the policy, principles, and guidelines in line with its strategies and the approach of corporate governance for listed companies under the Stock Exchange of Thailand (SET). Last updated in 2016, the policy together with its guidelines underwent amendment this year. The contents are now more clearly classified, encompassing key corporate governance principles. The Company publicized the revised policy, principles, and guidelines on its www.vichaivej.com to enable those interested to examine and download them. Below are the elements of the corporate governance policy by the principle comprises of 5 categories, namely:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

The Company recognizing and valuing the principles of good corporate governance, the Company strictly conform to the rules and regulations in accordance to the corporate governance principles, which can be divided into five articles as follows:

Article 1: Right of Shareholders

The protection of rights of shareholders and facilitate to exercise their rights on various matters as follows:

1.1 Shareholders' rights protection policy

The Board of Directors values the rights of shareholders and encourages shareholders to exercise their rights including basic rights of the shareholders by law namely the right to sell, buy, or transfer shares; the right to receive the dividend equally; the right to receive sufficient information; the right to attend shareholders' meetings; the right to propose an agenda; the right to vote at shareholders' meeting to appoint or dismiss directors; determine the remuneration of directors; appointment of auditor and determine the audit fee; and determine issues that fundamentally affects the Company, which may include any changes to the articles of association, memorandum of associations and the decrease or increase share capital and the approval of any special items.

The Board of Directors also set the best practice to look after the interest of shareholders beyond their basic legal rights by providing the right to get any significant Company information on a timely and sufficient basis such as the results of operations, analysis of its operations, the credit rating, and newsletter to shareholders via the company's Home Page that is accessible and convenient

1.2 Shareholders' Meeting

The Company has scheduled Annual General Meeting of Shareholders 1 time within 4 months after the fiscal year. If there is an urgent matter that relates to certain conditions, rules or applicable law that needs shareholders' approval, the Company will call an Extraordinary General Meeting of Shareholders.

The Board of Directors has a policy to support and encourage all types of shareholders, including institutional shareholders to attend the shareholders' meeting by requiring the invitation letter of Annual General Meeting of Shareholders to clarify on details about registration procedures and documents used to register for each type of shareholders including 3 types of proxy consisting of Form A, Form B and Form C. Meeting documents can be downloaded through Company's website at least 30 days before the meeting. By the year 2018, the Company's Annual General Meeting of Shareholders on April 21, 2018 and has published a Notice of AGM complete both in Thailand and in English on the website of the Company on March 19, 2018.

1.2.1 Pre-proceeding of the Meeting

- The Company gives an opportunity to shareholders to propose agenda of the meeting, nominate qualified persons for appointment as a director, and send questions related to the agenda, prior to the Annual General Meeting of Shareholders under the criteria set by the Board of Directors and disclosed to shareholders thorough SEC's News the Company's Home Page starting on October 24, 2017
- The Company gives an opportunity to shareholders to propose agenda of the meeting, nominate qualified persons for appointment as a director, and send questions related to the agenda, prior to the Annual General Meeting of Shareholders under the criteria set by the Board of Directors and disclosed to shareholders thorough SEC's News the Company's Home Page.
- The Company prepares the Notice of the Annual General Meeting of shareholders and related documents in both Thai and English languages (for the convenience of foreign shareholders) with complete details, including information about the date, time ,and location of the meeting, meeting agenda with a statement indicating the reasons and opinion of the board of directors, issues to take into consideration, proxy forms as set by the Ministry of Commerce, rules and procedures in attendance and the process of voting on each agenda.
- The Company discloses the Notice of Annual General Meeting of Shareholders to shareholders and enclosures through the SET's news and Company's Home Page at least 21 days before the meeting. The Company sends the Notice and enclosures to the shareholders by registered mail at least 21 days before the meeting, which over the time period set by law. The Notice of Annual General Meeting of Shareholders will be advertised in the daily newspapers in the English version and Thai version for 3 consecutive days and 3 days before the meeting.

1.2.2 Proceeding of the Meeting

- The Company sets date, time, and place of the meeting of shareholders with consideration to the convenience of the shareholders. The place of the meeting is adequate and easy access (accessible by public bus). and The Company allows shareholders to register for the meeting 2 hours before the meeting starts and organizes easy document checking system.
- The Company provides the use of a proxy form by shareholders who are unable to attend the meeting to appoint a person or an independent director to attend the meeting and cast votes on their behalf. Shareholders can use the Proxy Form A., B., or C. (for Custodian) as specified by Department of Business Development or the Proxy Forms provided in the Company's Website. The Company encourages shareholders to use Proxy Form B, which send together with the Notice of the AGM, the required documents/evidence, and the proxy instruction to shareholders. In addition, shareholders can download Proxy Forms via the Company's website.
- The Company uses information technology (computer systems and bar code) and the ballot (every agenda) at the shareholders' meeting for the registration of shareholders, vote counting, and vote result for fast, accurate, and reliable information.
- Chairman, directors, chief executive officer, managing director, Chairman of various committees, and auditors are required to attend the shareholders' meeting to provide answers to any questions related to their scope of work.
- Volunteers from the meeting of shareholders (independent parties) act on behalf of the meeting to count or check the votes at the Annual General Meeting or the Extraordinary General Meeting of shareholders.
- Voting is separate for each matter. For example, for the election of directors, the shareholders can vote for each director individually.
- The Company notifies the guideline of the procedure of the meetings of shareholders, including the procedure of casting vote and the right to vote (with Shareholders having 1 vote for 1 share), to the shareholders at the start of the meeting,
- The Company holds clear and transparent vote counting and disclosure of voting results in each agenda at the meeting of shareholders.
- Agenda other than those specified in the Notice of meeting must not be raised and no significant changes may be made to the agendas specified without prior notice to the shareholders.

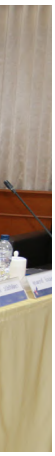




1.2.3 After the shareholders' meeting

- The Company publishes the resolutions of the shareholders' meeting and voting results of each agenda item through the Stock Exchange of Thailand and the Company's Home Page on the next date of the Annual General Meeting of shareholders.
- The Company prepares minutes of shareholders that are accurate and complete for submission to the Stock Exchange of Thailand and publish on the Company's Home Page within 14 days from the date of the meeting.





The General Meeting of Shareholders for the year 2018, the Company provided an opportunity for shareholders to propose agenda items, nominate candidates for director appointment, and send questions during October 24 to December 29, 2017. At the end of such period, there were no shareholders proposing agenda, candidate, or submit question in advance of the meeting.

On February 23, 2018, the Company published the resolution of the Board of Directors regarding the General Meeting of Shareholders via SET's news and the Company's website and scheduled the 2018 Annual General Meeting of Shareholders on April 21, 2018 at 9.00 AM. The Company set the Record Date, on which shareholders have the rights to attend and to cast vote in the 2018 AGM, on 16 March 2018

The Company published the Notice of the 2018 Annual General Meeting together with the meeting's supporting documents in both Thai and English languages via SET's news and the Company's website on March 19, 2018 or 33 days before the meeting. Thailand Securities Depository Company Limited (TSD) was appointed to be registrar to send the Notice of the 2017 Annual General Meeting to shareholders through registered post since March 29, 2017, or 23 days before the meeting.

The Company held the Annual General Meeting of Shareholders for the year 2018 on Saturday, 21 April 2018 at 9.00 AM at Vichaivej International Hospital Omnoi, No. 74/5 Moo 4 Phetkaseam Road, Omnoi, Khathumbann, Samuthsakon. There were 73 shareholders attending the Meeting in person and by proxy, accounted for 432,562,905 shares representing 75.80% of the shares sold.

The Company must prepare the minutes of the shareholder's meeting and shall notify SET within 14 days after the meeting, in accordance with the SET regulations, and disseminate full details of the meeting. This includes complete and appropriate records of the meeting, voting and questioning process of the shareholders in each session, along with the allocation of video recordings of the AGM for their acknowledgment in the Company's website.

Article 2: Equitable Treatment of Shareholders

The Company realizes the importance of equitable treatment of shareholders both major and minor shareholders. No shareholder shall have any special privileges over other shareholders. The Company undertakes the following actions:

2.1 Measures to prevent the use of inside information

The buying or selling of a security by an individual who has access to material information about the security when such information is still nonpublic. Trading while having special knowledge is unfair to other investors who don't have access to the knowledge.

The directors, employees, consultants and other persons that work for the company. And related persons (spouse, children, underage. Employees and any other person having control or influence investment decisions). Intends to invest in the shares of the Company. Employees must not buy or sell shares of the Company at the time of the Company defines it as "Black out Period" the period of three days before the disclosure of quarterly and annual financial statements and, within 24 hours after the disclosure of financial statements to the public. And although the company is not defined as a "Black out Period" before the announcement of quarterly or annual. Employees who know the results of operations of the Company, whether directly or indirectly, Must realize that he possesses inside information of the Company and are not allowed to buy or sell shares of the Company until the Company has been publicly disclosed financial results.

For the year 2018, the Company has no events that directors, executives, employees, and related persons violated rules of the use of inside information or traded securities by using inside information.

2.2 Governance on the conflict of interest

The Company may in the course of its operation create a conflict of interest with its directors, executives, managers, and employees. Such conflict of interest may appear in different forms. Therefore for the best interest of the Company, the following guidelines regarding the conflict of interests are stipulated as follows:

- The Company's directors, executives, managers, and staff members at all levels shall not personally receive any money or benefits from the Company's customers or business partners, or from any other people when working on behalf of the Company.
- The Company personnel should not behave in a manner that may pose a conflict of interest, and should always recognize that they have an interest or benefit in the performance.
- The Company should not support the corruption such as grafting, receiving gifts or any benefits which are not appropriate. If examination and meet such actions will be punished according to the regulations of the company.
- The Company has provided training to all employees by provide training 1 time per year and an orientation for new employees to be knowledgeable about the policies and practices of the anti-corruption

2.3 Engaging in Business with Companies within the group

For connected transactions where directors, executives, managers and employees may have a conflict of interest, such persons shall disclose any conflict of interest to the Company prior to engaging in the connected transaction. Director, manager or employees, who have conflict of interest, may not participate in the consideration or approval of the connected transaction. The authorized person who acts on behalf of the Company shall investigate and review whether the Company's directors, executives, managers, or employees have any relationship and conflicts of interest on such transaction. The definition of relationships shall be in accordance with "the Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions" set by the Stock Exchange of Thailand and The Office of The Securities and Exchange Commission.

2.4 Related party transactions amongst companies within the Group

The consideration of related party transactions shall be taken under the conditions and procedures of the Notification of the Board of Governors of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). The connected transaction shall be dealt on a fair and arm's length basis and taking into account the Company's best interests. The stakeholders who have conflict of interest must not participate in the approval or consideration the transaction. The related party transactions will be disclosed in the annual report and Annual Registration Statement (Form 56-1)

2.5 Conflict of interest of Directors

The Company has stipulated that the directors and executives, including their related persons must prepare and submit a report on the interests, connected transactions and acquisition or disposal of assets belonging to themselves or their related persons to the Company under the Capital Market Commission's and the Stock Exchange of Thailand's regulations. Then the report will be proposed to the Board of Directors' or shareholders' meeting for approval. The directors will not participate or vote on the agenda related to their own interests.

Article 3: Role of Stakeholder

The company with a focus on rights of stakeholders of the company by recognizing relationships and good cooperation between the company and its stakeholders are factors that enable the company to grow sustainably.

3.1 Equitable Treatment of Stakeholders

The Company, as a representative of the shareholders, is committed to conducting business with transparency, to put in place reliable financial and accounting systems, and to deliver optimum shareholder satisfaction.

3.1.1. Shareholders

The Company recognize that shareholders are owners. The Company has created value for shareholders over the long term, the Company's policy to code of conduct business with honesty and integrity, morality and ethics. The Company will use the best efforts to develop the business to grow and create a good return on investment for shareholders, continuous and sustainable.

3.1.2. Employees

The staff is a key factor in the business, be it in any part of either party. The Company must contribute to the promotion and support of employees to maximize the benefits of the Company, as a guideline for good practice and to develop and build confidence among employees

The Company is committed to the practice of law and regulations on employment with important policy that provide opportunity in employment to all persons equally. Begin with the searching process to hire the person to work with. Recruitment, staffing, training and development can be transferred by us to recruit people with talent and experience to meet the Company needs to join or organization. And realize that the importance of the promotion, suitable compensation and benefits are based on the performance of employees. The Company has established a provident fund to take care of employees in long-term.

3.1.3. Customers

The Company recognizes the importance of customer satisfaction as a key success of our business. The intention to seek ways to meet customer needs effectively. We have set forth the following policies and procedures delivering quality products and services and to meet or exceed the expectations of customers.

3.1.4. Partners and / or Creditors

It is our policy to treat partners and / or creditors equally and fairly and attain the best interest of the Company and a fair return of both parties without any conflict of interest. Using correct information to solve the problem and find a solution based on the business relationship.

3.1.5. Competitors

It is our policy to treat competitors in accordance with international principles and within the framework of competition law practices that does not violate the confidentiality of trade secrets or know how to partner with fraud and comply with the rules of the competition well. As well as non-confidential information to competitors by means of dishonest or improper.

3.1.6. Community

Company policy is doing business in all respects to be legitimate, strict principles with social responsibility. The Company expects its employees to learn and comply with all applicable laws and policies of the Company. Related to their responsibilities and observe the instructions exactly in this Business Ethics and Code of conduct.

3.2 Anti-corruption

The company intends to conduct business with loyalty, transparency and responsibility in alignment with the principle of Corporate Governance. Moreover, the company also emphasizes on building and supporting the Corporate Governance to be happened in our organization which the Board of Directors and all staffs could follow and take account of benefits. Thus, the company sets the Anti-corruption Policy to resist all corruption cases and be aware of corruption's risks that affect to economic and social development. To make sure that the company has set the policy to determine proper responsibility, regulation and action to prevent corruption from all business transactions, the company forms the written Anti-corruption Policy to be an apparent approaches in performing business. Moreover, the company participated in the declaration of intent in Collective Action Coalition of Thai private sector in order to preventing corruption.



Anti-corruption Policy

Srivichai Vejvivat Public Company Limited would like to announce that the Board of Directors, committee and all staffs of the company and subsidiary companies shall not operate any actions which associated with corruption both in direct and indirect manner in order to benefits the organization and business corporation including individuals, families, friends and acquaintances. Bribe taker or even giver who offers money or not money to the public organization or private organization which had contacted with our company would be conformed effectively to the Anti-corruption policy. Moreover, The Anti-corruption Policy is needed to be reviewed regularly, including the guideline revision which would be done according to changes of business, order, regulation and laws. Any violation operating or accepting of corruption need to consider discipline followed by the company's policy.

The company has held the conference to clarify an implementation on Anti-corruption Policy for all stakeholders to aware of the policy and implement the policy effectively. The Corporate Governance committee has educated about corruption followed by Anti-Corruption the Practical Guide (ACPG). Moreover, the company has released full-version of the policy and the Anti-corruption campaign's brochures on the company's website, www.vichaivej.com.

3.3 Whistle-Blowing Service

The Company recognizes and appreciates the importance of strengthening relationships and understanding of all groups of the Company's stakeholders, namely shareholders, customers, trading partners, creditors, executives and employees of the Company as well as those who get affected by the Company's operations, may file a complaint with or provide information to the Company when witnessing, knowing or doubting or having reasonable grounds to believe in good faith that employees or the Company breach or violated laws, rules, regulations, good corporate governance principles, business code of conduct, policies and procedures which may result in damage to the Company. Complainants can file their cases by clearly spelling out "Confidential" through the following channels:

To Chairman of the Audit Committee /
Independent Director
Srivichai Vejvivat Public Company Limited
74/5 Moo 4, Phetkasem Road, Omnoi
Subdistrict, Krathumbaen District,
Samutsakorn Province 74130
Telephone Number(+662) 441-7899 ext. 4526
E-mail : audit@vichaivej.com

Or Company Secretary
Srivichai Vejvivat Public Company Limited
74/5 Moo 4, Phetkasem Road, Omnoi
Subdistrict, Krathumbaen District,
Samutsakorn Province 74130
Telephone Number(+662) 441-7899 ext. 1149
E-Mail: shares@vichaivej.com / bod@vichaivej.com

The Company has a process in place for dealing with complaints from employees by considering whether the complaint concerns a wrongful act and how serious the offense is in order to impose a fair and accurate penalty. The employees can report complaints or feedback directly through the Company's email.

The Company provide confidence for the person who report complaints, the Company strictly keeps all complaints confidential and establishes a process of receiving a complaint and an investigation procedure where the complaints will be only be disclosed to the relevant people. The management division will collect complaints and present them to the audit and risk management committees for its consideration.

In the year 2018, the Company had no complaint in relation to fraud or ethical misconduct or any incident that may cause negative reputation to the Company as the result from the administration of the Board of Directors. Non-executive directors of the Company did not resign due to any CG misconduct. There is no legal dispute on labor issue, consumer right, or business trading activity.

3.4 Policy on Intellectual Property and Copyright

The Company recognizes the importance of the intellectual property and copy rights of third parties.The Company will comply with the legal requirements on intellectual property and copy rights. Employees must check beforehand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others, summarized as follows:

1. All the intellectual properties which include the work in progress, innovation in all formats shall be returned to the Company whenever an employee vacates the office.

2. Employees who use the Company's computers should use only the licensed software programs of the Company to avoid violating intellectual property of others.

3. Employees must check before hand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others.

3.5 Human Rights Policy

The Board of Directors to focus on human rights by adhering to the business operations of the Company in accordance with the law, including human rights, which is a basic right that humans are born with equality. As well as promoting the awareness and consciousness of rights and duties and their responsibilities towards the society and other persons with the policies and guidelines to follow.

1. Promote compliance requirements of human rights and the principles of human rights as a universal standard across all departments throughout the Company, whether they are employees, communities and the society around the company by setting channels are available for complaints, procedures and remedies, as appropriate.

2. Patient Rights, the hospital is certified to comply with the rights of patients, which is a party to get assistance both in physical and mental, as well as get to know the information. Therefore, it is important for patients to get the rights to make the relationship between the hospital and patients based on understanding and trust each other.

Article 4: Disclosure and transparency

The company to focus on the disclosure of important information about the company correctly, completely. And timely, which includes important information such as financial position, operating performance, shareholding structure and corporate governance practices of the company as follows.

4.1 Disclosure Policy

The Board of Directors discloses all important information including both financial and non-financial information correctly, timely, and accurately in accordance with regulations of the "Securities and Exchange Commission" (SEC), the "Stock Exchange of Thailand" (SET) re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company and the Guidelines on Disclosure of Information of Listed Companies, and other state agencies.

In the year 2018, the Company has complied with the principles of good corporate governance. There is no record of delayed report submission under section 56 for both form 56-1 and form 56-2, including quarterly and yearly financial statements.

4.2 Channel Disclosure

The Company provides a wide variety of channels for users to access fairly. The information is published both in Thai and English languages through the following channels:

- SET's news
- Annual Report and Annual Registration Statement (Form 56-1)
- Company's website (www.vichaivej.com)

4.3 Information Disclosure Policy or Interview with the Press or Public

The Company has policy to provide information, media advertisement, or public release in a clear and correct manner without misinterpretation. The disclosure information is intended to create better understanding about the Company to all stakeholders based on the aspects of completely, timely, and fairly communication.

4.4 Investor Relations Department

The Company has established an IR Department (Investor Relations) to be responsible for the disclosure of information and any activities of the Company to its shareholders, investors, analysts and the general public. The channels include the Company's Home Page, quarterly performance meeting, analysts meeting, conference call, road show in Thailand and abroad, etc. The Company also prepares the Management Discussion and Analysis (MD&A) on a quarterly basis and IR Newsletter, which published on SET's website and the Company's website, to provide investors and general public for better understanding of the Company's performance. Unauthorized persons are not allow to provide information to the media or the public in any way which may affect the reputation and business operations of the Company.

Investors may contact the Investor Relations Department at 02 441 7899 ext. 1707, 1708 or shares@vichaivej.com / bod@vichaivej.com

Article 5: Responsibilities of the Board of Directors

The company to focus on the role and functions of the Board in guiding the direction of the company's operations, including monitoring the performance of management and the board of its responsibility towards the company and its shareholders as follows

5.1 Board of Directors' Meeting

5.1.1 Attendance of the Meeting

The Board of Directors shall have regular meetings every month. The meeting schedule is set out in advance since January of each year and designated to be Friday the 3rd of every month. (not less than 6 times per year). The Company Secretary shall notify each director about the schedule and agenda in advance. However, the schedule of meetings can be changed based on the significance of the agenda items to be considered.

5.1.2 Meeting Agenda

The chairman, chairman of executive committee and managing director will together determine the agenda to ensure that all significant matters are included. The directors have the opportunity to freely propose agendas at the meeting that will benefit the Company.

5.1.3 Meeting Documents

The Board of Directors assigns the Company Secretary to prepare and send the supporting documents for the meeting to the directors for their consideration at least 7 working days prior to the meeting.

5.1.4 The Meeting

The Chairman will allocate sufficient time to consider the issues in each agenda of the meeting.

5.1.5 Invite management to attend the Meeting

The Board of Directors encourages the invitation of senior management to attend the Board's meetings to provide additional insights into the agenda items being discussed because of their personal involvement in these areas and to give the opportunity to meet the Board of Directors for their further consideration of a succession plan.

5.1.6 Meeting with Non-Executive Directors

The Board of Directors encourages non-executive directors to independently meet and discuss interested matters among themselves without the management participation. The results of the meeting should be notified to the Managing Director.

5.2 Performance Evaluation of the Board of Directors

The Nomination and Remuneration Committee set up evaluation of the Board of Directors, Sub-Committee and Chief Executive Officer at least once a year and disclose criteria, procedures, and result of the evaluation in the annual report.

5.2.1 Performance Evaluation of the Board of Directors

Criteria

The Nomination and Remuneration Committee shall set up an annual performance evaluation of the Board of Directors at least once a year based on the self-assessment guideline provided by the Stock Exchange of Thailand and to adapt it to fit the Company's structure. The self-assessment serves as a framework to monitor the performance of the duties of the Board of Directors, promote collaborative analysis of the operational results and problems which occurred in the operation of business, create good corporate governance and to subsequently disclose the criteria, procedures, and the evaluation result in the annual report.

Criteria in the performance evaluation of the Board of Directors are as follows:

- Structure and qualifications of the Board
- Roles and responsibilities of the Board
- Meeting of the Board
- Act of duties of directors
- Relationship with the management
- Self-development of directors and development of executives
- Thai Institute of Directors' assessment of the Corporate Governance of listed companies

Procedures

The Company shall arrange the performance evaluation of the Board of Directors annually to evaluate the previous year operation. The Company Secretary will distribute the evaluation form to each director and present it to the Nomination and Remuneration Committee and to propose it to the Board of Directors for its consideration. The Company shall also use any recommendations on the performance evaluation to improve effectiveness of the Board's operation and maximize the benefits of corporate governance.

Result

Result of Performance Evaluation of the Board of Directors for the year 2018. The criteria for the evaluation represent the percentage in each article as 100% as "Excellent"

5.2.2 Performance evaluation of the sub-committee

Criteria

The Board of Directors shall evaluate the performance of each sub-committee at least 1 time per year on their leadership, roles and responsibilities, and to set its policy, practice, meeting, management, and relationships with involved persons.

Procedures

The Company has evaluated the performance of each of the committees annually to analyses the previous year operation. The Company Secretary will distribute the evaluation form to the Chief Executive Officer to evaluate the performance of each sub-committee and present it to the Board of Directors for its consideration.

Result

Result of Performance evaluation of the sub-committee for the year 2018. The criteria for the evaluation represent the percentage in each article as over 95% as "Very Good"

5.2.3 Performance evaluation of the Chief Executive Officer

Criteria

The Board of Directors shall evaluate the performance of the Chief Executive Officer at least once a year on their leadership, set up and implementation of strategy, planning and financial performance, relationship with the Board of Directors, outsiders, and employees, operational management and relationship with other personnel, succession plan, knowledge on product and service, risk management and internal control, corporate governance and business ethics, personal characteristics based on the assessment guideline provided by the Stock Exchange of Thailand.

Procedures

The Company has evaluated the performance of Chief Executive Officer annually to analyses the previous year operation. The Company Secretary will distribute the evaluation form to independent directors or non-executive directors or Nomination and Remuneration Committee to evaluate the performance and to subsequently present it to the Board of Directors for its consideration.

Result

Results of the evaluation of the Chief Executive Officer (CEO) for the year 2018 had an average score 100 percent, the rating "Excellent"

5.3 Development of Directors and Executives

5.3.1 Development of Directors and Executives

The Board of Directors has a policy to support and facilitate training and learning for its directors and executives to ensure their continued improvement and performance, both internal and external training courses. All directors must attend training for understanding of performance of their duties in the capacity as directors

Training and Seminars for Directors and Executives of year 2018

Name of Director	Course	Training Institude
Assoc. Prof. Vichai Vanadurongwan, M.D., Ph.D., FIMS	• Advanced Master of Management Program, AMM, class of 3/2018	National Institute of Development Administration
Surin Premamornkit	• Advance Audit Committee Program (AACP), class of 31/2018	IOD
Nopporn Tirawattanagool	• National Director Conference 2018 "Rising above Disruption: A Call for Action" 2018 • Future customer experience in financial and banking service 2018	IOD Bank of Ayudhya
Mongkon Wanitphakdeedecha M.D.,M.Sc.	• Metropolitan Administrator Training Course (MATC)	Navamindradhiraj University
Prut Rojmahamongkol	• Urban Leader Training Course (ULTC), Class of 3/2018	Navamindradhiraj University

5.3.2 Succession policy

The Board of Directors assigns the Nomination and Remuneration Committee to prepare a succession plan for the position of CEO/President to ensure that the Company is managed at all the time by CEO with appropriate competency and skills. The Company is also assigned Human Resource Department provide a succession plan for executive and management level position in order to prepare in case they cannot perform.

5.3.3 Orientation for New Directors and Enhancement of Business Knowledge

The Board of Directors assigns the secretary of the Board of Directors to prepare information for all new directors so as to inform them of the business information of the Company, a director's roles, duties and responsibilities and compliance with the Company's Corporate Governance Policy and practices. Simultaneously encourage all directors to have better knowledge and understanding of Company's business to enhance their role as efficient directors. Moreover, the Company has policy to improve knowledge to directors regularly.

Implementation of the Corporate Governance Code 2017

In the 2018, The Board of Directors has considered and reviewed corporate governance principles for listed company 2017 (New CG Code) according to 8 principles set by SEC (Securities and Exchange Commission) for action guideline to the Company's Board of Directors , as follows:

1. Establishing clear leadership role and responsibilities of the Board, contributing to the sustainable value creation for the business;
2. Defining objectives and goals that promote sustainable value creation;
3. Enhancing the Board effectiveness;
4. Ensuring effective CEO and people management;
5. Nurturing innovation and responsible business;
6. Strengthening effective risk management and internal control system;
7. Ensuring disclosure and maintaining financial integrity;
8. Ensuring engagement and communication with shareholders.

By applying the principles of good corporate governance for listed companies (Corporate Code: CG Code) set by the Securities and Exchange Commission. Including guidelines from the good corporate governance policy of the company for further adjustment. By applying the principles of good corporate governance for listed companies in 2017 to apply as appropriate to the business context of the company as much as possible. And prescribing additional guidelines that the company should proceed to improve to suit the situation of the company. And prescribing additional guidelines that the company should proceed to improve to suit the situation of the company And the Board of Directors to review the appropriateness of the CG Code to be applied at least once a year and also adjust and add some policies In order to comply with the CGR, or the CGR 2018 Corporate Governance Report. To conduct surveys and follow up the development of corporate governance of listed companies in Thailand. The criteria used to evaluate the development of good corporate governance principles of the Organization for Economic Cooperation and Development (OECD).

The updated essentials include the additional roles, duties and responsibilities of the committee, corruption risks, information disclosure and transparency, including the consideration of the role of stakeholders more clearly. In reviewing the principles of good corporate governance for listed companies, the Company found that there are still some guidelines that the Board of Directors considered and should not allow to be adapted because they still deem inappropriate for the context of the company. And saw that it was a complicated matter. The reasoning recorded as part of the board resolution In addition, the company has established measures and guidelines for supervision by other methods in order to achieve good corporate governance in that matter.

Compliance with the Company's Corporate Governance in other matters

In 2018, the Company received assessments related to good corporate governance activities as follows:

- The Company received a "Excellent" accomplishment in the Corporate Governance Report of Thai Listed Companies 2018 which was rated by the Thai Institute of Directors (IOD) in cooperation with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and the company was one of 47 Top Quartile of the listed companies with a market value of more than 3,000 - 9,999 million baht from the survey of corporate governance for the year 2018.
- The Company was evaluated by the Office of the Securities and Exchange Commission, in cooperation with Thai Investors Association and Thai Listed Companies Association, on the quality of the Annual General Meeting for the year 2018. The Annual General Meeting of shareholders for the year 2017 was rated "Excellent" with a score of 100 points.

Board-Committees

The Board of Directors set up 6 sub-committees to help monitor and supervise the operations more closely and regularly report to the Board of Directors. They are The Audit Committee, Executive Committee, Nomination and Remuneration Committee, Risk Management

Committee, Working Group for Financial and Investment Planning and Corporate Governance Committee to scrutinize and supervise the operation of the Company over specific issues, in order to perform their duties efficiently and effectively as well as to ensure that the Company complies with rules and regulations of the SEC and SET..

The Audit Committee

The Board appointed the Audit Committee, which consists of fully qualified members against SEC and SET requirements. A minimum of three members must be independent directors, at least one of whom must be adequately qualified and experienced in reviewing the credibility of financial statements. The committee reviews the Company's performance outcomes, financial reports, internal control system, and consider related party transactions, the appropriateness of accounting auditors, including the selection and appointment process.

As of December 31, 2018, the Audit Committee consists of three independent directors as follows:

1. Visut Montriwat
   Chairman of the Audit Committee
2. Surin Premamornkit
   The Audit Committee
3. Porntep Siriwanarangsun, MD., MPH., Ph.D
   The Audit Committee

Remark: Mr. Virah Mavichak resigned from the position of Chairman of the Audit Committee and Audit Committee due to health problems. But continue to be an independent director of the company with effect from 1 April 2018 and according to the resolution of the Audit Committee appointed Mr.Visut Montriwat as Chairman of the Audit Committee with effect from 7 April 2018.

So Mr. Surin Premamornkit, Mr. Visut Montriwat and Porntep Siriwanarangsun, MD., MPH., Ph.D with qualified knowledge and experience in accounting and finance to review the reliability of the financial statements and Mrs.Naree Phetdum, serves as Secretary to the Audit Committee.

Duties and Responsibilities of the Audit Committee

1. Ensure that the Company's and subsidiaries' financial reports are correct and adequately disclosed, by coordinating with the external auditor and executives who are responsible for preparing quarterly and annual financial reports.

2. Ensure that the Company's and subsidiaries' system of internal control and internal audit are appropriate and effective. Also, to consider the independence of internal audit unit and approve the appointment, transfer, dismissal of internal audit supervisor, or any other agency responsible for internal audit.

3. Ensure that the operation of Company and subsidiaries complies with the securities and exchange law, terms of the exchange or laws relating to the Company's and subsidiaries' Business.

4. Consider the selection and nominate an individual, who is independent, to act as auditors of the Company and subsidiaries. This includes consideration of the remuneration of the auditor to propose to the Board of Directors to obtain the appointment from the general meeting of shareholders and attending the meeting with the auditors without management involved shall be held at least once a year.

5. Have the authority to hire an independent consultant, if necessary, and determined as necessary to be regarded as expenses of the Company.

6. Consider list of related transactions or items with conflicts of interest in accordance with the laws and regulations of the Stock Exchange and Capital Market Supervisory Board in order to make sure that the list is reasonable and in the best interests of the Company or subsidiaries.

7. During the operation, if the Audit Committee finds or doubts any items or the following activities that may have a significant impact on the financial position or results of operations of the Company or subsidiaries, the Audit Committee must report it to Board of Directors to resolve such items or activities promptly.

- List the conflicts of interest items
- Fraud or significant irregularities or defects of internal control system of the Company or subsidiaries.
- The violation or violations of the law on securities, notification and terms of the Stock Exchange of Thailand, the Securities and Exchange Commission and Capital Market Supervisory Board including laws relevant to the business of the Company and subsidiaries.

If the Board of Directors or executives cannot resolve such items or activities promptly, member of the Audit Committee may report such items or activities to the Securities and Exchange Commission or the Stock Exchange of Thailand.

8. If the auditor of the Company finds a suspicious incident relating to Director, executive or any person responsible for the operation of the Company and subsidiaries that violates the law and the auditor has reported the incident to the Audit Committee, the Audit Committee shall proceed as soon as possible to investigate more and report the results of primary check to the Securities and Exchange Commission and the auditor within 30 days from the date of receipt of a report from the auditor.

9. Formulate report of the Audit Committee to disclose in the annual report of the Company whereby the Chairman of the Audit Committee has to sign in the report. The report must contain at least the following information.

- Opinion on the accuracy, completeness and reliability of financial reports of the Company and subsidiaries.
- Opinion on the adequacy of internal controls of the Company and subsidiaries.
- Opinion on compliance with the Securities and Exchange Law, terms of the exchange and laws relating to the Company's and subsidiaries' business.
- Opinion on the suitability of the auditor.
- Opinion on items that may have the conflict of interest.
- The number of meetings by the Audit Committee and attendance of each member of the Audit Committee.
- Opinion or overall observation that the Audit Committee received from the performance of duties under the Charter.
- Other transactions that shareholders and investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.

10. To perform any other duties assigned by the Board of Directors to be appropriate.

In the scope of duties and responsibilities the Audit Committee has the authority to invite the management, executives or employees of the Company or subsidiaries that are relevant to provide reports, comments, attend meetings, or send documents that are relevant and necessary.

Structure of the Executive Committee

The lists of the Executive Committee as at December, 31 2018 as follows:

1. Asst. Prof. Saisunee Vanadurongwan, M.D.
   Chairman
2. Pongsak Vathana, M.D.
   Member of the Executive Committee
3. Mongkon Wanitphakdeedecha M.D.,M.Sc.
   Member of the Executive Committee
4. Vilawan Vanadurongvan
   Member of the Executive Committee
5. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Executive Committee
6. Assoc. Prof. Suchat Areemit, M.D.
   Member of the Executive Committee
7. Prof. Saranate Waikakul, M.D.
   Member of the Executive Committee
8. Sunee Thirakaroonwongse, M.D.
   Member of the Executive Committee
9. Vatchara Cheupraknam, M.D.
   Member of the Executive Committee
10. Prut Rojmahamongkol
    Member of the Executive Committee
11. Pacharapan Vanadurongwan
    Member of the Executive Committee
12. Komrit Kavinakarathiti
    Member of the Executive Committee

13. Teerawan Rattanapak, B.Sc., PG.Cert., Ph.D.
Member of the Executive Committee
14. Phannee Kannee
Member of the Executive Committee
15. Sunee Joychumras
Member of the Executive Committee
16. Kwanyuen Suksomphoj
Member of the Executive Committee
17. Kochabhorn Kerdrak
Member of the Executive Committee
18. Rachada Fongtanakit, Ph.D.
Member of the Executive Committee / Secretary

Duties and Responsibilities of the Executive Committee

1. Plan and set policy, direction, strategy, work plans and organizational structure and management structure of the business operation of the Company and subsidiaries in accordance to economic conditions and competition in the market to present to the Board of Directors for approval.

2. Plan and prepare business plans, annual budgets and the authority in management in various job divisions of the Company and subsidiaries to propose to the Board of Directors for consideration and approval and also to consider and approve the annual budget and budget change and addition to annual expense budget. If there is an urgent necessity, proceed to present to the Board of Directors for further acknowledgement.

3. Audit and operate according to the policies and guidelines for the management of the Company and subsidiaries that has been defined to be effective and conducive for business environment.

4. Monitor the operations of the Company and subsidiaries that has been defined to proceed according to the approved business plan.

5. Consider large investment projects of the Company and subsidiaries in order to provide recommendation to the Board of Directors for approval.

6. Define the details of the selection, training, hiring and termination of employees of the Company and its subsidiaries as well as employee benefits to be appropriate with the circumstances and in accordance with the laws in use today.

7. Other duties as assigned by the Board of Directors occasionally.

The administrative power and giving authority to others which Director deems appropriate does not include the power or authorization to approve any items that the Director or related person may have any conflicts of interest, the stakes, or any other benefits that disagrees with the Company's and subsidiaries' benefits, or any items that is not normal business operations of the Company and subsidiaries. The authorization of such items must be presented to the Board of Directors and/or shareholders' meeting of the Company to consider and approve within the guidelines, rules and regulations of the Company and relevant laws.

Structure of the Nomination and Remuneration Committee

Appointed by the Board of Directors, the Nomination and Remuneration Committee consists of at least three directors, most of whom must be independent directors. They also must not be Chairman of the Board. All of the members fully qualified as directors in accordance to the Nomination and Remuneration Committee Charter.

The list of Structure of Nomination and Remuneration Committee as at December, 31 2018

1. Virah Mavichak
Chairman / Independent Director
2. Surin Premamornkit
Committee /Independent Director
3. Visut Montriwat
Committee /Independent Director
4. Assit Prof. Saisunee Vanadurongwan M.D.
Committee
5. Vilawan Vanadurungvan
Committee
6. Mongkon Wanitphakdeedecha, M.D.,M.Sc.
Committee and
Kevalee Phaisanpayak
Secretary

Duties and responsibilities of the Nomination and Remuneration Committee

1. Define policies, rules, procedures and processes with clarity, transparency, suitability and usefulness to the Company and subsidiaries in terms of the selection, removal or dismissal of Directors and senior executives of the Company and subsidiaries and present these to the Board of Directors for approval.

2. Consider nominating the name of a person who is qualified as a Director of the Company, Committee member and senior management to the Board of Directors in the event that such position is vacant or the term of office ends.

3. Define policy on remuneration for Director, senior executives of the Company and subsidiaries and present this to the Board of Directors for approval.

4. Consider the remuneration for the Board of Directors and committees whereby the remuneration includes meeting attendance fee, salary, bonuses, shares and other related benefits, and present to the shareholders' meeting for consideration and approval.

5. Provide a succession plan for key management position and review on a regular basis by evaluating the importance of the position, recruitment and development to ensure that successor of this management position is educated, competent, experienced and possesses other qualifications fitting and beneficial to the Company and subsidiaries.

6. To perform any other duties assigned by the Board of Directors to be appropriate

Structure of Risk Management Committee

The list Risk Management Committee as at December 31, 2018

1. Viroj Mavichak, Ph.D.
   Advisory of the Risk Management Committee
2. Vilawan Vanadurongvan
   Chairman of the Risk Management Committee
3. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Risk Management Committee
4. Hathaiwan Suwantaweerak
   Member of the Risk Management Committee
5. Kjtjaporn Pomsanarm
   Member of the Risk Management Committee
6. Anchalee Suphopark
   Member of the Risk Management Committee
7. Muratha Promyalee
   Member of the Risk Management Committee
8. Prapaphan Techatanang
   Member of the Risk Management Committee / Secretary
9. Tanawan Srirattanapitak
   Member of the Risk Management Committee / Assistant Secretary
10. Passara Sarapol
    Member of the Risk Management Committee / Assistant Secretary

Duties and responsibilities of the Risk Management Committee

1. Define policies and guidelines for risk management of the Company and subsidiaries. This covers the financial risk, Corruption risk, business and market risks, investment risk and other risks that may affect the operation and reputation of the Company, and presents this to the Board of Directors for consideration and approval.

2. Define criteria to measure risks and limit the risks that the Company and subsidiaries accept.

3. Consider the important risks of the Company and subsidiaries and make recommendations to prevent or reduce risk to an acceptable level.

4. Supervise, monitor and evaluate the results as well as improve action plan to reduce the risk continuously and appropriate to the business circumstances of the Company and subsidiaries.

5. Review the sufficiency of risk management policies and systems by including the effectiveness of the system and compliance with the policy set.

6. Report operations to reduce the risk to the Board of Directors regularly and for important matters where there is impact to the Company and subsidiaries significantly. These must be reported to the Board of Directors for consideration as soon as possible.

7. Perform any other duties assigned by the Board of Directors to be necessary.

Structure of Working Group for Financial and Investment Planning

In order to enhance the value of Srivichai Vejvivat Public Company Limited and subsidiaries companies in the future and ensuring that there is ongoing growth and secure financial position, it was deemed appropriate to appoint the Working Group for Financial and Investment Planning as follows.

The list Risk Management Committee as at December 31, 2018

1. Vilawan Vanadurongvan
   Chairman of the Working Group for Financial and Investment Planning
2. Nopporn Tirawattanagool
   Member of the Working Group for Financial and Investment Planning
3. Tinnawat Mahatharadol
   Member of the Working Group for Financial and Investment Planning
4. Mongkon Wanitphakdeedecha M.D., M.Sc.
   Member of the Working Group for Financial and Investment Planning
5. Prut Rojanamahamongkol
   Member of the Working Group for Financial and Investment Planning
6. Sakda Tangchitwatanakorn, Ph.D.
   Member of the Working Group for Financial and Investment Planning / Secretary

Responsibilities of the Working Group for Financial and Investment Planning

1. Determine the policy, target, and strategies for finance and investment
2. Plan the direction for investment
3. Find capital for suitable investment
4. Analyze and manage financial and investment risks
5. Regulate, supervise, control, and manage cash flow to be in accordance with the Company's target
6. Perform other tasks as assigned by the Board of Directors and the Chairman

Structure of Corporate Governance Committee

The lists of the Corporate Governance Committee as at December, 31 2018 as follows:

1. Visut Montriwat
   Chairman of the Corporate Governance Committee
2. Rachada Fongtanakit, Ph.D.
   Member of the Corporate Governance Committee
3. Saipin Phaising
   Member of the Corporate Governance Committee
4. Pakkawadee Mahawongtrakool
   Member of the Corporate Governance Committee
5. Chinapat Upaijit
   Member of the Corporate Governance Committee
6. Kevalee Phaisanpayak
   Member of the Corporate Governance Committee / Secretary



Responsibilities of the Corporate Governance Committee

1. To formulate the Corporate Governance Policy, Anti-Corruption Policy, business ethics and code of conduct, and Corporate Social Responsibilities, under legal framework, rules and regulations currently stipulated by regulating organizations such as the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and other related agencies as well as international corporate governance standards, and to propose the best practices for the directors management and employees to the Board of Directors for approval

2. To regulate and give advice on policy and guidelines that enable the directors, management and employees to perform duties with responsibility in accordance with the Corporate Governance Policy, Anti-Corruption Policy, and to comply with the best practices, business ethics and code of conduct and Corporate Social Responsibilities.

3. To follow up and assess performance of governance and supervision to prevent and monitor risks of corruption and assess performance of the Corporate Governance Committee and report the results to the Board of Directors at the end of each year

4. To perform any other duties assigned by the Board of Directors

Audit Fees of the Auditors

The resolution of Annual General Meeting of Shareholders of year 2018 to appoint Ms.Vissuta Jariyathanakorn, Certified Public Accountant No. 3853 and/or Mr. Krisada Lertvana, Certified Public Accountant No. 4958, and/or Ms. Manee Rattanabunnakit, Certified Public Accountant No. 5313 from the EY Office Limited Company is an auditor of the company for the year 2018, Because the EY Office Limited Company is independent and reliable Including having knowledgeable personnel and being an auditor who has been approved by the SEC. By approving the auditor's remuneration for the year 2018 in the amount of 1,470,000 baht

The auditor of the company is the same auditor as the auditor of the subsidiary which is independent, has no relationship or interest with the company, subsidiaries, executives, major shareholders. The Company and its subsidiaries do not pay any remuneration for other services to the auditing office of the auditor, the person or business related to the auditor and the auditing office of the auditor.

1. Audit fee

The Company and its subsidiaries paid audit fees totaling Baht 3,300,000.

- Provident Fund paid for the audit fees to the auditors' company for the latest account period amounting to Baht 1,470,000
- Provident Fund paid for the audit fees to the auditors' subsidiary for the latest account period amounting to Baht 1,830,000

2. Non – audit fee

The Company and subsidiaries paid for non-audit fees totaling Baht 380,227

- Provident Fund paid for the non - audit fees to the auditors' company for the latest account period amounting to Baht 253,019
- Provident Fund paid for the non - audit fees to the auditors' subsidiary for the latest account period amounting to Baht 127,208

Corporate Social Responsibility

The Company realize about the role mission and responsible governance under business policy alongside with the responsible personnel community and social as well as those related parties including environmental impact formed by the process of service healthcare safety of patients and hygiene of staff at all levels. Therefore, it has been set the policy of Corporate Social Responsibility responsible governance as well as ethics in business and can take the practice seriously and continuously. Which is considered the core mission of the organization.

Moreover, The Company also focused on responsibility and good retaliation back to society. As one of the organizations that provide quality health services to the public according to international standards alongside with the implementation of a sustainable business.

Corporate Social Responsibility

The company has established business operations by focusing on social responsibility environmental and stakeholders according to the social responsibility of business 8 segment under the rules of the Stock Exchange of Thailand for taken a pragmatic approach strictly.

Policy and Practicality to social

1. The operation with impartiality

1.1 The promoting socially responsible on suppliers, purchasing, provide and treat to customers. Having regard to the faithful, obvious and mutual benefit with partners seriously.

1.2 The Fair Competition such as no disinformation or using any other method that does not comply with the rules.

1.3 The rights and equitable treatment of all shareholders. The protection of shareholders' benefit and rights which including the rights to receive dividend and continuously acknowledge company's information at suitable time and continuously. The company also has a duty to publish information in a transparent manner by pass the Shareholders' Meeting which focus to giving priority to shareholders equally without any prejudice.

1.4 Recognizing the important group of stakeholders. Whether the personnel within the organization or external organization stakeholders such as Shareholders, clients, creditors, suppliers, the community Government agencies and other relevant organizations. These are able to build long-term stability to the organization.

2. Anti-corruption

2.1 Companies have always recognized that Stakeholders themselves and the need to practice the rules strictly .

2.2 Companies should not support the corruption such as grafting, receiving gifts or any benefits which are not appropriate. If examination and meet such actions will be punished according to the regulations of the company.



3. Respect for human rights

3.1 The promotion to practice according to the regulations of human rights under international standards to cover all departments, whether employees, community and social surroundings. By fixing the channel for complaints, review process including suitable compensation.

3.2 The hospital have to practice according announcement of the rights of patients because the patient as a person who must help both body and mind. So the patients. So, the patient is importance individual need to get protect rights for good relations and trust each other between the hospital and a patients.

4. The practice to workers fairly

4.1 Respect for the right to work and not discrimination, do not be force for punish, no child labor, respects for the rights and freedom for association bargaining union law.

4.2 The Social Protection such as the protection of working conditions for employees, wages and compensation, date-time of work, vacations, penalties , welfare , healthcare and various guarantee.

4.3 The protection about health and safety on work. Promoting and maintaining high standards of well-being, both physically and mentally.

5. Responsibility to consumer

5.1 The patients should be receive the rights basic care. Whether healthcare and product pricing sensibly and not misleading Information about goods and services including the product label must specify the method used, warning correctly.

5.2 Manufacturing safe products and do not affect the health of consumers.

5.3 The information of all clients need to be kept secret and should not be disclosed to the public unless required by law or authorized by the customer directly.

5.4 Managing customer relationships both before and after the sale for instance return product back on time define, warranty, compensation for damages, review and improve the complaint continuously, to listen to the opinions of consumers etc.

5.5 The development product and service of business to provide benefits to society and the environment. Products and services must not cause adverse effects on health society and the environment should be designed the product is easy to use, quality and reasonable price.

5.6 Giving to knowledge and information needed to decide on buying goods and services.

6. Environmental protection

6.1 Planning, management control and prevent pollution in hospitals and communities.

6.2 The using of resources in the right amount.

7. Participation in development the social and community

7.1 Participation in community by provide the activities to improve quality of life and health and provide an opportunity for the stakeholders to participate in an exchange of ideas with each other.

7.2 Promote and support participation in education between the hospital and community.

7.3 Healthcare and promoting health. Including support for disease prevention in community.

7.4 Establishing mutual cooperation between community and hospital.

8. The Innovation and the dissemination of innovation

The promoting to positive activities to create effectively and efficiently and developed of knowledge and new ideas by focusing on the exploitation of the new initiatives with social responsibility. Innovation must be targeted to benefit the company or to bring benefits to the wider society and has a positive impact to stakeholders.

The business impact of corporate social responsibility.

In December, 31 2018 The Company is not legal dispute related to corporate social responsibility or environmental impact.

Activities to benefit society and the environment

Vichaivej International Hospital Omnoi

1. Supporting scholarships in the amount of 100,000 baht for the Children's Day of the Year 2018 for students in Omnoi Municipality, Samut Sakhon Province



2. Organizing children's day activities combining the power of thoughtful children with "KID DEE KID DAY" activities, catching special prizes and creative arts activities with advice from nurses about the vaccine



3. Collaboration with Thai Red Cross, hosted a blood drive session participated by doctors, nurses, employees, and healthy medical service recipients, for use in the operations of Thai Red Cross.



4. Organized a training course on "First Aid and CPR" by the Paramedic Emergency Medical Team. And a health promotion team for grade 5 students, King's College, 130 people

5. Organize road show activities. Be strong be healthy Roadshow 2018 together with Thai good health magazine. Organize the following discussion.

- Minimally invasive surgery (March 5, 2018)
- Warning signs of heart disease risk (June 29, 2018)
- Hand accident treated with microsurgery (August 10, 2018)



6. A training session was held for quality pregnancy under the concept of “Undergo 9 Months of Pregnancy as a Happy MOM” to provide knowledge for care for mom-to-be and her baby. The session was hosted by Obstetrics and Gynecology doctor, and assisted by a team of nurses, traditional medicine experts, and physical therapists to give useful information and recommendations for attendees.

7. Organize training to educate about the dangers of influenza and prevention methods By Assistant Medical Director. To parents and students of King's College, Sampran District, Nakhon Pathom Province

8. Bring the team to first aid, participate in activities, walk-run, King’s College Marathon 2018, provide blood vessel examination, stress And fitness test by sports scientists at King's College, Sampran District, Nakhon Pathom Province



9. Give the computer to the investigation department. Krathum Baen Police Office.

10. Deliver 9 common household medicine cabinets to King's College

11. Organized activities to screen diabetes condition for the general public and educate as well as advice about diabetes under the project called “Diabetes Care, Less Medicine, More Relief” so that people realize the need for taking care of their health and preventing diabetes disease.



12. Collaboration with the Liver Foundation organized “Liver Lover” event to offer free liver enzyme value service to the general public as well as provide knowledge for taking care of their health in order to stay clear of liver disease.

13. Organize activities and provide knowledge about breast cancer and invite women aged 35 and over to detect breast abnormalities with a digital mammogram.



14. Organized training project to provide knowledge about health in school and workplace on a regularly. In 2018, trainings were organized for 9 schools and 34 workplace.

15. Safety Week activities in the workplace were held and included exhibitions, counseling on health problems plus a variety of health-related games covering altogether 32 companies in 2018.

16. Provided health support for students with overnutrition and malnutrition conditions under the project "Right Nutrition and Healthy Thai Children" covering 2 schools

17. Participated in promoting proper dental care for schoolchildren by providing oral check and fluoride application with 2 schools

Vichaivej International Hospital Nongkhaem

1. Srivichai Foundation and Vichaivej Hospital International Nongkhaem offers a multi-purpose hall and air conditioning for Public Health Center 48 Nakhawatra Uthit.



2. Together with Health Department, Bangkok providing hearing assessment and hearing aids at the Public Health Center 25, Huay Kwang. There are 113 elderly people with 63 irregularities who have to be confirmed and registered for the disabled.

3. Together with Health Department, Bangkok providing hearing aids to 108 and the hearing impaired.

4. Srivichai Foundation and Vichaivej Hospital International Nongkhaem providing 26 of 3-legged walking stick for Health Department, Bangkok, 6 August 2018 at Bangkok Metropolitan Administration.

5. Together with Brainergy, the seminar "Discovering talent, developing potential for success" by experts in fingerprint scanning and seminar on Multiple Intelligences by psychologists and developmental stimulants.

6. Give money to support the football competition of 5,000 baht for Phadungkit Witthaya School, Futsal Unity Activity, Phadung Witthaya, for the 3rd time to encourage students with futsal sports skills to demonstrate their ability.

7. Organize the BE STRONG BE HEALTHY road show. Topics for preventing osteoporosis and osteoarthritis and acupuncture to treat rheumatism in the elderly.



Vichaivej International Hospital Samutsakhon

1. Organize CSR activities with Thai Union Group Public Company Limited and Pattaya Food Industries Company Limited under the Maternal and Child Health Promotion Program in establishments and communities between January - December 2018.

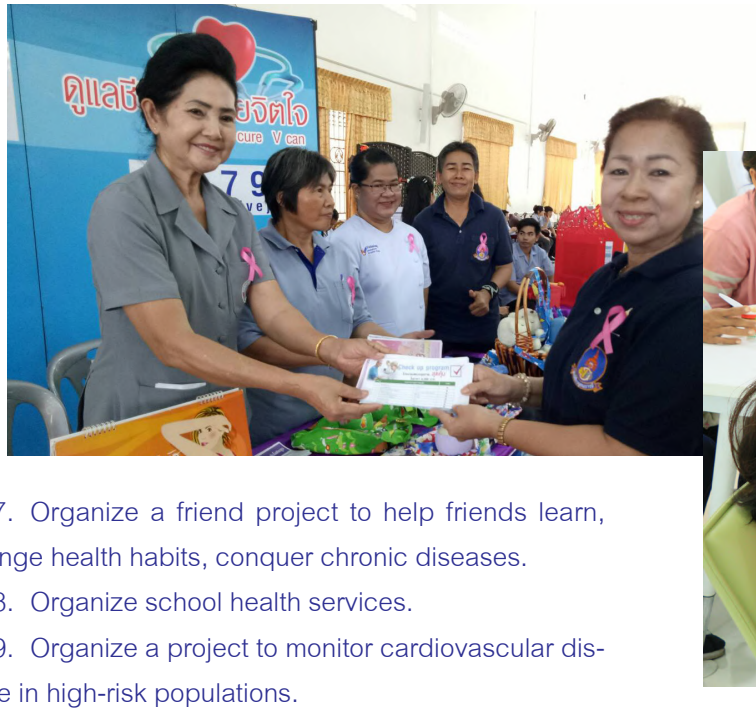
2. Activities to monitor, prevent and control Hand, foot and mouth disease for kindergarten students And a small child center in the area of responsibility.

3. Organize oral health promotion programs for early childhood and primary school students with oral health check-up / fluoride activity. / Tooth-coated lacquer (SEALANT) for early childhood and school-aged children under the dental health service program for preschool and school-age children

4. Together with the Village Health Volunteer Club (VHV.) to organize a project to expedite the prevention and control of dengue fever in the community.

5. Organize rabies surveillance and prevention campaign activities by providing rabies vaccination services to dogs and cats of people in responsible areas.

6. Organize breast cancer awareness activities together with breast cancer screening program by mobile x-ray machines. (Mammogram) in vulnerable and underprivileged women.



7. Organize a friend project to help friends learn, change health habits, conquer chronic diseases.

8. Organize school health services.

9. Organize a project to monitor cardiovascular disease in high-risk populations.



10. Organized a health promotion and disease prevention program for monks and people driving motorcyclists.

11. Organize activities to monitor chronic patients / elderly / disabled people in the community. And rehabilitation equipment for the disabled / elderly in Tha Sai Sub-district under the project to develop the capacity of the network for rehabilitation of the disabled by the community.

12. Proactive cervical cancer screening activities in the community.

13. Organize training activities to educate about health promotion and disease prevention. And communicable diseases for foreign workers in the workplace.

14. Organize training activities for knowledge about cervical cancer and breast cancer for employees in the workplace.

15. Organize parents' activities 1 - 4 times in order to educate pregnant mothers to take care of their children from pregnancy until after birth.



16. Participated in the exhibition “Run For Health Together” at the front of Central Plaza Mahachai Department Store on November 24, 2018 and participated in the activities to give out drinking water and prepare Ambulance at the service point location in the route specified in the Run For Health Together, there are many government, private and public agencies in Samut Sakhon.

17. Attending the TO BE NUMBER ONE contest in the female audience of Ubon Ratana Rajakanya Siri Wattana Phannawadee Level Central and Eastern region, year 2018, TO BE NUMBER ONE club type in the establishment In Chonburi.



18. Organize volunteer activities by inviting local volunteers, rescue teams in the area to train, educate and practice skills in providing assistance to various types of victims.

19. Organize a team of doctors and nurses to provide knowledge on chemical hazards prevention and first aid for students, monks, government agencies and employees in various establishments. In order to be able to provide initial assistance to patients.

20. Organize a team of mobile medical units to support safety activities in educational institutions, Establishment and various stores such as first aid units, fast mobile medical unit to repair the accident plan in the fire and chemical spills etc.

21. Providing a complete set of oxygen tanks and equipment to the Samutsakorn Charity Foundation for the benefit of patient care during hospital delivery.

Vichaivej Yaekfaichai Hospital

1. Organize activities "National Children's Day" for the year 2018, in which there are activities for children and youth. At Pornpipat community by organizing activities, playing games, answering questions and giving prizes to children attending the event and have a relationship between the community and the hospital with coronary artery examination by Max Pulse.

2. Issue a campaign to stop smoking in the world, together with 4 communities in Bangkok Noi District, including 1 community of Wat Mai Yai Mon 2. Sudsakorn community 3. Pornpipat community 4. Wat Yang community aims to encourage smokers to consult and participate in smoking cessation activities under Smart Quit Clinic.



3. Together with Vichaivej Hospital International Nong Khaem organizes anti-smoking activities on the World No Tobacco Day.



4. Issue a diabetes screening unit and Smart Quit Clinic at Wat Yang Suttharam community, Bangkok Noi District, Bangkok.

5. Into the area of Pornpipat community and Nisa Company Limited which is located in the area near the hospital In order to follow up on the project, "Smart Quit Clinic helps Thai people quit smoking" which has received satisfactory results from the project. With more people interested in becoming members of this project, which will be a good trend for being a healthy community in the future.

6. Attending activities with Wat Chao Am School, Bang Khu Non District, on the day of anti-drug. Also joined as a lecturer on the dangers of drugs and the penalty of cigarettes in the “Smart Quit Clinic project Help Thai people quit smoking”

7. Together with the police Bangkok Noi Police Station Lecture on knowledge and understanding of the dangers of drugs And public relations for Smart Quit Clinic at Shinorositthayalai School By focusing on giving knowledge and pointing out the penalty of cigarettes in youth groups and helping to reduce the amount of people smoking in society to diminish.

8. Join and support the ambulance with staff due to the project "Volunteer spirit, We do good with heart" at Nantawan Park Club. Organized by Bangkok Noi District Office, together with the establishment in the area to perform dredging of canals, eradicating weeds along the banks, pruning branches, collecting garbage and cleaning the canal corridors.



9. Organize activities in the Charansanitwong 25 community area to promote the Smart Quit Clinic project. Helping Thai people quit smoking by arranging the blowing of the carbon meter in the lungs and giving out documents to educate about the dangers of cigarettes.

10. Together with Suthakorn community and Bangkok Noi district Began to develop the Khlong Klad Wat Thong (beside the hospital) by starting from Wat Suwannaram to Bang Khun Si Market. By using the aerator to develop the ecosystem at the community level In order to have a better quality of life with people.



11. Together with communities in Bangkok Noi District Bangkok Noi District Office Join the activity National Canal Conservation and Development Day (Bangkok Noi Canal), 2018, at Sirinthara Pruksanan Charansanitwong 25, campaign for conservation and development of canals for youth. The hospital brought the Smart Quit Clinic Help Thai people quit smoking to present in the campaign for Thai people see the blame and the danger of cigarettes. Including providing knowledge on how to do CPR, basic resuscitation for those interested.

12. Organize training activities for "Volunteer Motorcycle Motivation" and invite speakers from the Central Car Accident Victims Protection Company Limited to provide knowledge about Act on various matters. Lecturer from Bangkok Noi Police Station to give knowledge about traffic laws and demonstrating how to survive in different situations.

13. Providing ambulance support and staff for first aid in the event of a crime for the Phornpipat community in the 2018 Kathin Ceremony.

14. Give wheelchair to the underprivileged at Bangkok Noi District Office.

15. Together with the Community Development Department, Bangkok Noi District, organized a health promotion activity with the Wat Yang Suttharam Aerobics Club by providing blood pressure measurement services, fingertip detection, and joining the media to release Smart Quit Clinic.



16. Providing support for supplies, medical supplies, first aid and general medicine cabinets according to the Police Support Operation Project in the Thonburi area. Which has been installed for every traffic tower in the Thonburi area, together with a campaign to promote anti-tobacco poisoning in conjunction with the Medical Association of Thailand under the Royal Patronage.



17. Providing assistance to nursing staff and ambulances for the Suwan Phuphapha Phitthayakhom School Due to organizing the Futsal Sports Event for Students, 1 "Bond media high school futsul league U17" Academic Year 2018.



18. Supporting ambulances with staff and providing preliminary screening for community residents at Trok-Khao-Mao-Community Sports Ground.

19. Providing workshops "First aid and basic resuscitation" to the employees of One O One Hatch Co., Ltd.

Additional guideline for anti-corruption

The Company attaches significance on anti-corruption and integrated anti-corruption aspects in policies such as compliance, corporate social responsibility, and business ethics. All of the said policies were approved by the Board of Directors and implemented accordingly. To ensure compliance and promote the Company to follow the good corporate governance and to improve the compliance system to enhance efficiency of corporate governance, the Compliance Committee was established on 19 December 2016 with the duty to steer anti-corruption policies, business ethics, and corporate social responsibility. Training and testing will be provided to raise awareness of the staff and directors as well as newly recruited employees and executives through orientation. The Company established compulsory programs for staff and management whereby related materials were incorporated as part of the overall knowledge base of the Company for staff to conduct self-learning. In addition, the guideline for compliance and anti-corruption as well as the assessment of compliance with the anti-corruption policies were conducted and the report thereof was presented to the Board of Directors.

The Company participated in the Coalition of the Anti-Corruption (CAC) and signed off on the declaration of private sector to collaborate with CAC to ensure anti-corruption of all kinds. The Company expected to be accepted to the program in 2019.

Business Ethics and Code of conduct

In order for the company to succeed in continuous operation. The company's commitment and focus to the business fair with the law, including the Code of Ethics and Code of Conduct for directors, executives and employees at all levels to adhere better to perform the duties assigned for participate in the development of sustainable and efficient.

Therefore, to achieve a practical, reasonable and accurate, the Company has established a Code of Ethics and Business Conduct as follows:

Conflicts of interest

The corporate personnel should not behave in a way that could pose a conflict of benefit and always be realize that we have a benefits on operations.

Guidelines of Practice

- The company personnel must not take any action to cause a conflict with the organization both directly and indirectly.
- The company personnel not should work the extra jobs from external organizations which pose a conflict of benefit with the company unless executive are allowed.
- Do not use the authority or any action for the benefit of own selves or persons involved.
- The committee or executive of the company to consider various conflicts affecting the organization with transparency by focused the benefit of the organization is critical.
- If you see that the person's close that get the benefit which contrary to the benefit of the organization. Those involved will be disclosed such items that was wondering every time.

Confidentiality; Collection of data and Using of internal data

The company personnel are required to keep the information confidential of the company strictly. If company secrets are disclosed to the public or to competitors may cause serious adverse effects on the organization.

Guidelines of Practice

- The executive or employees companies that have brought the company' information has use in various operations that be careful and keep the information as well.
- The company personnel must keep company data and customer information is confidential to those no involved, unless was the legal regulations or get the approval of the authority and have signed written authorization.
- There is prohibition no allowed the personnel brought the data to use in the pursuit of their own benefits to make a bad impact on the organization.
- The corporate personnel should be kept both the documents and electronic informations, according to company have defined.

Procurement and Practice to partners and/or creditor

- Do not ask or receive-pay any benefits was dishonest to partners and/or creditors.
- To comply with the terms of the contracts to partners strictly, be transparent. Especially, Terms of Guarantee, The Capital Management, overdue repayment which should not be the way to corruption or discloser or concealed of facts that affect damage to creditors.
- The staff is responsible for the procurement of goods and services must focus on value of price and quality.
- Those who are involved with partners and/or creditors should keep the contract documents and various agreements as evidenced in case a conflict of benefits.
- If found the companies, partners and/or creditors not complying with the agreement that affect damage to organization will be cease operations and reporting to commandants to find solutions further.

Practice to competitors

- The company must operate under the rules of good and righteousness competitive, honesty and transparency.
- Do not discredit the competitors by distorting the facts.
- Providing to support participation with competitors to benefit consumers or society as a whole.

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Internal control and internal audit

The company has set up a monitoring system of internal controls by auditors for responsibility on the action plan to achieve the goals, according to the company's efficiency. Inculding the auditors must be able to create trust and consultation as fair and independent.

Guidelines of Practice

- Internal auditors must be honest, transparent and equitable as well as treatment of confidential information as well.
- Internal auditors must have not participation in activities as conflict to benefits of the organization.
- Internal auditors must not use the information to find any benefit for one-self contrary to the law.
- Practice of internal auditing must adhere to international standards for the Professional Practice of Internal Audit.

Practice to employees

The employees is a critical factor in business whether, it is in any sectors whatever. Therefore, Companies have to promote and by motivating employees to work for the benefits to the organization as much as possible. Has provided a set of guidelines for good practice and had committed to developing and building confidence to employees at all levels.

Guidelines of Practice

- Providing fair compensation to employees.
- Adjusting the position, to reward employees who perform well. As well as penalties for employees who break the rules of the company. These things need to be considered and judged equally and based on knowledge and capabilities of each employee.
- Focus on developing knowledge and skills of people in the organization by providing opportunities for employees at all levels continuously.
- Hearing comments and suggestions from employees at all levels equally.
- Practice to employees with politeness.
- Providing to maintain an environment at workplace to secure for the lives and property of employees regularly.
- Administration without any action being unfair to avoid affecting the stability in the work and reduce the pressure on the minds of employees.
- The compliance with labor laws strictly.
- Creating on understanding to the employees in issue of work ethic to promote employees to have good behavior and within the framework of the ethics.
- Provide opportunities for employees to report the clue of corruption or lawbreaking of administrative section to audit committee.

The practice of employees

The all employees of Srivichai Vejvivat Public Company Limited and subsidiaries has committed working with regard to the ethic of service according professional standards in order to build trust with customers, shareholder, investors include the Colleague.

Guidelines of Practice

- Operation with honestly both customers copanies and colleagues and to help promote a good reputation for the organization.
- Protecting company property not damaged and use carefully covering should not be used for a benefit of own.
- Report incidents that resulted in damage of organization to the commander get to know immediately.
- Do not allow the disclosure of information trade to the other individuals, unless authorized by the company beforehand.
- Prohibits the destruction of property, equipment and tools of the company.
- Do not bring the equipment or any other property of the company to an outside organization.
- Do not criticize policy of administrative section in a manner that caused the damage.
- Do not make modifications or tampering documents or clarify any evidence that is not true for a benefits of own.
- Do not take any action which caused a rift between employees.
- Do not convince the colleagues to tarnish, pedophilia or to sneaky say on prostitution.
- Do not impute about organizations, colleagues, products, customers and executive.
- Do not make customers disgrace to the public or show aggressive behavior toward others.
- Do not break criminal law to organizations, customers and other individuals.
- Do not use any asset or place that provided for customers.
- Do not claim of money or property from another person for a benefits of own.
- Do not do any action that make misunderstand that to ask a reward from customers.

Responsibility to the community and society as a whole.

The company focuses on corporate social responsibility and community as a mission to create activities that benefit society by focusing on the development of society, the environment as well as support education etc.

Guidelines of Practice

- The companies has participating in the suitable activities for the public in development and services to social as well as promoting social activities to protect the environment and improving the quality of life in the community.



- The companies must be involved in the responsibility for the quality, safety, health and a focus on the environment continues including the use of resources to create the most utility and the impact is minimal.
- The companies is promoting energy conservation. By using the energy and resource efficiency to maintain benefits for future generations.
- The awareness about corporate social responsibility and environment to personnel at all levels continuously.

Receiving and giving gifts or any other benefits.

Receiving and giving gifts or any other benefits was not suitable might be impact to the organizations or be cause make the companies lost the benefits, so the companies will not support any act above.

Guidelines of Practice

- The employees should avoid giving, Receiving or any other benefits from the business confederate of company.
- Can be give or receive such gifts, according to tradition and must not influence any business decision. Then the gifts received have to kept at centrally.
- If you received a gift in the various festival that is rather high value from the business confederate of company need to report to commander get to know hierarchical.



Safety, health and environment in the workplace

The company is attentive to its employees and the communities surrounding to various safety both sanitation and the good environment so has established guidelines to ensure safety in the workplace as according to the law determine.

Guidelines of Practice

- The company has set guidelines to prevent accidents and illness at work to all employees seriously. As well as managing the risks affecting work efficiency.
- The Company has complied with the laws and regulations strictly.
- The company has provided training to staff knowledge and understanding about safety to prevent various dangerous in the workplace including has plans of security training annually.

Practices with customers and consumers.

Customers and consumers as who purchase goods and services of the business which generates revenue and profit for the organization and make the business has sustainable existence. Therefore,The company must have guidelines and best practice in creating customer satisfaction in all aspects.

Guidelines of Practice

- The companies must treat customers with honesty and equality.
- The companies aims to provide quality products and services for respond to need and satisfaction of customers continuously.
- The companies must disclose correctly information about products and services by focusing the benefits of the customer is important.
- The companies need to focus on safety in the products and services offered to customers strictly and accepts responsibility in case there is a problem on products and services.

- The companies must provide training to its staff to have knowledge and understanding of good practice including security for customers continuously.
- The companies must provide a system to receive complaints from customers effectively to complaint was responded to quickly.

Practice guideline on monitoring the risk of corruption

The Audit team undertakes its duties and responsibilities to conduct internal control systems, manage corruption-risk, review good governance, provide suggestion continuously, and report to the Audit Committee on any significant finding. However, all audits will apply to the annual audit plan that has been approved by the Audit Committee.

The Audit team and the Executive Committee undertake their duties and responsibilities in testing and evaluating risk of corruption to ensure that the Company has practice, monitor, review and revisit the Anti-Corruption Guidance effectively. Report of any significant findings will be submitted to the Audit Committee and raised to the Board of Director Committee in time.

In the case of the investigation to determine the facts that found the information from the inspection Complaints or evidence which led to believe that there are certain items or actions which may affect the financial status and performance of the company. Including illegal or regulations of the company So, The Audit Committees need to report with The Executive Committees to find guidelines to improve within the period that the Audit Committees sees suitable.



Internal Control and Risk Management

Comments from the Board of Directors towards the company's internal control

Board of Director and executive management recognizes that internal control system is important mechanism in reducing business risk and increasing efficient business operation which is included resource allocation appropriately and achieve objective of the Company.

Board of Directors commissioned the Audit Committee has a duty and responsibility in review the appropriateness and effectiveness of internal control system which the executive management provided it to ensure that the Company has adequate internal control system in the risk management, protect the Company's assets from lost or used by unauthorized person, compliance with laws and regulations, and correctness and assurance of the financial statement. In addition, the Audit Committee considers the independence of the internal audit department, and considers the appropriateness and adequacy of personnel in such department, and approves the appointment or dismissal internal audit manager.

Audit Committee reviewed appropriate and efficient the internal control system and the internal audit by considered in conjunction with the internal auditor and reported to Board of Director to inform or consider in quarterly. In the prior year, Audit Committee has expressed their opinion and recommendation to executive management on matters material. Furthermore, the external auditor, who is EY Office Limited and audited financial statement of the Company for the year ended 2018, have jointed meetings with Audit Committee and expressed the opinion that the internal control system of the Company was satisfactory level and not found error/weakness to have significant impact on the opinion of the external auditor.

In Board of Directors meeting No. 11/2018 as at 24 December 2018, Audit Committee attended the meeting. Board of Directors has assessed the adequacy of internal control system annually by the Securities and Exchange Commission's form in accordance with COSO (The Committee of Sponsoring Organizations of the Tradeway Commission) which included the control environment, the risk management, the control activities, the information and communication, and the monitoring activities. Board of Directors agreed that the Company performed to COSO appropriately as (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information & Communication and (5) Monitoring Activities

The Board of Directors agreed that the Company's internal control system, an adequate and appropriate of 5 sections.

Different opinions during the Audit Committee and the Board of Director Committee

- None-

Information of head of internal audit unit and head of compliance unit

The Company has appointed Mr.Chinnapat Upaijit as internal audit manager since 1 August 2016, which was approved by Audit Committee. The committee had considered his qualification, knowledge, and experience of internal audit task, had concluded that he has the right to perform duties appropriately.

In order to consider and approve the appointment, transfer and dismissal of the incumbent internal audit manager of the Company must be approved by the Audit Committee.

Related Transactions

The Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are disclosed in Article 6 Transactions with related parties. Which appears in the notes to the consolidated financial statements and consolidated financial statements of the Company for the year ended December 31, 2018 and 2017, which related party transactions is based on commercial terms and bases agreed upon between the Company and parties related to them. This is normal business in summary, as follows:

1. Relationship

Subsidiary	Relationship
Srisakorn Vejavivat Company Limited	Through common shareholdings and directorships
Saivichai Development Company Limited	Through common shareholdings and directorships
Bangkok Orthopedic Hospital Company Limited	Through common directorships
Srivichai Vocational School Company Limited	Through common management

2. Pricing Policy

2.1 Medical service income, expenses and buy-sell between each other in group based normal price less certain discount.

2.2 Service income and expenses based normal price.

2.3 Rental income and rental expenses rate in contract price.

2.4 Consulting fees rate in contract price.

3. Name of directors and executives are related parties

1. Assoc. Prof. Vichai Vanadurongwan, M.D.,Ph.D.,FIMS
2. Asst. Prof.Saisunee Vanadurongwan, M.D.
3. Pongsak Vathana, M.D.
4. Mongkon Wanitphakdeedecha, M.D.,M.Sc.
5. Vilawan Vanadurongvan, Ms
6. Prut Rojmahamongkol, Mr
7. Sakda Tangjitwattankorn, Ph.D.

Financial Highlights

The consolidated financial statements	2018	2017	2016
Statements of financial position (Unit: Millions of Baht)			
Total Assets	1,988.70	1,814.94	1,754.88
Total Liabilities	817.07	751.70	748.69
Total Shareholder's Equity	1,171.63	1,063.24	1,006.19
Statements of financial position (Unit: Millions of Baht)			
Service Income	2,246.69	1,962.08	1,718.60
Total Revenues	2,259.25	1,974.48	1,742.55
Net Profit	177.12	125.68	153.46
Common Share Data			
Number of common shares issued (Million shares)	570.67	570.67	570.67
Book value per share (Baht)	2.05	1.86	1.76
Basic earnings per Share (Baht)	0.31	0.22	0.27
Significant Financial Ratios			
Growth Ratio (Percent)			
Growth Rate of Service Income	14.51	14.17	27.84
Growth Rate of Net Profit Margin	40.92	(18.10)	50.99
Profitability Ratios (Percent)			
Gross Profit Margin	23.88	21.92	24.94
EBITDA Ratio	16.35	14.25	17.19
Net Profit Margin	7.84	6.34	8.78
Rate of Return (Percent)			
Return on Assets	10.18	9.45	12.80
Return on Equity	15.79	12.13	16.00
Management of assets and liabilities			
Current ratio (times)	0.89	0.88	1.13
Average collection period (days)	46.46	45.84	45.01
Average sale period (days)	10.64	10.69	9.83
Leverage Ratio (times)			
Debt to Equity ratio	0.70	0.71	0.75
Interest Payment Capability	11.48	8.90	13.01

Management Discussion and Analysis

The Operations result of the company, its Subsidiaries

(Unit: Million Baht)

List	2018	2017	Changes	Average
Revenues from hospital operations	2,246.69	1,962.08	284.61	14.51
Other Income	12.56	12.40	0.16	1.29
Total revenues	**2,259.25**	**1,974.48**	**284.77**	**14.42**
Cost of hospital operations	1,710.13	1,531.96	178.17	11.63
Selling expenses	67.07	58.68	8.39	14.30
Administrative expenses	244.77	215.08	29.69	13.80
Total expenses	**2,021.96**	**1,805.72**	**216.24**	**11.98**
Profit before finance cost and income tax expenses	**237.28**	**168.76**	**68.52**	**40.60**
Finance cost	20.68	18.97	1.71	9.01
Profit before income tax expenses	**216.61**	**149.79**	**66.82**	**44.61**
Income tax expenses	39.49	24.11	15.38	63.79
Profit for the year	**177.12**	**125.68**	**51.44**	**40.93**

For the Company's Performance ended December 31, 2018, the Company and its subsidiaries had a net profit of 177.12 million Baht increase from the year 2017 of 51.44 million baht or 40.93%.

Revenues from hospital operations for the year ended 31 December 2018 amounted to 2,246.69 million baht, Increase from the year 2017 of 284.61 million baht or 14.51%, which increased from the heart center of Vichaivej International Nongkhaem Hospital and in the beginning of 2017, the hospital has income from dental insurance policy of social security is 900 baht per person per year and income from health insurance check social security. In addition, the revenue increased from mobile medical unit in various companies, factories, government agencies and various state enterprises. Income from non-capitation patients increased 252.47 million baht or 16.30% and capitation patient's payment increase of 50.71 million baht or 10.99% resulting in a total revenue of the Company and its subsidiaries increased to 284.77 million baht or 14.42% from 1,974.48 million baht to 2,259.25 million baht. Net after deducting intercompany transactions

Cost of hospital operations in 2018 of the Company and its subsidiaries, including 1,710.13 million Baht, an increase from the year 2017 of 178.17 million or 11.63 percent. This is mainly due to the increase in medical expenses and medical expenses to support the increase in the number of patients. It also supports the expansion of the Health Center and the mobile medical unit of the Company and its subsidiaries

Selling expenses for the year ended 31 December 2017 amounted to 67.07 million baht, increase from the year 2017 of 8.39 million baht or 14.30 percent as a result of expansion of the development of excellence. And an increase in personnel to support the growth of income group customers. Resulting in employee compensation related to sales. And the cost of advertising and promotion increases.

Administrative expenses for the year ended 31 December 2018 amounted to 244.77 million baht increase from the year 2017 of 29.69 million baht or 13.81 percent as a result of expenses related to support personnel and other administrative expenses.

Total expenses for the year ended 31 December 2018 amounted to 20.68 million baht, an increase of 1.71 million baht from 2017, or 9.01% as a result of loans from financial institutions to invest in expansion as well as expanding the building to accommodate the growing group of customers.

Total income tax expense for the year ended 31 December 2018 of 39.49 million baht, increase of 15.38 million from 2017 baht or 63.79% cause of the increase in net profit.

Profitability Ratio

(Unit: Million Baht)

List	2018	2017	Changes	Average
Gross Profit	536.56	430.12	106.44	24.75
Gross Profit Margin Ratio (%)	23.88	21.92	-	-
EBITDA	369.44	281.28	88.17	31.35
EBITDA Ratio (%)	16.35	14.25	-	-
Net Profit Margin Ratio (%)	7.81	6.34	-	-

From the above table, EBITDA increased from 281.28 million baht in 2017 to 369.44 million baht in 2018 or an increase of 31.35%. As a result, the EBITDA Ratio increased from 14.25% in 2017 to 16.35% in 2018 and the net profit margin increased from 6.34% in 2017 to 7.81% in 2018.

Financial Status

(Unit: Million Baht)

List	2018	2017	Changes	Average
Total Assets	1,988.70	1,814.94	173.76	9.58
Total Liabilities	817.07	751.70	65.37	8.70
Equity Holders of The parent	1,169.63	1,061.63	108.00	10.18
Total Shareholder's Equity	1,171.63	1,063.24	108.39	10.20

The consolidated financial statements of the Company and its subsidiaries as at December 31, 2018, with total assets of 1,988.70 million baht, an increase of 173.76 million baht or 9.58 percent from 2017, due to an increase in cash and cash equivalents of 27.90 million baht. Trade and other receivables Increased by 62.89 million baht and the company has land, buildings and equipment increased by 32.14 million baht

Total liabilities of the company And subsidiaries as of December 31, 2018, amounted to 817.07 million baht, an increase of 65.37 million baht or 8.70 percent from 2017, due to the increase in short-term loans from financial institutions and accrued expenses.

The shareholders' equity of the Company as of 31 December 2018 totaled 1,169.63 million baht, an increase of 108 million baht or 10.18% from 2017.

Liquidity and capital management

Cash flow

List	2018
Net cash flows from operating activities	277.79
Net cash flows used in investing activities	(245.46)
Net cash flows used in financing activities	(4.43)
Net increase in cash and cash equivalents	27.90
Cash and cash equivalents at beginning of year	83.66
Cash and cash equivalents at end of year	111.56

For the year ended December 31, 2018, the Company and its subsidiaries have net increase in cash and cash equivalents in the amount of 27.90 million baht which the Company and its subsidiaries have 83.66 million baht in cash and cash equivalents at the beginning of the year and equivalents at end of year equals 111.56 million baht. Details of cash flows for each activity are as follows;

Net cash flow from operating activities amounted to 277.79 million baht, mainly due to the profit of the year 2018 and increased net profit even though the collection of accounts receivable and other receivables will slow down. The net cash flow used in the investment business was 245.46 million baht and the net cash flow used in financing activities was 4.43 million baht, mainly due to repayment of loans from financial institutions.

Financial Ratios

List	2018	2017	2016
Yield (%)			
Return on Assets	10.18	9.45	12.80
Return on equity	15.79	12.13	16.00
Liquidity Ratio (Times)			
Liquidity ratio	0.89	0.88	1.13
Quick ratio	0.78	0.75	1.02
Asset and Liability Management (Day)			
Average collection period	46.46	45.84	45.01
Average selling time	10.64	10.69	9.83
Average repayment period	70.80	76.75	75.79
Financial ratio analysis (times)			
Interest Payment Capability	11.48	8.90	13.01
Debt to equity ratio	0.70	0.71	0.75

Return on assets and return on equity ratio in 2018 increased from 2017 due to increased hospital operating results. Which caused the company, there is a plan to support future growth by adding specialized doctors Including restructuring of compensation and increasing the number of medical personnel including ratio Liquidity and quick ratio in 2018 increased from 2017

Average collection period increased from 45.84 days to 46.46 days, average sales period and the average payment period decreased from 10.69 days and 76.75 days in 2017 to 10.64 days and 70.80 days in 2018, respectively.

Interest payment capability increased from 8.90 times in 2017 to 11.48 times in 2018 because the company has more financial costs and Debt to equity ratio changed slightly from 0.71 times in 2017 to 0.70 times in 2018, in which the Company and its subsidiaries manage the control Strong financial structure By keeping the financial ratio and liquidity at an appropriate level

Report of the Board of Directors on the Financial Statements year 2018

The Board of Directors has realized the importance of its role and responsibility on implanting the corporate governance principle into the company's management. This also means to ensure that the Company's financial statement and financial information in the annual report is accurate, complete and in line with the accounting standard. As well as the reins adequate disclosure of information in the notes to the financial statements that can reflect the financial position, performance, and cash flows accurately, transparently and beneficially to the shareholders and general investors

In this regard, the Board of Directors has focused on improving the management structure and internal control systems to boost the creditability of the Company's financial statement. Such improvement also helps guarantee that the Company is equipped with an effective system to monitor its assets and to prevent serious misconducts and other operational irregularities of the Company.

The Board of Directors has appointed the Audit Committee comprising of a number of independent directors, who are fully qualified under the requirements by the Stock Exchange of Thailand. The Audit Committee is mainly responsible for maintaining the quality of the financial report and internal control systems. It is also responsible for any disclosure of connected transactions. The Committee's reviews on such matters will appear in this Annual Report and form 56-1 under the Audit Committee's Report.

The Board of Directors has the opinion that the Company's overall internal control system is adequate and appropriate. The Board is reasonably confident that the separate financial statements and consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2018 are reliable and complying with generally accepted accounting standards and the practice is incompliance with related law and regulations.

(Assoc.Prof.Vichai Vanadurongwan, M.D.,Ph.D.,FIMS)
Chairman of the Board

(Ass.Prof.Saisunee Vanadurongwan,M.D.)
Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Srivichaivejvivat Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Srivichaivejvivat Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of 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 Srivichaivejvivat 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 Srivichaivejvivat Public Company Limited and its subsidiaries and of Srivichaivejvivat Public Company Limited as at 31 December 2018, 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 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.

Estimation of accrued medical treatment income

The Group has revenues from the provision of medical services to patients under the government welfare schemes of the Social Security Office and the National Health Security Office. The amounts of such revenues are determined based on government policy, the number of insured persons registered with the Group, and statistical information on the services provided by the Group. As discussed in Note 8 to the financial statements, as at 31 December 2018, the Group had accrued medical treatment income from the two government agencies amounting to Baht 94 million. An estimation of accrued medical treatment income requires management to exercise significant judgement. There is thus a risk of the amount of such accrued income.

I have examined the accrued medical treatment income by

- Assessing and testing the Group's internal controls with respect to the estimation of accrued medical treatment income by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Assessing the appropriateness of the criteria, methodology and conditions applied by the Group in estimating accrued medical treatment income in accordance with government policy.
- Performing the reasonableness of past estimates of accrued medical income by comparing those estimates with the actual amounts received.
- Examining cash receipt transactions relating to accrued medical treatment income subsequent to the period-end date.

Goodwill

I have focused my audit on the consideration of the impairment of goodwill with indefinite useful lives, as discussed in Notes 14 to the financial statements, because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill.

I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition,I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Company and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates.

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. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I 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.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

Management is responsible for the preparation and fair presentation of the 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.

I am responsible for the audit resulting in this independent auditor's report.



Khitsada Lerdwana
Certified Public Accountant (Thailand) No. 4958
EY Office Limited
Bangkok: 20 February 2019

Financial Statement

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	*7*	111,555,317	83,656,509	33,513,427	13,334,675
Trade and other receivables	*8*	317,396,415	254,507,301	148,308,551	102,076,355
Medicine and supplies	*9*	49,750,874	49,953,690	15,465,949	14,172,468
Other current assets		13,368,414	10,526,045	2,335,305	1,973,333
Total current assets		492,071,020	398,643,545	199,623,232	131,556,831
Non-current assets					
Restricted bank deposits	*10*	3,889,400	3,850,300	-	-
Investments in subsidiaries	*11*	-	-	410,999,916	410,999,916
Other long-term investment		40,500,000	40,500,000	40,500,000	40,500,000
Property, plant and equipment	*12*	1,144,567,357	1,112,426,519	742,676,378	738,940,763
Leasehold rights	*13*	187,605,418	145,497,492	-	-
Goodwill	*14*	64,863,745	64,863,745	-	-
Deferred tax assets	*22*	11,085,903	10,097,323	1,821,725	1,651,569
Other non-current assets		44,115,727	39,064,623	31,553,366	25,261,378
Total non-current assets		1,496,627,550	1,416,300,002	1,227,551,385	1,217,353,626
Total assets		1,988,698,570	1,814,943,547	1,427,174,617	1,348,910,457

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loan from financial institutions	*15*	108,000,000	9,175,467	100,000,000	-
Trade and other payables	*16*	317,974,572	345,446,233	113,713,596	122,945,842
Current portion of payable from purchase of investment	*11*	4,468,339	4,235,393	4,468,339	4,235,393
Current portion of long-term loans	*17*	97,104,952	77,518,000	81,755,322	73,560,000
Current portion of liabilities under finance lease agreements	*18*	7,363,969	8,120,947	1,098,774	2,248,628
Income tax payable		12,640,295	4,843,118	4,368,523	2,362,566
Other current liabilities		3,590,170	3,000,740	1,132,661	1,112,300
Total current liabilities		551,142,297	452,339,898	306,537,215	206,464,729
Non-current liabilities					
Payable from purchase of investment, net of current portion	*11*	32,470,946	36,939,285	32,470,946	36,939,285
Long-term loans, net of current portion	*17*	189,524,808	216,444,000	129,690,438	184,590,000
Liabilities under finance lease agreements, net of current portion	*18*	2,695,356	6,700,664	608,652	640,535
Provision for long-term employee benefits	*19*	28,766,375	26,043,128	7,813,806	6,865,884
Deferred tax liabilities	*22*	9,141,862	9,937,272	5,239,036	5,445,016
Other non-current liabilities		3,326,287	3,294,510	-	-
Total non-current liabilities		265,925,634	299,358,859	175,822,878	234,480,720
Total liabilities		817,067,931	751,698,757	482,360,093	440,945,449

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Shareholders' equity					
Share capital					
Registered					
570,666,666 ordinary shares of Baht 1 each		570,666,666	570,666,666	570,666,666	570,666,666
Issued and fully paid					
570,665,433 ordinary shares of Baht 1 each		570,665,433	570,665,433	570,665,433	570,665,433
Share premium		37,938,115	37,938,115	37,938,115	37,938,115
Retained earnings					
Appropriated - statutory reserve	*20*	36,199,441	30,932,973	36,199,441	30,932,973
Unappropriated		506,159,574	403,422,119	300,011,535	268,428,487
Other components of shareholders' equity		18,669,496	18,669,496	-	-
Equity attributable to owners of the Company		1,169,632,059	1,061,628,136	944,814,524	907,965,008
Non-controlling interests of the subsidiaries		1,998,580	1,616,654	-	-
Total shareholders' equity		1,171,630,639	1,063,244,790	944,814,524	907,965,008
Total liabilities and shareholders' equity		1,988,698,570	1,814,943,547	1,427,174,617	1,348,910,457
		-	-	-	-

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenues from hospital operations		2,246,686,151	1,962,081,344	895,086,088	799,475,593
Dividend income	11	-	-	48,074,918	54,418,156
Other income		12,559,498	12,395,040	5,507,569	2,780,090
Total revenues		2,259,245,649	1,974,476,384	948,668,575	856,673,839
Expenses					
Cost of hospital operations		1,710,129,501	1,531,956,270	680,679,781	604,528,119
Selling expenses		67,068,719	58,682,254	23,918,460	21,532,326
Administrative expenses		244,766,125	215,076,753	108,685,647	98,245,947
Total expenses		2,021,964,345	1,805,715,277	813,283,888	724,306,392
Profit before finance cost and income tax expenses		237,281,304	168,761,107	135,384,687	132,367,447
Finance cost		(20,675,445)	(18,966,283)	(17,087,032)	(17,177,948)
Profit before income tax expenses		216,605,859	149,794,824	118,297,655	115,189,499
Income tax expenses	22	(39,488,078)	(24,111,795)	(12,968,289)	(10,077,643)
Profit for the year		177,117,781	125,683,029	105,329,366	105,111,856
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial losses	19	-	(6,997,140)	-	(3,529,313)
Less: income tax effect	22	-	1,399,041	-	705,862
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(5,598,099)	-	(2,823,451)
Other comprehensive income for the year		-	(5,598,099)	-	(2,823,451)
Total comprehensive income for the year		177,117,781	120,084,930	105,329,366	102,288,405
Profit attributable to:					
Equity holders of the Company		176,483,773	125,275,785	105,329,366	105,111,856
Non-controlling interests of the subsidiaries		634,008	407,244		
		177,117,781	125,683,029		
Total comprehensive income attributable to:					
Equity holders of the Company		176,483,773	119,689,312	105,329,366	102,288,405
Non-controlling interests of the subsidiaries		634,008	395,618		
		177,117,781	120,084,930		
Earnings per share	23				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.31	0.22	0.18	0.18

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	216,605,859	149,794,824	118,297,655	115,189,499
Adjustments to reconcile profit before tax to net cash				
provided by (paid from) operating activities:				
Depreciation and amortisation	132,158,241	112,524,825	53,604,141	47,585,789
Reversal bad debts and allowance for doubtful accounts	(177,219)	(755,625)	(177,219)	(650,457)
Reduction of medicine and supplies to				
net realisable value (reversal)	46,060	(17,268)	59,714	(65,270)
Loss (gain) on disposals of equipment	(609,101)	222,451	(1,717,500)	-
Loss on write-off of equipment	457,879	548,693	116,271	388,239
Expenses of withholding tax write-off	2,664,159	3,019	-	-
Reversal of income tax expenses	-	(63,000)	-	-
Provision for long-term employee benefits	3,375,247	3,020,299	1,105,322	960,489
Dividend income from subsidiaries	-	-	(48,074,918)	(54,418,156)
Interest income	(429,879)	(466,700)	(379,340)	(149,309)
Interest expenses	20,675,445	18,966,283	17,087,032	17,177,948
Profit from operating activities before changes				
in operating assets and liabilities	374,766,691	283,777,801	139,921,158	126,018,772
Operating assets (increase) decrease				
Trade and other receivables	(62,711,895)	(15,497,087)	(46,054,977)	6,986,921
Medicine and supplies	156,756	(10,141,288)	(1,353,195)	(2,731,084)
Other current assets	(2,842,369)	(5,707,619)	(361,972)	(1,348,135)
Other non-current assets	230,753	2,491,041	(260,960)	(108,040)
Operating liabilities increase (decrease)				
Trade and other payables	2,283,076	23,580,560	1,282,493	4,300,989
Other current liabilities	283,930	246,188	20,361	181,110
Other non-current liabilities	31,777	(2,132,574)	-	-
Cash paid for long-term employee benefits	(346,500)	(1,264,600)	(157,400)	(724,000)
Cash flows from operating activities	311,852,219	275,352,422	93,035,508	132,576,533
Cash paid for income tax	(34,496,702)	(29,537,811)	(11,338,468)	(9,087,292)
Interest income	429,879	516,370	149,203	149,309
Net cash flows from operating activities	277,785,396	246,330,981	81,846,243	123,638,550

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Increase in restricted bank deposits	(39,100)	(100,000)	-	-
Interest income	-	-	230,137	-
Acquisition of buildings improvement and equipment	(140,681,284)	(139,695,938)	(59,483,263)	(39,776,722)
Cash paid for purchase of building improvement and equipment	(52,834,783)	(30,710,286)	(15,855,744)	(3,902,187)
Increase in leasehold rights	(28,529,746)	(15,612,911)	-	-
Cash paid for payable of leasehold rights	(1,077,475)	(434,918)	-	-
Acquisition of intangible assets	(9,446,067)	(10,504,539)	(8,655,551)	(10,003,073)
Cash receipt from dividend of subsidiaries	-	-	48,074,918	54,418,156
Proceeds from sales of equipment	609,150	254,652	15,601,186	-
Advance for purchase of equipment and intangible assets	(6,956,454)	(6,711,065)	(2,862,220)	(3,196,520)
Cash paid for payable from purchase of investment	(4,235,393)	(5,193,436)	(4,235,393)	(5,193,436)
Interest expenses	(2,264,607)	(1,306,565)	(2,264,607)	(1,306,565)
Net cash flows used in investing activities	(245,455,759)	(210,015,006)	(29,450,537)	(8,960,347)
Cash flows from financing activities				
Increase in bank overdrafts and short-term loan from financial institutions	98,824,533	9,175,467	100,000,000	-
Cash receipt from long-term loans from financial institutions	73,330,000	36,170,000	30,000,000	-
Repayment of long-term loans from financial institutions	(80,662,240)	(86,068,000)	(76,704,240)	(73,560,000)
Repayment of liabilities under finance lease agreements	(9,876,427)	(10,047,928)	(2,716,801)	(2,839,559)
Dividend paid	(68,023,220)	(62,349,911)	(68,022,158)	(62,354,900)
Dividend paid to non-controlling interests of the subsidiaries	(252,082)	(261,844)	-	-
Interest expenses	(17,771,393)	(16,865,878)	(14,773,755)	(15,814,036)
Net cash flows used in financing activities	(4,430,829)	(130,248,094)	(32,216,954)	(154,568,495)
Net increase (decrease) in cash and cash equivalents	27,898,808	(93,932,119)	20,178,752	(39,890,292)
Cash and cash equivalents at beginning of year	83,656,509	177,588,628	13,334,675	53,224,967
Cash and cash equivalents at end of year	111,555,317	83,656,509	33,513,427	13,334,675
	-	-	-	-
Supplemental cash flows information:				
Non-cash related transactions				
Acquisition of buildings improvement and equipment for which no cash has been paid	21,972,325	53,912,258	4,968,707	15,855,744
Purchase of vehicle under finance lease agreements	4,407,500	8,084,000	1,401,000	2,306,000
Leasehold rights which no cash has been paid	1,795,762	-	-	-
Reclassify investment properties to property, plant and equipment	-	23,310,328	-	-
Reclassify property, plant and equipment to leasehold rights	26,027,770	-	-	-
Transfer advance for purchase of equipment to equipment	6,509,225	7,336,191	3,016,211	3,066,604

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

		Consolidated financial statements									
		Equity attributable to owners of the Company									
						Other components of shareholders' equity					
	Note	Issued and paid-up share capital	Share premium	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Difference resulting from business combination under common control	Change in parent's ownership interest in subsidiaries without change in control	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2017		570,665,433	37,938,115	25,677,380	351,761,596	37,530,739	(18,861,243)	18,669,496	1,004,712,020	1,482,880	1,006,194,900
Profit for the year		-	-	-	125,275,785	-	-	-	125,275,785	407,244	125,683,029
Other comprehensive income for the year		-	-	-	(5,586,473)	-	-	-	(5,586,473)	(11,626)	(5,598,099)
Total comprehensive income for the year		-	-	-	119,689,312	-	-	-	119,689,312	395,618	120,084,930
Dividend paid	*26*	-	-	-	(62,773,196)	-	-	-	(62,773,196)	(261,844)	(63,035,040)
Transferred to statutory reserve	*20*	-	-	5,255,593	(5,255,593)	-	-	-	-	-	-
Balance as at 31 December 2017		570,665,433	37,938,115	30,932,973	403,422,119	37,530,739	(18,861,243)	18,669,496	1,061,628,136	1,616,654	1,063,244,790
											-
Balance as at 1 January 2018		570,665,433	37,938,115	30,932,973	403,422,119	37,530,739	(18,861,243)	18,669,496	1,061,628,136	1,616,654	1,063,244,790
Profit for the year		-	-	-	176,483,773	-	-	-	176,483,773	634,008	177,117,781
Other comprehensive income for the year		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	176,483,773	-	-	-	176,483,773	634,008	177,117,781
Dividend paid	*26*	-	-	-	(68,479,850)	-	-	-	(68,479,850)	(252,082)	(68,731,932)
Transferred to statutory reserve	*20*	-	-	5,266,468	(5,266,468)	-	-	-	-	-	-
Balance as at 31 December 2018		570,665,433	37,938,115	36,199,441	506,159,574	37,530,739	(18,861,243)	18,669,496	1,169,632,059	1,998,580	1,171,630,639
											-

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

Srivichaivejvivat Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2018

(Unit: Baht)

		Separate financial statements				
		Issued and paid-up		Retained earnings		Total shareholders'
	Note	share capital	Shares premium	Appropriated - statutory reserve	Unappropriated	equity
Balance as at 1 January 2017		570,665,433	37,938,115	25,677,380	234,168,871	868,449,799
Profit for the year		-	-	-	105,111,856	105,111,856
Other comprehensive income for the year		-	-	-	(2,823,451)	(2,823,451)
Total comprehensive income for the year		-	-	-	102,288,405	102,288,405
Dividend paid	*26*	-	-	-	(62,773,196)	(62,773,196)
Transferred to statutory reserve	*20*	-	-	5,255,593	(5,255,593)	-
Balance as at 31 December 2017		570,665,433	37,938,115	30,932,973	268,428,487	907,965,008
						-
Balance as at 1 January 2018		570,665,433	37,938,115	30,932,973	268,428,487	907,965,008
Profit for the year		-	-	-	105,329,366	105,329,366
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	105,329,366	105,329,366
Dividend paid	*26*	-	-	-	(68,479,850)	(68,479,850)
Transferred to statutory reserve	*20*	-	-	5,266,468	(5,266,468)	-
Balance as at 31 December 2018		570,665,433	37,938,115	36,199,441	300,011,535	944,814,524
						-

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

Srivichaivejvivat Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2018

1. General information

1.1 Corporate information

Srivichaivejvivat Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business. The registered office of the Company is at 74/5 Moo 4, Phetkasem Road, Omnoi, Krathumbaen, Samutsakorn.

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 11 October 2016, 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 Srivichaivejvivat Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of Shareholding	
			2018	2017
			Percent	Percent
Saivichai Development Company Limited	Operating of hospitals	Thailand	99.43	99.43
Srisakornvejavivat Company Limited	Operating of hospitals	Thailand	99.56	99.56
Srivichai Vocational College Company Limited	Operating of vocational school	Thailand	99.98	99.98
The Bangkok Orthopedic Hospital Company Limited	Operating of hospitals	Thailand	100.00	100.00

b) The Company 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 Company 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) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

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

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

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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

The management of the Company and its subsidiaries is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

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

4. Significant accounting policies

4.1 Revenue recognition

Revenue for hospital operations

Revenues from hospital operations mainly consist of medical fees, medicine sales and hospital room sales, are recognised as income when services have been rendered or medicine delivered. Except for operating revenues from the Social Security Office and National Health Security Office which are recognised as income according to annual lump sum amount and adjust relative weights per the number of registrants of the Company and its subsidiaries.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Revenue from tuition fees and educational media

Revenues from tuition fees and educational media are recognised over the teaching period.

Rental income

Rental income is recognised over the rental period and at the rate determined in agreement.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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

4.4 Medicine and supplies

Medicine and supplies are valued at the lower of cost (average method) and net realisable value.

4.5 Investments

(a) Investment in non-marketable equity security, which the Company classifies as other investment, is stated at cost net of allowance for impairment loss (if any).

(b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their cost on the straight-line basis over the following estimated useful lives:

Buildings	20, 40 and 50	years
Buildings improvement	5, 20	years
Tools and medical instrument	2 - 10	years
Office furniture, fixtures and equipment	3, 5	years
Motor vehicle	5, 10	years

Depreciation is included in determining income.

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

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 profit or loss when the asset is derecognised.

4.7 Leasehold rights

Leasehold rights are initially recognised at the amount transferred to acquire the leasehold rights to land plus the cost of the construction on the land and to acquire the leasehold rights to building under the lease agreement.

Leasehold rights are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation is calculated by reference to the cost of the leasehold rights on a straight-line basis over the period specified in the land lease agreements. Amortisation is included in determining income.

No amortisation is provided on construction in progress on leasehold land.

4.8 Goodwill

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

Goodwill is carried at cost less any accumulated impairment losses (if any). 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 subsidiary's cash generating units that are expected to benefit from the synergies of the combination. The subsidiary estimates the recoverable amount of each cash-generating unit 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 profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Related party transactions

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

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

4.10 Long-term leases

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

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

4.11 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other 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 profit or loss.

4.12 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company, the subsidiaries and their employees have jointly established separate provident funds. The funds are monthly contributed by employees, the Company and the subsidiaries. The funds' assets are held in separate trust funds and the Company and the subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

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

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Company and its subsidiaries have 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.

4.14 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 Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise 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 Company and its subsidiaries review and reduce 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 Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times 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:

Accrued medical treatment income

Accrued medical treatment income represents medical income that has not been collected from the Social Security Office and National Health Security Office. The Company and its subsidiaries are not able to determine the certain amount to be collected. In this regard, the management is required to make an estimation of such accrued income in accordance with bases, methods and terms specified by such authority, and consider the amount of the latest actual collection together with the current circumstances.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's and its subsidiaries' 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 in the period 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.

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 financial statements		Separate financial statements		Pricing policy
	2018	2017	2018	2017	
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Medical service income	-	-	11	6	Normal price less certain discount
Sales of equipment	-	-	15	-	Market Price
Dividend income	-	-	48	54	Resolution of the Annual General Meeting of the shareholders of subsidiaries
Medical service expenses	-	-	33	25	Normal price less certain discount
Transactions with related individuals					
Medical service income	1	1	-	-	Normal price less certain discount

As at 31 December 2018 and 2017, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	3,301	1,005
Total trade and other receivables - related parties	-	-	3,301	1,005
Trade and other payables - related parties (Note 16)				
Subsidiaries	-	-	4,590	9,293
Related company and individuals	699	165	29	42
Total trade and other payables - related parties	699	165	4,619	9,335
Other non-current liabilities - related parties				
Related individuals	3,295	3,295	-	-
Total other non-current liabilities - related parties	3,295	3,295	-	-

Short-term loan to related party and short-term loan from related party

As at 31 December 2018 and 2017, the balances of loans between the Company and the related parties and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Loan to related party	Related by	Balance as at 31 December 2017	Increase during the year	Decrease during the year	Balance as at 31 December 2018
The Bangkok Orthopedic Hospital Company Limited	Subsidiary	-	10,000	(10,000)	-
Total		-	10,000	(10,000)	-

(Unit: Thousand Baht)

		Separate financial statements			
Loan from related party	Related by	Balance as at 31 December 2017	Increase during the year	Decrease during the year	Balance as at 31 December 2018
Srisakornvejavivat Company Limited	Subsidiary	-	5,000	(5,000)	-
Total		-	5,000	(5,000)	-

Short-term loan to related party and short-term loan from related party carry interest at a rate of 3% per annum, are repayable at call and are unsecured.

Directors and management's benefits

During the years ended 31 December 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	36,281	31,777	25,905	22,700
Post-employment benefits	7	7	7	7
Total	36,288	31,784	25,912	22,707

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	4,946	2,561	1,541	815
Bank deposits	106,609	81,096	31,972	12,520
Total	111,555	83,657	33,513	13,335

As at 31 December 2018, the Company and its subsidiaries had bank deposits in saving accounts and fixed deposits which carried interests between 0.10 and 1.00 percent per annum (2017: between 0.10 and 0.875 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	-	-	1,273	708
Past due				
Up to 3 months	-	-	1,252	241
3 - 6 months	-	-	503	51
6 - 12 months	-	-	268	-
Total trade receivables - related parties	-	-	3,296	1,000
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	143,432	141,521	59,156	50,100
Past due				
Up to 3 months	56,674	33,328	20,250	9,028
3 - 6 months	4,831	4,957	1,840	2,629
6 - 12 months	1,686	1,042	466	200
Over 12 months	394	250	204	194
Total	207,017	181,098	81,916	62,151
Less: Allowance for doubtful accounts	(17)	(194)	(17)	(194)
Total trade receivables - unrelated parties, net	207,000	180,904	81,899	61,957
Total trade receivables - net	207,000	180,904	85,195	62,957
Other receivable - related party				
Other receivable - related party	-	-	5	5
Total other receivable - related party	-	-	5	5
Other receivables - unrelated parties				
Other receivables	7,411	2,576	1,551	1,052
Accrued income				
Accrued social security income	80,654	45,016	58,944	34,765
Accrued national health security income	13,680	13,381	-	-
Other accrued income	8,651	12,630	2,614	3,297
Total other receivables - unrelated parties	110,396	73,603	63,109	39,114
Total other receivables	110,396	73,603	63,114	39,119
Total trade and other receivables - net	317,396	254,507	148,309	102,076

9. Medicine and supplies

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Medicine and supplies - net	
	2018	2017	2018	2017	2018	2017
Medicine	25,423	28,507	(227)	(244)	25,196	28,263
Medical supplies	22,095	19,210	(97)	(43)	21,998	19,167
Other supplies	2,566	2,524	(9)	-	2,557	2,524
Total	50,084	50,241	(333)	(287)	49,751	49,954

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Medicine and supplies - net	
	2018	2017	2018	2017	2018	2017
Medicine	11,112	10,558	(114)	(75)	10,998	10,483
Medical supplies	3,956	3,219	(31)	(11)	3,925	3,208
Other supplies	543	481	-	-	543	481
Total	15,611	14,258	(145)	(86)	15,466	14,172

During the current year, the Company and its subsidiaries reduced cost of medicine and supplies by Baht 0.7 million (2017: Baht 0.6 million) (The Company only: Baht 0.4 million and 2017: Baht 0.3 million), to reflect the net realisable value. This was included in cost of hospital operations. In addition, the Company and its subsidiaries reversed the write-down of cost of medicine and supplies by Baht 0.7 million (2017: Baht 0.6 million) (The Company only: Baht 0.3 million and 2017: Baht 0.4 million), and reduced the amount of medicine and supplies recognised as expenses during the year.

10. Restricted bank deposits

These represent bank deposits pledged with the bank to secure bank guarantees issued by that bank on behalf of the subsidiary.

11. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)				
Saivichai Development Company Limited	150,000	150,000	99.43	99.43	159,526	159,526	34,900	34,304
Srisakornvejavivat Company Limited	99,200	99,200	99.56	99.56	108,506	108,506	11,852	14,814
Srivichai Vocational College Company Limited	100	100	99.98	99.98	100	100	900	800
The Bangkok Orthopedic Hospital Company Limited	9,000	9,000	100.00	100.00	142,868	142,868	423	4,500
Total					411,000	411,000	48,075	54,418

The company had agreement to pay the unpaid amount of business acquisition for the Bangkok Orthopedic Hospital Company Limited of Baht 58.5 million in 9 annual installments of Baht 6.5 million each, starting from 2016.

12. Property, plant and equipment

	Consolidated financial statements						
	Land	Buildings and buildings improvement	Tools and medical instruments	Office furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2017	348,220	855,648	446,625	246,536	88,123	1,038	1,986,190
Additions	-	4,371	95,341	30,384	8,239	70,693	209,028
Reclassify	22,844	9,234	-	-	-	-	32,078
Disposals/write-off	-	(10,345)	(17,673)	(8,834)	(2,014)	-	(38,866)
Transfers in (out)	-	31,205	7,039	713	4,169	(43,126)	-
31 December 2017	371,064	890,113	531,332	268,799	98,517	28,605	2,188,430
Additions	-	5,022	58,223	22,241	5,340	82,744	173,570
Reclassify	-	(19,528)	-	-	-	(7,200)	(26,728)
Disposals/write-off	-	(1,013)	(12,533)	(6,083)	(2,507)	-	(22,136)
Transfers in (out)	-	16,557	4,090	336	6,223	(27,206)	-
31 December 2018	371,064	891,151	581,112	285,293	107,573	76,943	2,313,136
Accumulated depreciation:							
1 January 2017	-	455,965	283,153	210,011	51,766	-	1,000,895
Reclassify	-	8,768	-	-	-	-	8,768
Depreciation for the year	-	26,687	48,932	17,290	11,271	-	104,180
Depreciation on disposals/write-off	-	(9,716)	(17,540)	(8,669)	(1,915)	-	(37,840)
31 December 2017	-	481,704	314,545	218,632	61,122	-	1,076,003
Reclassify	-	(700)	-	-	-	-	(700)
Depreciation for the year	-	23,315	59,511	21,001	11,271	-	114,944
Depreciation on disposals/write-off	-	(1,006)	(12,340)	(5,831)	(2,501)	-	(21,678)
31 December 2018	-	503,313	361,716	233,802	69,738	-	1,168,569
Net book value:							
31 December 2017	371,064	408,409	216,787	50,167	37,395	28,605	1,112,427
31 December 2018	371,064	387,838	219,396	51,491	37,835	76,943	1,144,567

Depreciation for the year	
2017 (Baht 86 million included in cost of hospital operations, and the balance in selling and administrative expenses)	104,180
2018 (Baht 94 million included in cost of hospital operations, and the balance in selling and administrative expenses)	114,944

(Unit: Thousand Baht)

	Separate financial statements						
	Land	Buildings and buildings improvement	Tools and medical instruments	Office furniture, fixtures and equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2017	286,127	573,771	156,245	63,942	25,433	736	1,106,254
Additions	-	1,905	17,225	13,212	5,874	22,789	61,005
Write-off	-	(1,081)	(3,535)	(4,494)	(631)	-	(9,741)
Transfers in (out)	-	8,389	-	-	-	(8,389)	-
31 December 2017	286,127	582,984	169,935	72,660	30,676	15,136	1,157,518
Additions	-	3,458	17,232	5,834	1,406	40,939	68,869
Disposals/Write-off	-	(1,012)	(24,067)	(2,126)	(2,893)	-	(30,098)
Transfers in (out)	-	13,463	-	-	-	(13,463)	-
31 December 2018	286,127	598,893	163,100	76,368	29,189	42,612	1,196,289
Accumulated depreciation:							
1 January 2017	-	227,215	85,955	49,336	18,163	-	380,669
Depreciation for the year	-	17,324	19,765	7,055	3,117	-	47,261
Depreciation on write-off	-	(918)	(3,447)	(4,390)	(598)	-	(9,353)
31 December 2017	-	243,621	102,273	52,001	20,682	-	418,577
Depreciation for the year	-	17,603	21,323	8,712	3,496	-	51,134
Depreciation on disposals/write-off	-	(1,005)	(10,144)	(2,061)	(2,888)	-	(16,098)
31 December 2018	-	260,219	113,452	58,652	21,290	-	453,613
Net book value:							
31 December 2017	286,127	339,363	67,662	20,659	9,994	15,136	738,941
31 December 2018	286,127	338,674	49,648	17,716	7,899	42,612	742,676

Depreciation for the year

2017 (Baht 38 million included in cost of hospital operations, and the balance in selling and administrative expenses)	47,261
2018 (Baht 40 million included in cost of hospital operations, and the balance in selling and administrative expenses)	51,134

As at 31 December 2018, the Company and its subsidiaries had vehicles with net book value of Baht 15 million (2017: Baht 19 million) (The Company only: Baht 3 million and 2017: Baht 4 million) which were acquired under finance lease agreements.

As at 31 December 2018, certain items of buildings improvement and equipment were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 586 million (2017: Baht 527 million) (the Company only: 150 Baht million and 2017: Baht 131 million).

The Company and its subsidiaries have pledged part of their land with constructions thereon, their book values as at 31 December 2018 are Baht 815 million (2017: Baht 741 million) (Separate financial statements: Baht 667 million, 2017: Baht 640 million), as collateral against credit facilities received from the commercial bank, and credit facilities of its subsidiaries.

13. Leasehold rights

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land rental	Construction on leased land	Construction in progress on leased land	Total
Cost:				
1 January 2017	2,073	183,501	200	185,774
Increases	-	622	14,991	15,613
Transfers in (out)	-	9,888	(9,888)	-
31 December 2017	2,073	194,011	5,303	201,387
Increases	-	4,701	25,625	30,326
Reclassify	-	26,728	-	26,728
Transfers in (out)	-	3,655	(3,655)	-
31 December 2018	2,073	229,095	27,273	258,441
Accumulated amortisation:				
1 January 2017	1,811	46,503	-	48,314
Amortisation for the year	70	7,506	-	7,576
31 December 2017	1,881	54,009	-	55,890
Reclassify	-	700	-	700
Amortisation for the year	70	14,176	-	14,246
31 December 2018	1,951	68,885	-	70,836

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land rental	Construction on leased land	Construction in progress on leased land	Total
Net book value:				
31 December 2017	192	140,002	5,303	145,497
31 December 2018	122	160,210	27,273	187,605
Amortisation for the year				
2017 (Baht 6 million included in cost of hospital operations, and the balance in selling and administrative expenses)				7,576
2018 (Baht 12 million included in cost of hospital operations, and the balance in selling and administrative expenses)				14,246

Leasehold rights include transfer fees paid to acquire leased land and construction expenses for construction on leased land. The subsidiary made an agreement to lease land from 1990 to 2020, but in 2005 the lease was extended by another 15 years, until 2035.

Another subsidiary entered into an agreement with another individual to lease a building from 2004 to 2026 and an agreement with a related individuals to lease a building from 2016 to 2027. The subsidiary has mortgaged leasehold rights with a total net book value as at 31 December 2018 of Baht 31 million (2017: None), as collateral for credit facilities granted by a commercial bank.

14. Goodwill

Goodwill of The Bangkok Orthopedic Hospital Company Limited (a subsidiary) from a business acquisition, amounting to Baht 65 million, consisted of the business opportunities provided by acquiring a hospital ready to operate immediately from the acquisition date and future business expansion.

The recoverable amounts of the CGUs were determined based on value in use calculations made using cash flow projections covering a five-year period extracted from financial budgets approved by the management.

Key assumptions used in the value is use calculation are summarised below:

(Unit: percent per annum)

	The Bangkok Orthopedic Hospital Company Limited
Growth rate	2.5
Discount rate	11.7

The management determined the growth rate based on historical operating results and expected market growth. The discount rate used reflects the risks specific to hospital business.

The management determined that there was no impairment of goodwill from the business acquisition.

15. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Bank overdrafts	MOR to MOR+1	-	9,175	-	-
Short-term loans from financial institutions	3.10% - 5.70%	108,000	-	100,000	-
Total		108,000	9,175	100,000	-

Bank overdrafts are secured by the pledge of land with constructions thereon of its subsidiary and guarantee provided by a subsidiary and directors of the Company.

Short-term loans from financial institutions are secured by the pledge of part of land with constructions and leasehold right thereon of a subsidiary and guarantee provided by the Company, a subsidiary and directors of the Company.

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade payables - related parties	401	-	4,590	9,293
Trade payables - unrelated parties	135,763	149,072	56,030	56,686
Other payables - related individuals	298	165	29	42
Other payables - unrelated parties	63,458	78,640	13,483	19,459
Doctor fee payables	42,589	41,697	18,430	16,551
Accrued expenses	75,466	75,872	21,152	20,915
Total trade and other payables	317,975	345,446	113,714	122,946

17. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (%)	Repayment schedule	Consolidated financial statements 2018	Consolidated financial statements 2017	Separate financial statements 2018	Separate financial statements 2017
Srivichaivejvivat Public Company Limited						
1	MLR-1.25 to MLR-1	Monthly installments as from December 2014	5,600	12,800	5,600	12,800
2	MLR-1.25 to MLR-1	Monthly installments as from October 2015	26,250	41,250	26,250	41,250
3	MLR-1.25 to MLR-1	Monthly installments as from January 2016	30,000	45,000	30,000	45,000
4	MLR-1	Monthly installments as from January 2016	22,640	31,760	22,640	31,760
5	MLR-1	Monthly installments as from April 2016	10,200	17,400	10,200	17,400
6	MLR-0.75	Monthly installments as from July 2016	89,900	109,940	89,900	109,940
7	4.50%	Monthly installments as from September 2018	26,856	-	26,856	-
Saivichai Development Company Limited						
8	MLR-1	Monthly installments as from November 2017	12,494	14,642	-	-
9	MLR-1	Monthly installments as from November 2018	36,590	21,170	-	-
The Bangkok Orthopedic Hospital Company Limited						
10	MLR-2.65 to MLR-1.5	Monthly installments as from September 2019	26,100	-	-	-
Total			286,630	293,962	211,446	258,150
Less: Portion due within one year			(97,105)	(77,518)	(81,755)	(73,560)
Long-term loans, net of current portion			189,525	216,444	129,691	184,590

The loans are secured by the pledge of part of the land with constructions thereon of the Company and two subsidiaries, the leasehold of a subsidiary, and guaranteed provided by the Company, a subsidiary and directors of the Company.

Under loan agreements of a subsidiary, the subsidiary is required to comply with several covenants specified in the agreements, including maintenance of a certain debt-to-equity ratio and maintenance of the Company's shareholding in a subsidiary.

As at 31 December 2018, two subsidiaries had long-term credit facilities under loan agreements which have not yet been drawn down amounting to Baht 41 million (2017: None).

18. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Liabilities under finance lease agreements	10,458	15,572	1,785	2,987
Less: Deferred interest expenses	(399)	(750)	(77)	(98)
Total	10,059	14,822	1,708	2,889
Less: Portion due within one year	(7,364)	(8,121)	(1,099)	(2,248)
Liabilities under finance lease agreements - net of current portion	2,695	6,701	609	641

The Company and its subsidiaries have entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are 2 to 5 years and the effective interest rates are between 2.64 and 5.76 percent per annum (2017: between 5.03 and 5.76 percent per annum) (The Company only: between 5.15 and 5.40 percent per annum and 2017: between 5.15 and 5.27 percent per annum).

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	As at 31 December 2018					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	2 - 5 years	Total	Less than 1 year	2 - 5 years	Total
Future minimum lease payments	7,680	2,778	10,458	1,154	631	1,785
Deferred interest expenses	(316)	(83)	(399)	(55)	(22)	(77)
Present value of future minimum lease payments	7,364	2,695	10,059	1,099	609	1,708

(Unit: Thousand Baht)

	As at 31 December 2017					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	2 - 5 years	Total	Less than 1 year	2 - 5 years	Total
Future minimum lease payments	8,687	6,885	15,572	2,338	649	2,987
Deferred interest expenses	(566)	(184)	(750)	(90)	(8)	(98)
Present value of future minimum lease payments	8,121	6,701	14,822	2,248	641	2,889

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and its subsidiaries, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Provision for long-term employee benefits at beginning of year	26,043	17,290	6,866	3,100
Included in profit or loss:				
Current service cost	2,580	2,361	881	794
Interest cost	786	712	215	185
Loss (gain) on settlement	9	(53)	9	(18)
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	-	1,204	-	92
Financial assumptions changes	-	2,886	-	803
Experience adjustments	-	2,907	-	2,634
Reclassify to short-term employee benefits	(305)	-	-	-
Benefits paid during the year	(347)	(1,264)	(157)	(724)
Provisions for long-term employee benefits at end of year	28,766	26,043	7,814	6,866

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cost of hospital operations	2,225	1,987	737	647
Selling and administrative expenses	1,150	1,033	368	314
Total expenses recognised in profit or loss	3,375	3,020	1,105	961

The Company and its subsidiaries expect to pay Baht 2 million of long-term employee benefits during the next year (Separate financial statements: Baht 0.4 million) (2017: Baht 0.7 million, separate financial statements: Baht 0.2 million).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit is 11 - 17 years (Separate financial statements: 12 years)(2017: 11 - 17 years, separate financial statements: 12 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.20 - 4.30	4.20 - 4.30	4.30	4.30
Future salary increase rate	5.00	5.00	5.00	5.00
Staff turnover rate (depending on age)	0.00 - 30.00	0.00 - 30.00	0.00 - 25.00	0.00 - 25.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 are summarised below:

(Unit: Thousand Baht)

		31 December 2018			
		Consolidated financial statements		Separate financial statements	
	(% per annum)	Increase	Decrease	Increase	Decrease
Discount rate	1.00	(2,727)	3,204	(810)	956
Future salary increase rate	1.00	3,713	(3,195)	1,093	(935)
Staff turnover rate	20.00	(3,876)	5,273	(1,349)	1,912

(Unit: Thousand Baht)

		31 December 2017			
		Consolidated financial statements		Separate financial statements	
	(% per annum)	Increase	Decrease	Increase	Decrease
Discount rate	1.00	(2,597)	3,060	(754)	894
Future salary increase rate	1.00	3,244	(2,798)	941	(806)
Staff turnover rate	20.00	(3,388)	4,576	(1,173)	1,652

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days.This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 8 million (The Company only: Baht 2 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

20. 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 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Salaries and wages and other employee benefits	685,100	618,097	288,584	253,091
Depreciation and amortisation	132,158	112,525	53,604	47,586
Doctor fees	456,447	412,595	172,753	158,243
Medical treatment expense for referred patients	144,906	129,214	88,429	74,529
Medicine, medical supplies and other supplies used	341,033	295,387	118,024	103,212

22. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Current income tax charge	41,272	25,783	13,344	10,224
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,784)	(1,671)	(376)	(146)
Income tax expenses reported in the statement of comprehensive income	39,488	24,112	12,968	10,078

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax relating to actuarial losses	-	1,399	-	706

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit before tax	216,606	149,795	118,298	115,189
Applicable tax rate	20% and 0% - 15%	20% and 0% - 10%	20%	20%
Accounting profit before tax multiplied by applicable tax rates	43,244	29,832	23,660	23,038
Effects of:				
Non-deductible expenses	1,525	881	619	459
Tax-exempted dividend income	-	-	(9,615)	(10,884)
Additional expense deductions allowed	(5,281)	(6,601)	(1,696)	(2,535)
Total	(3,756)	(5,720)	(10,692)	(12,960)
Income tax expenses reported in the statement of comprehensive income	39,488	24,112	12,968	10,078

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	As at 31 December 2018	As at 31 December 2017	As at 31 December 2018	As at 31 December 2017
Deferred tax assets				
Allowance for doubtful accounts	4	39	4	39
Allowance for diminution in value of medicine and supplies	66	57	29	17
Recognition of rental expenses	4,052	3,564	-	-
Provision for employee benefits	6,470	5,808	1,789	1,596
Loss on fair value adjustment of leasehold rights of subsidiary from acquisition of business	494	629	-	-
Total	11,086	10,097	1,822	1,652
Deferred tax liabilities				
Accumulated depreciation - Plant	7,764	8,064	5,239	5,445
Gain on fair value adjustment of fixed assets of subsidiary from acquisition of business	1,378	1,873	-	-
Total	9,142	9,937	5,239	5,445

23. Earnings per share

Basic earnings per share is calculated by dividing profit for this 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.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit for the period (Thousand Baht)	176,484	125,276	105,329	105,112
Weighted average number of ordinary shares (Thousand shares)	570,665	570,665	570,665	570,665
Earnings per share (Baht per share)	0.31	0.22	0.18	0.18

24. Segment information

The Company and its subsidiaries are principally engaged in the hospital business.A subsidiary is engaged in operating a vocational school, but revenue from this business is immaterial. Therefore, revenues, operating profit and total assets presented in the financial statements relate to the said principal business.

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customer

For the year 2018, the Company and its subsidiaries have revenues from one major customer in amount of Baht 400 million, arising from hospital business (2017: Baht 333 million derived from one major customer, arising from hospital business).

25. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees, the Company and its subsidiaries contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by the American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2018 amounting to approximately Baht 4 million (2017: Baht 5 million) (the Company only: Baht 2 million and 2017: Baht 2 million) were recognised as expenses.

26. Dividends

Dividends	Approved by	Cash dividend	Dividend per share
		(Thousand Baht)	(Baht)
Final dividends for 2016	The Annual General Meeting of the shareholders on 29 April 2017	62,773	0.11
Total dividends for 2017		62,773	0.11
Final dividends for 2017	The Annual General Meeting of the shareholders on 21 April 2018	68,480	0.12
Total dividends for 2018		68,480	0.12

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2018, the Company and its subsidiaries had capital commitments relating to the construction of buildings and the buildings improvement of approximately Baht 110.0 million (2017: Baht 31.5 million) (The Company only: Baht 11.5 million and 2017: Baht 14.9 million), and relating to medical service system and acquisition of medical devices and hospital equipment of approximately Baht 51.5 million (2017: Baht 55.1 million) (The Company only: Baht 4.1 million and 2017: Baht 18.7 million).

27.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, property and equipment. The terms of the agreements are generally between 1 and 45 years.

Future minimum lease payments required under those operating lease agreements were as follows:

(Unit: Million Baht)

	As at 31 December			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Payable:				
In up to 1 year	9.8	9.0	0.5	0.6
In over 1 and up to 5 years	30.0	30.4	-	0.1
In over 5 years	67.4	74.9	-	-

27.3 Service commitments

The Company and its subsidiaries have entered into consulting, cleaning services provider, security services provider, medical equipment maintenance service, and other service agreements with unrelated parties.

As at 31 December 2018, future minimum payments required under those service contracts were contracting to Baht 22 million (2017: Baht 11 million) (The Company only: Baht 9 million and 2017: Baht 4 million).

27.4 Guarantees

(a) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 63 million (2017: None).

(b) There were outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Bank guarantees for the medical treatment service contracts with the Social Security Office	14	13	10	10
Bank guarantees for the medical treatment service contracts with the National Health Security Office	4	4	-	-
Bank guarantees for electricity use	4	4	1	1

27.5 Litigation

On 25 July 2018, the Company, as a joint defendant, was sued together with the attending doctors (3 defendants in total) for damages amounting to approximately Baht 20 million. The plaintiff claimed that the attending doctors had jointly committed a tort in their provision of medical treatment, and that the Company, as the operator of the hospital business and employer of the doctors, must be held jointly responsible for the wrongful acts of the attending doctors. The Company and its doctors are of the opinion that they did not commit any wrongful acts as claimed, and therefore decided to file statements of defence. The case is currently being considered by the court. However, the management and the legal adviser of the Company believe that the litigation will not result in the Company incurring any material loss, and the Company therefore did not record any liabilities in the accounts.

28. Financial instruments

28.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, bank overdrafts, short-term and long-term loans and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and other receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, The Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and other receivable as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term and long-term loans and liabilities under finance lease agreements. However, since most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Foreign currency risk

The Company and its subsidiaries had no exposure to foreign currency risk as they rarely have not transactions denominated in other currencies.

28.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

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

29. Capital management

The primary objective of the Company'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 2018, the Group's debt-to-equity ratio was 0.70:1 (2017: 0.70:1) and the Company's was 0.51:1 (2017: 0.48:1).

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2019.


Vichaivej
International
Hospital Group

Akarabut
Fertility Center

โรงพยาบาล
วิชัยเวช
แยกไฟฉาย

ศูนย์รักษาผู้มีบุตรยาก อัครบุตร



- บริการฉีดเชื้ออสุจิเข้าสู่โพรงมดลูก IUI
- บริการทำเด็กหลอดแก้ว IVF
- บริการทำอิ๊กซี่ โดยฉีดตัวอสุจิเข้าผสมกับไข่โดยตรง ICSI
- บริการธนาคารฝากแช่แข็งเซลล์สืบพันธุ์ (อสุจิ,ไข่และตัวอ่อน)
- บริการเจาะเก็บอสุจิโดยตรงจากอัณฑะ TEST
- บริการตรวจคัดกรองความผิดปกติของโครโมโซม PGD

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