

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**

**INTERIM FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2017**

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DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF FINANCIAL INFORMATION

**To : The Shareholders and The Board of Directors of  
Nonthavej Hospital Public Company Limited**

I have reviewed the accompanying statement of financial position of Nonthavej Hospital Public Company Limited as at September 30, 2017, the related statements of comprehensive income for the three-month and nine-month periods ended September 30, 2017, changes in shareholders' equity and cash flows for the nine-month period then ended, and the condensed notes to the financial statements, of Nonthavej Hospital Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### *Scope of review*

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

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 Interim Financial Reporting.



(Dr. Preecha Suan)

Certified Public Accountant Registration No. 6718

Dr. Virach & Associates Office Co., Ltd.

Bangkok : November 9, 2017

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2017**

**ASSETS**

		THOUSAND BAHT	
		As at September 30, 2017	As at December 31, 2016
		UNAUDITED REVIEWED	AUDITED
	Notes		
<b>Current Assets</b>			
Cash and cash equivalents	4	18,058	40,419
Short-term investments			
Open-ended funds	5.1	447,575	306,486
Trading securities	5.2	1,835	1,752
Trade and other receivables	6	136,887	121,523
Inventories		30,259	31,243
Other current assets			
Prepaid expenses		12,208	13,723
Other current assets		1,185	1,232
Total other current assets		13,393	14,955
<b>Total Current Assets</b>		<b>648,007</b>	<b>516,378</b>
<b>Non-current Assets</b>			
Available-for-sale securities	5.3	8,530	9,747
Property, plant and equipment		1,328,920	1,386,705
Intangible assets		13,731	18,818
Deferred tax assets	10	9,245	8,695
Other non-current assets		9,266	7,057
<b>Total Non-current Assets</b>		<b>1,369,692</b>	<b>1,431,022</b>
<b>TOTAL ASSETS</b>		<b>2,017,699</b>	<b>1,947,400</b>

*Prucha*

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

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2017**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		THOUSAND BAHT	
		As at September 30, 2017	As at December 31, 2016
		UNAUDITED REVIEWED	AUDITED
	Note		
<b>Current Liabilities</b>			
Trade and other payables	7	186,017	173,151
Assets acquisition payable		6,389	5,909
Accrued corporate income tax		21,555	27,594
Other current liabilities		4,202	5,625
<b>Total Current Liabilities</b>		<b>218,163</b>	<b>212,279</b>
<b>Non-current Liabilities</b>			
Provision for long-term employee benefits		55,399	51,153
<b>Total Non-current Liabilities</b>		<b>55,399</b>	<b>51,153</b>
<b>TOTAL LIABILITIES</b>		<b>273,562</b>	<b>263,432</b>
<b>Shareholders' Equity</b>			
<b>Share capital</b>			
<b>Authorized share capital</b>			
160,000,000 common stocks of Baht 1 par value		160,000	160,000
<b>Issued and paid-up share capital</b>			
160,000,000 common stocks at Baht 1 each		160,000	160,000
<b>Additional paid-in capital</b>			
Premium on common stocks		172,000	172,000
<b>Retained earnings</b>			
<b>Appropriated</b>			
Legal reserve		16,000	16,000
Unappropriated		1,389,491	1,328,348
Other components of shareholders' equity		6,646	7,620
<b>Total Shareholders' Equity</b>		<b>1,744,137</b>	<b>1,683,968</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,017,699</b>	<b>1,947,400</b>

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



UNAUDITED

REVIEWED

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017**

THOUSAND BAHT

EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT

	Notes	THREE-MONTH PERIODS		NINE-MONTH PERIODS	
		2017	2016	2017	2016
<b>REVENUES</b>					
Revenues from medical treatment		565,924	527,822	1,503,554	1,468,243
Other income		4,222	4,631	11,707	9,701
<b>Total Revenues</b>		<b>570,146</b>	<b>532,453</b>	<b>1,515,261</b>	<b>1,477,944</b>
<b>EXPENSES</b>					
Cost of medical treatment		370,412	352,577	1,013,677	994,174
Selling expenses		3,041	834	4,967	2,713
Administrative expenses		65,669	70,607	189,346	195,485
Directors' remuneration	8	984	825	2,984	2,857
<b>Total Expenses</b>	9	<b>440,106</b>	<b>424,843</b>	<b>1,210,974</b>	<b>1,195,229</b>
Profit before Income Tax Expenses		130,040	107,610	304,287	282,715
Income Tax Expenses	10	25,510	19,967	52,744	54,750
<b>Profit for the periods</b>		<b>104,530</b>	<b>87,643</b>	<b>251,543</b>	<b>227,965</b>
<b>Other Comprehensive Income (Loss) :-</b>					
Surplus (discount) on changes in value of available-for-sale investments		(127)	(23)	(1,217)	3,634
Income tax on net change from the remeasuring of investment in available-for-sale securities		25	5	243	(727)
<b>Other comprehensive income (loss) for the periods - net of tax</b>		<b>(102)</b>	<b>(18)</b>	<b>(974)</b>	<b>2,907</b>
<b>Total comprehensive income for the periods</b>		<b>104,428</b>	<b>87,625</b>	<b>250,569</b>	<b>230,872</b>
<b>Earnings Per Share (Baht)</b>					
Basic Earnings Per Share		<b>0.65</b>	<b>0.54</b>	<b>1.57</b>	<b>1.42</b>

The number of 160,000,000 common stocks used in computation.

UNAUDITED

REVIEWED

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

		THOUSAND BAHT					
	Notes	Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
				Legal reserve	Unappropriated	Other comprehensive income	
						Available for sale securities	
<b>Year 2017</b>							
Balances as at January 1, 2017		160,000	172,000	16,000	1,328,348	7,620	1,683,968
Total comprehensive income (loss) for the period		-	-	-	251,543	(974)	250,569
Dividend payment	8	-	-	-	(190,400)	-	(190,400)
Balances as at September 30, 2017		160,000	172,000	16,000	1,389,491	6,646	1,744,137
<b>Year 2016</b>							
Balances as at January 1, 2016		160,000	172,000	16,000	1,190,162	4,481	1,542,643
Total comprehensive income for the period		-	-	-	227,965	2,907	230,872
Dividend payment	8	-	-	-	(179,200)	-	(179,200)
Balances as at September 30, 2016		160,000	172,000	16,000	1,238,927	7,388	1,594,315



## NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

## STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

	THOUSAND BAHT	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT BEFORE INCOME TAX EXPENSES	304,287	282,715
ADJUSTMENTS TO RECONCILE PROFIT BEFORE INCOME TAX		
EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Depreciation	94,099	92,209
Amortization of deferred expenses	1,435	2,365
Amortization of computer softwares	5,428	7,382
Unrealized gain on open-ended funds	(2,573)	(1,213)
Unrealized gain on trading securities	(83)	(193)
(Gain) loss on disposal of building and equipment	(172)	7,090
Bad debts	-	630
Doubtful debts decrease	(55)	(251)
Dividend income	(107)	(109)
Interest income	(74)	(76)
Long-term employee benefits expenses	6,136	5,176
PROFIT FROM OPERATION BEFORE CHANGE IN		
OPERATING ASSETS AND LIABILITIES ITEMS	408,321	395,725
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Open-ended funds	(138,516)	(118,598)
Trade and other receivables	(15,309)	(14,053)
Inventories	984	6,150
Other current assets	1,564	10,787
Other non-current assets	(3,644)	(6,261)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS		
Trade and other payables	12,866	(254)
Assets acquisition payable	(216)	(2,194)
Other current liabilities	(1,423)	(1,132)
Provision for long-term employee benefits	(1,890)	-
Cash received from operation	262,737	270,170
Interest income	74	76
Income tax paid	(59,090)	(71,430)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	203,721	198,816

UNAUDITED

REVIEWED

**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

	THOUSAND BAHT	
	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in plant and equipment	(35,725)	(31,781)
Proceeds from disposal of building and equipment	279	254
Purchase of computer softwares	(341)	(210)
Proceeds from dividend income	105	107
NET CASH USED IN INVESTING ACTIVITIES	(35,682)	(31,630)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend payment	(190,400)	(179,200)
NET CASH USED IN FINANCING ACTIVITIES	(190,400)	(179,200)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(22,361)	(12,014)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	40,419	31,487
CASH AND CASH EQUIVALENTS AS AT SEPTEMBER 30,	18,058	19,473
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized gain on available-for-sale securities	1,217	3,634
Increase in building and equipment from assets payable	696	3,065
Increase in equipment from transferring deposits	-	139
Accrued dividend income	2	2



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



**NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2017**

**1. GENERAL INFORMATION**

<b>1.1</b>	Company status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
<b>1.2</b>	Company location	432, Ngamvongwan Road, Tambol Bangkhen, Amphur Muangnonthaburi, Nonthaburi, Thailand.
	Branch	530, Rattanathibeth Road, Tambol Bangkrasor, Amphur Muangnonthaburi, Nonthaburi, Thailand.
<b>1.3</b>	Type of business	Hospital

**2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS**

2.1 The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No.34 (revised 2016) Interim Financial Reporting issued by the Federation of Accounting Professions and the Notification of the Office of Securities and Exchange Commission. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2016.

2.2 Accounting standards that became effective in the current accounting period

The Company has disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations (revised 2016) that are effective for fiscal years beginning on or after January 1, 2017, in the notes to financial statements for the year ended December 31, 2016.

Accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations do not have a significant impact on the financial statements.

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2016.

### 4. CASH AND CASH EQUIVALENTS

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
Cash	2,628	3,216
Deposits at financial institutions	15,430	37,203
Total	18,058	40,419

### 5. INVESTMENTS

#### 5.1 Open-ended fund

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
Open-ended fund	443,961	305,445
Valuation adjustment	3,614	1,041
Open-ended fund-Fair value	447,575	306,486

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the nine-month periods ended September 30,	
	2017	2016
Unrealized gain on open-ended fund	2,573	1,213

#### 5.2 Short-term investments - Trading securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
Short-term investments-at cost	2,008	2,008
Valuation adjustment	(173)	(256)
Short-term investments-Fair value	1,835	1,752

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the nine-month periods ended September 30,	
	2017	2016
Unrealized gain on trading securities	83	193

**5.3 Available-for-sale securities**

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
Acquisition cost	222	222
Surplus on changes in value of available-for-sale securities	8,308	9,525
Fair value at ending periods	8,530	9,747

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the nine-month periods ended September 30,	
	2017	2016
Surplus (discount) on changes in value of available-for-sale securities	(1,217)	3,634

**6. TRADE AND OTHER RECEIVABLES**

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	132,422	116,449
Overdue within 3 months	3,741	2,643
Over 3 - 6 months	698	1,334
Over 6 - 12 months	843	1,131
Over 12 months	1,657	2,505
Total	139,361	124,062
Allowance for doubtful debts	(2,574)	(2,629)
Trade accounts receivable-net	136,787	121,433
Other receivables	100	90
Total trade and other receivables	136,887	121,523

**7. TRADE AND OTHER PAYABLES**

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
Trade accounts payables	55,279	51,215
Accrued expenses	49,725	45,837
Accrued doctors' fees	60,808	56,143
Others	20,205	19,956
Total	186,017	173,151



**8. DIVIDEND PAYMENT AND DIRECTOR'S REMUNERATION**

On April 24, 2017, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay dividend at Baht 1.19 per share to the shareholders of 160 million shares, totalling Baht 190.40 million, including directors' remuneration amounting to Baht 3.17 million. The dividend payment was made on May 23, 2017.

On April 28, 2016, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay dividend at Baht 1.12 per share to the shareholders of 160 million shares, totalling Baht 179.20 million, including directors' remuneration amounting to Baht 2.98 million. The dividend payment was made on May 27, 2016.

**9. EXPENSES BY NATURE**

(AMOUNT IN THOUSAND BAHT)

EXPENSES	For the nine-month periods ended September 30,	
	2017	2016
Medicine and medical supply consumptions	291,490	289,431
Directors and management benefit expenses	10,642	11,508
Employee benefit expenses	339,144	333,324
Doctors' fees	354,811	341,334
Depreciation and amortization expenses	100,962	101,956
Bad debts	-	630
Doubtful debts	(55)	(251)
Other expenses	113,980	117,297
<b>Total</b>	<b>1,210,974</b>	<b>1,195,229</b>

**10. INCOME TAXES**

Corporate income taxes of the Company for the three-month and nine-month periods ended September 30, 2017 and 2016 are calculated from the accounting profits and adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in corporate income tax computation.

The Company income taxes are calculated at the rate of 20 percent in 2017 and 2016.

Income tax expenses recognized in statements of comprehensive income consist:

(AMOUNT IN THOUSAND BAHT)

FOR THE PERIODS ENDED SEPTEMBER 30,	2017	2016
<u>For 3 month periods</u>		
Corporate income tax for the periods	25,828	20,145
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(318)	(178)
Income tax expenses	25,510	19,967
<u>For 9 month periods</u>		
Corporate income tax for the periods	53,051	55,454
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(307)	(704)
Income tax expenses	52,744	54,750

As at September 30, 2017 and December 31, 2016, the deferred tax assets/liabilities arose from the following temporary differences:

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2017	As at December 31, 2016
<b>Temporary differences in the statements of comprehensive income</b>		
Unrealized gain on open-ended fund	(3,614)	(1,041)
Unrealized loss on trading securities	173	256
Allowance for doubtful accounts receivables	2,574	2,629
Provision for long-term employees benefits	55,399	51,153
Total	54,532	52,997
<b>Temporary differences in other comprehensive income</b>		
Gain from the remeasuring of investment in available-for-sale securities	(8,308)	(9,525)
Total	46,224	43,472
<b>Deferred tax assets calculated from tax rate of 20%.</b>	9,245	8,695

## 11. FINANCIAL INFORMATION BY SEGMENT

The Company is engaged in the business of medical treatment in one geographical area, Thailand. Therefore, the financial information by segment is not shown in these financial statements.

## 12. COMMITMENT

12.1 As at September 30, 2017 and December 31, 2016, the Company has commitment from the issuance of bank guarantee as follow :

(AMOUNT IN THOUSAND BAHT)

PARTICULAR	As at September 30, 2017	As at December 31, 2016
Letters of guarantee issued by commercial bank	4,277	4,277

#### 12.2 Commitment under service agreement

As at September 30, 2017, the Company has entered into service agreements which can be cancelled when the counter party has prior notice 30 to 60 days in advance the amount of Baht 18.28 million.

#### 12.3 Capital expenditure commitments

As at September 30, 2017, the Company has capital expenditure commitments to pay a total of Baht 0.85 million regarding to the air conditioning system agreements and Baht 27.00 million in regarding to the contract design for the addition of the new hospital.

### 13. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's Board of Directors on November 9, 2017.