

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

MARCH 31, 2019

518/3 อาคารเมธียาเซ็นเตอร์ นอช ชั้น 7

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V & A

บริษัท สำนักงาน ดร.วิรัช แอนด์ แอสโซซิเอทส์ จำกัด
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 statements of financial position of Nonthavej Hospital Public Company Limited as at March 31, 2019, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-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 Thai 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 Thai Accounting Standard 34 Interim Financial Reporting.

(Dr. Preecha Suan)

Certified Public Accountant Registration No. 6718

Dr. Virach & Associates Office Co., Ltd.

Bangkok : May 9, 2019

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2019

ASSETS

		THOUSAND Baht	
		As at March 31, 2019	As at
		UNAUDITED	
		REVIEWED	
		Notes	
Current Assets			
Cash and cash equivalents	4	31,089	
Short-term investments			
Open-ended funds	5.1	623,141	
Trading securities	5.2	1,441	
Fixed deposit at bank	5.3	250,000	
Trade and other receivables	6	153,442	
Inventories		43,836	
Other current assets			
Prepaid expenses		17,203	
Other current assets		2,969	
Total other current assets		20,172	
Total Current Assets		1,123,121	
Non-current Assets			
Available-for-sale securities	5.4	9,349	
Property, plant and equipment		1,258,217	
Intangible assets		10,747	
Deferred tax assets	9	7,656	
Other non-current assets		7,234	
Total Non-current Assets		1,293,203	
TOTAL ASSETS		2,416,324	

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

		THOUSAND BAHT	
		As at March 31, 2019	As at December 31, 2018
		UNAUDITED	AUDITED
	Notes	REVIEWED	
Current Liabilities			
Trade and other payables	7	161,671	177,656
Assets acquisition payable		3,538	5,622
Dividend payable	8	233,600	-
Accrued corporate income tax		50,375	38,421
Other current liabilities		6,388	6,340
Total Current Liabilities		455,572	228,039
Non-current Liabilities			
Provision for long-term employee benefits		48,461	38,567
Total Non-current Liabilities		48,461	38,567
TOTAL LIABILITIES		504,033	266,606
Shareholders' Equity			
Share capital			
Authorized share capital			
160,000,000 common stocks of Baht 1 par value		160,000	160,000
Issued and paid-up share capital			
160,000,000 common stocks at Baht 1 each		160,000	160,000
Additional paid-in capital			
Premium on common stocks		172,000	172,000
Retained earnings			
Appropriated			
Legal reserve		16,000	16,000
Unappropriated		1,556,989	1,683,433
Other components of shareholders' equity		7,302	5,851
Total Shareholders' Equity		1,912,291	2,037,284
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,416,324	2,303,890

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 PERIOD ENDED MARCH 31, 2019

	Notes	THOUSAND BAHT	
		EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT	
		2019	2018
REVENUES			
Revenues from medical treatment		547,429	530,665
Other income		4,523	2,642
Total Revenues		<u>551,952</u>	<u>533,307</u>
EXPENSES			
Cost of medical treatment		359,258	346,481
Selling expenses		1,439	1,372
Administrative expenses		67,673	61,948
Directors' remuneration	8	1,183	1,165
Total Expenses		<u>429,553</u>	<u>410,966</u>
Profit before Income Tax Expenses		122,399	122,341
Income Tax Expenses	9	15,242	15,045
Profit for the periods		<u>107,157</u>	<u>107,296</u>
Other Comprehensive Income :-			
Gain (loss) on changes in value of available-for-sale investments		1,813	(250)
Income tax on net change from the remeasuring of investment in available-for-sale securities		(362)	50
Other comprehensive income (loss) for the periods - net of tax		<u>1,451</u>	<u>(200)</u>
Total comprehensive income for the periods		<u><u>108,608</u></u>	<u><u>107,096</u></u>
Earnings Per Share (Baht)			
Basic Earnings Per Share		0.67	0.67

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

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



NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

		THOUSAND BAHT					
		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 (loss)	
Notes							Available for sale securities
Year 2019							
	Balances as at January 1, 2019	160,000	172,000	16,000	1,683,432	5,851	2,037,283
	Total comprehensive income for the period	-	-	-	107,157	1,451	108,608
	Dividend payment	-	-	-	(233,600)	-	(233,600)
	Balances as at March 31, 2019	<u>160,000</u>	<u>172,000</u>	<u>16,000</u>	<u>1,556,989</u>	<u>7,302</u>	<u>1,912,291</u>
Year 2018							
	Balances as at January 1, 2018	160,000	172,000	16,000	1,492,047	6,539	1,846,586
	Total comprehensive income (loss) for the period	-	-	-	107,296	(200)	107,096
	Dividend payment	-	-	-	(212,800)	-	(212,800)
	Balances as at March 31, 2018	<u>160,000</u>	<u>172,000</u>	<u>16,000</u>	<u>1,386,543</u>	<u>6,339</u>	<u>1,740,882</u>

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UNAUDITED

REVIEWED

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

	THOUSAND BAHT	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT BEFORE INCOME TAX EXPENSES	122,399	122,341
ADJUSTMENTS TO RECONCILE PROFIT BEFORE INCOME TAX		
EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Depreciation	31,797	32,031
Amortization of deferred expenses	991	570
Amortization of computer softwares	1,064	1,055
Unrealized gain on open-ended funds	(2,473)	(1,331)
Unrealized loss on trading securities	23	118
Gain on disposal of building and equipment	-	(35)
Doubtful debts decrease	(113)	(298)
Dividend income	(119)	(59)
Interest income	(742)	-
Long-term employee benefits expenses	12,943	2,074
PROFIT FROM OPERATION BEFORE CHANGE IN		
OPERATING ASSETS AND LIABILITIES ITEMS	165,770	156,466
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Fixed deposit at bank	(25,000)	-
Open-ended funds	(115,000)	(133,000)
Trade and other receivables	6,227	12,943
Inventories	2,996	3,381
Other current assets	(879)	243
Other non-current assets	389	506
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS		
Trade and other payables	(16,061)	(17,344)
Assets acquisition payable	(3,496)	-
Other current liabilities	48	(426)
Provision for long-term employee benefits	(3,049)	(4,946)
Cash received from operation	11,945	17,823
Interest income	696	-
Income tax paid	(4,754)	(4,596)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	7,887	13,227

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



NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

	THOUSAND BAHT	
	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in plant and equipment	(9,454)	(1,839)
Proceeds from disposal of building and equipment	-	35
Proceeds from dividend income	83	-
NET CASH USED IN INVESTING ACTIVITIES	(9,371)	(1,804)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,484)	11,423
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	32,573	15,077
CASH AND CASH EQUIVALENTS AS AT MARCH 31,	31,089	26,500
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized gain (loss) on available-for-sale securities	1,813	(250)
Increase in plant and equipment from assets payable	1,412	908
Increase in equipment from retention	76	-
Dividend payable	233,600	212,800
Accrued dividend income	36	59

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS

MARCH 31, 2019

1. GENERAL INFORMATION

1.1	Company status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
1.2	Company location	432, Ngamvongwan Road, Tambol Bangkhen, Amphur Muangnonthaburi, Nonthaburi, Thailand.
	Branch	530, Rattanathibeth Road, Tambol Bangkrasor, Amphur Muangnonthaburi, Nonthaburi, Thailand.
1.3	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 2018) 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, 2018.

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 2018) that are effective for fiscal years beginning on or after January 1, 2019, in the notes to financial statements for the year ended December 31, 2018.

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, 2018.

4. CASH AND CASH EQUIVALENTS

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019		As at December 31, 2018	
Cash	3,986		3,439	
Bank deposits	27,103		29,134	
Total	31,089		32,573	

5. INVESTMENTS

5.1 Open-ended fund

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019		As at December 31, 2018	
Open-ended fund	618,908		503,908	
Valuation adjustment	4,233		1,760	
Open-ended fund-Fair value	623,141		505,668	

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2019	2018
	Unrealized gain on open-ended fund	2,473
Gain on open-ended fund in the periods	-	4,670
Gain on investments in Open-ended Fund	2,473	6,001

5.2 Short-term investments - Trading securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019		As at December 31, 2018	
Short-term investments-at cost	2,008		2,008	
Valuation adjustment	(567)		(544)	
Short-term investments-Fair value	1,441		1,464	

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2019	2018
Unrealized loss on trading securities	23	118

5.3 Fixed deposit at bank

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019	As at December 31, 2018
6 Month fixed deposit at bank	250,000	225,000
Interest rate per annum	1.25 - 1.50	1.25 - 1.45
Accrued interest	676	629

5.4 Available-for-sale securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019	As at December 31, 2018
Acquisition cost	222	222
Valuation adjustment	9,127	7,314
Fair value at ending periods	9,349	7,536

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2019	2018
Gain (loss) on changes in value of available-for-sale securities	1,813	(250)

6. TRADE AND OTHER RECEIVABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019	As at December 31, 2018
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	141,455	147,970
Overdue within 3 months	6,868	8,896
Over 3 - 6 months	3,189	1,748
Over 6 - 12 months	1,576	1,032
Over 12 months	2,966	2,625
Total	156,054	162,271
Allowance for doubtful debts	(2,612)	(2,725)
Trade accounts receivable-net	153,442	159,546
Other receivables	-	10
Total trade and other receivables	153,442	159,556

7. TRADE AND OTHER PAYABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019	As at December 31, 2018
Trade accounts payables	48,955	51,696
Accrued expenses	26,444	44,666
Accrued doctors' fees	63,256	59,956
Others	23,016	21,338
Total	161,671	177,656

8. DIVIDEND PAYMENT AND DIRECTOR'S REMUNERATION

On March 6, 2019, the Board of Directors' Meeting was held and has a resolution to pay dividend at Baht 1.46 per share to the shareholders of 160 million shares, totalling Baht 233.60 million. On April 30, 2019, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay such proposed dividend, including directors' remuneration amounting to Baht 3.87 million by fixing the payment date for dividend on May 29, 2019.

On March 9, 2018, the Board of Directors' Meeting was held and has a resolution to pay dividend at Baht 1.33 per share to the shareholders of 160 million shares, totalling Baht 212.80 million. On April 26, 2018, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay such proposed dividend, including directors' remuneration amounting to Baht 3.54 million by fixing the payment date for dividend on May 25, 2018.

9. INCOME TAXES

Corporate income tax of the Company for the three-month periods ended March 31, 2019 and 2018 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 2019 and 2018.

Income tax expenses recognized in statements of comprehensive income consist:

(AMOUNT IN THOUSAND BAHT)

FOR THE THREE-MONTH PERIODS ENDED MARCH 31,	2019	2018
Corporate income tax for the periods	16,708	15,102
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(1,466)	(57)
Income tax expenses	15,242	15,045

As at March 31, 2019 and December 31, 2018, the deferred tax assets/liabilities arose from the following temporary differences:

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2019	As at December 31, 2018
Temporary differences in the statements of comprehensive income		
Unrealized gain on open-ended fund	(4,233)	(1,760)
Unrealized loss on trading securities	567	544
Allowance for doubtful accounts receivables	2,612	2,725
Provision for long-term employee benefits	48,461	60,240
Total	47,407	61,749
Temporary differences in other comprehensive income		
- Recognized in other components of shareholders' equity		
Gain from the remeasuring of investment in available-for-sale securities	(9,127)	(7,314)
- Recognized in retained earnings		
Provision for long-term employee benefits	-	(21,673)
Total	38,280	32,762
Deferred tax assets calculated from tax rate of 20%.	7,656	6,552

10. 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.

11. COMMITMENT

11.1 As at March 31, 2019 and December 31, 2018, the Company has commitment from the issuance of bank guarantee as follow :

PARTICULAR	(AMOUNT IN THOUSAND BAHT)	
	As at March 31, 2019	As at December 31, 2018
Letters of guarantee issued by commercial bank	4,277	4,277

11.2 Commitment under service agreement

As at March 31, 2019, 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 27.29 million.

11.3 Capital expenditure commitments

As at March 31, 2019, the Company has capital expenditure commitments to pay a total of Baht 19.80 million in regarding to the contract design for the addition of the new building of hospital.

12. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's Board of Directors on May 9, 2019.