

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

MARCH 31, 2020

518/3 อาคารเมณียาเซ็นเตอร์ นอช ชั้น 7
ถนนเพลินจิต แขวงลุมพินี
เขตปทุมวัน กรุงเทพฯ 10330
โทร./โทรสาร 0-2252-2860, 0-2255-2518
0-2254-1210, 0-2250-0634
0-2254-8386-7
โทรสาร อัดโนมิตี 0-2253-8730
อีเมล virach5183@yahoo.com
เว็บไซต์ http://www.vaaudit.com

V & A

บริษัท สำนักงาน ดร.วิรัช แอนด์ แอสโซซิเอทส์ จำกัด
DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS
สำนักงานใหญ่ เลขประจำตัวผู้เสียภาษี 0105556000751

518/3 Maneeya Center North Building
7th Floor, Ploenchit Road, Lumpinee District
Khet Patumwan, Bangkok 10330
Tel./Fax 66 (0) 2252-2860, 2255-2518
2254-1210, 2250-0634
2254-8386-7
Auto Fax 66 (0) 2253-8730
Email virach5183@yahoo.com
Website http://www.vaaudit.com

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, 2020, 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.

Other matter

Due to the impact of the Covid-19 outbreak situation, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Company for the accounting period of 2020 yet. However, the Board of Directors of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Company for the accounting period of 2020. I, therefore, have conducted my review on the interim financial information for the first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisor Board (CMSB) No. Tor Chor 28/2563 dated 27 March 2020.



(Mr. Chaikyorn Aunpitipongsa)

Certified Public Accountant Registration No. 3196

Dr. Virach & Associates Office Co., Ltd.

Bangkok : May 11, 2020

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2020

ASSETS

THOUSAND BAHT

	Notes	As at March 31, 2020	As at December 31, 2019
		UNAUDITED REVIEWED	AUDITED
Current Assets			
Cash and cash equivalents	4	189,890	49,589
Short-term investments			
Investments in Open-end Fund	5.1	-	139
Marketable securities-trading	5.2	-	1,054
Fixed deposit at bank	5.3	918,000	985,000
		918,000	986,193
Trade accounts receivable	6	140,095	172,632
Inventories		47,282	48,876
Other current financial assets			
Investments in Open-end Fund	5.1	103	-
Marketable securities	5.2	596	-
Other current assets			
Prepaid expenses		16,267	17,781
Other current assets		4,628	6,357
Total other current assets		20,895	24,138
Total Current Assets		1,316,861	1,281,428
Non-current Assets			
Other non-current financial assets			
Marketable securities/A available-for-sale	5.4	8,009	8,681
Property, plant and equipment		1,224,734	1,237,456
Intangible assets		9,398	8,257
Deferred tax assets	9	11,014	10,020
Other non-current assets		4,008	4,163
Total Non-current Assets		1,257,163	1,268,577
TOTAL ASSETS		2,574,024	2,550,005

h

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, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

THOUSAND BAHT

	Notes	As at March 31, 2020	As at December 31, 2019
		UNAUDITED REVIEWED	AUDITED
Current Liabilities			
Trade and other payables	7	148,645	197,646
Assets acquisition payable		4,772	15,469
Dividend payable	8	252,800	-
Accrued corporate income tax		54,282	50,448
Other current liabilities		6,788	6,928
Total Current Liabilities		467,287	270,491
Non-current Liabilities			
Provision for long-term employee benefits		56,883	54,318
Total Non-current Liabilities		56,883	54,318
TOTAL LIABILITIES		524,170	324,809
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			
		1,695,625	1,870,429
Other components of shareholders' equity		6,229	6,767
Total Shareholders' Equity		2,049,854	2,225,196
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,574,024	2,550,005

h

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020

	Notes	THOUSAND BAHT	
		EXCEPT EARNINGS PER	
		SHARE PRESENTED IN BAHT	
		2020	2019
REVENUES			
Revenues from medical treatment		487,629	547,429
Other income		5,640	4,523
Total Revenues		493,269	551,952
EXPENSES			
Cost of medical treatment		338,994	359,258
Selling expenses		1,585	1,439
Administrative expenses		65,414	67,673
Directors' remuneration	8	1,268	1,183
Total Expenses		407,261	429,553
Profit before Income Tax Expenses		86,008	122,399
Income Tax Expenses	9	8,012	15,242
Profit for the periods		77,996	107,157
Other Comprehensive Income :-			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Gain (loss) on changes in value of marketable securities			
Gain (loss) recognized in other comprehensive income		(672)	1,813
Income tax on net change from the remeasuring of marketable securities		134	(362)
Other comprehensive income (loss) for the periods - net of tax		(538)	1,451
Total comprehensive income for the periods		77,458	108,608
Earnings Per Share (Baht)			
Basic Earnings Per Share		0.49	0.67

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

b

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

UNAUDITED

REVIEWED

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020

THOUSAND BAHT

	Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of shareholders' equity Other comprehensive income (loss)	Marketable securities	Total shareholders' equity
			Legal reserve	Unappropriated			
Year 2020							
Balances as at January 1, 2020	160,000	172,000	16,000	1,870,429	6,767		2,225,196
Total comprehensive income (loss) for the period	-	-	-	77,996	(538)		77,458
Dividend payment	-	-	-	(252,800)	-		(252,800)
Balances as at March 31, 2020	160,000	172,000	16,000	1,695,625	6,229		2,049,854
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	160,000	172,000	16,000	1,556,989	7,302		1,912,291

62

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020

	THOUSAND BAHT	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT BEFORE INCOME TAX EXPENSES	86,008	122,399
ADJUSTMENTS TO RECONCILE PROFIT BEFORE INCOME TAX		
EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Depreciation	32,723	31,797
Amortization of deferred expenses	606	991
Amortization of computer softwares	991	1,064
Unrealized (gain) loss on open-ended funds	36	(2,473)
Unrealized loss on marketable securities	458	23
Gain on disposal of equipment	(137)	-
Doubtful debts increase (decrease)	1,239	(113)
Dividend income	(76)	(119)
Interest income	(3,184)	(742)
Long-term employee benefits expenses	2,565	12,943
PROFIT FROM OPERATION BEFORE CHANGE IN		
OPERATING ASSETS AND LIABILITIES ITEMS	121,229	165,770
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Fixed deposit at bank	67,000	(25,000)
Open-ended funds	-	(115,000)
Trade and other receivables	31,298	6,227
Inventories	1,594	2,996
Other current assets	(364)	(879)
Other non-current assets	(451)	389
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS		
Trade and other payables	(49,178)	(16,061)
Assets acquisition payable	(13,589)	(3,496)
Other current liabilities	(140)	48
Provision for long-term employee benefits	-	(3,049)
Cash received from operation	157,399	11,945
Interest income	6,856	696
Income tax paid	(5,037)	(4,754)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	159,218	7,887

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

h

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020

	THOUSAND BAHT	
	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in plant and equipment	(17,183)	(9,454)
Proceeds from disposal of equipment	181	-
Purchase of computer softwares	(1,925)	-
Proceeds from dividend income	10	83
NET CASH USED IN INVESTING ACTIVITIES	(18,917)	(9,371)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	140,301	(1,484)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	49,589	32,573
CASH AND CASH EQUIVALENTS AS AT MARCH 31,	189,890	31,089
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized gain (loss) on marketable securities	(672)	1,813
Increase in plant and equipment from assets payable	2,685	1,412
Increase in computer softwares from assets payable	207	-
Increase in equipment from retention	177	76
Dividend payable	252,800	233,600
Accrued dividend income	76	36

6

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS

MARCH 31, 2020

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 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, 2019.

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 that are effective for fiscal years beginning on or after January 1, 2020, in the notes to financial statements for the year ended December 31, 2019.

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

Financial reporting standards group of Financial 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 instruments, 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.

- 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, 2019. Except for the change in accounting policies related to financial instruments and leases.

Financial Instruments

Measurement

- Other current financial assets that are investments in Open-ended Fund are measured at fair value through profit or loss.
- Other current financial assets which is equity investments-marketable securities are measured at fair value through profit or loss.
- Other non-current financial assets which is equity investments-marketable securities are measured at fair value through other comprehensive income (loss).

Impairment of financial assets

- The Company has applied a simplified approach to determine the lifetime expected credit losses for trade accounts receivable.

4. CASH AND CASH EQUIVALENTS

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Cash	949	2,355
Bank deposits	188,941	47,234
Total	189,890	49,589

5. INVESTMENTS

5.1 Other current financial assets/Open-ended Fund

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Open-ended Fund	152	152
Valuation adjustment	(49)	(13)
Open-ended Fund-Fair value	103	139

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2020	2019
Unrealized gain(loss) on investments in Open-ended Fund	(36)	2,473

5.2 Other current financial assets/Marketable securities-trading

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Short-term investments-at cost	2,008	2,008
Valuation adjustment	(1,412)	(954)
Short-term investments-Fair value	596	1,054

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2020	2019
Unrealized loss on trading securities	458	23

5.3 Fixed deposit at bank

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
6 Month fixed deposit at bank	918,000	985,000
Interest rate per annum	0.30 – 1.35	0.75 - 1.65
Accrued interest	1,199	4,854

5.4 Other non-current financial assets-Marketable securities/Available-for-sale

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Acquisition cost	222	222
Valuation adjustment	7,787	8,459
Fair value at ending periods	8,009	8,681

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the three-month periods ended March 31,	
	2020	2019
Gain (loss) on changes in value of available-for-sale securities	(672)	1,813

6. TRADE ACCOUNTS RECEIVABLE

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	126,488	157,252
Overdue within 3 months	8,684	11,489
Over 3 - 6 months	2,956	1,604
Over 6 - 12 months	2,655	1,902
Over 12 months	3,825	3,659
Total	144,608	175,906
Allowance for doubtful debts	(4,513)	(3,274)
Trade accounts receivable-net	140,095	172,632

In 2020, the Company applies a simplified approach to determine the lifetime expected credit losses.

7. TRADE AND OTHER PAYABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Trade accounts payables	50,752	63,213
Accrued expenses	18,440	46,501
Accrued doctors' fees	56,560	65,168
Others	22,893	22,764
Total	148,645	197,646

8. DIVIDEND PAYMENT AND DIRECTOR'S REMUNERATION

On April 2, 2020, the Board of Directors' Meeting No.3/2020 was held and has a resolution to pay interim dividend at Baht 1.58 per share to the shareholders of 160 million shares, totalling Baht 252.80 million, including directors' remuneration amounting to Baht 4.21 million. By fixing the payment date for dividend on April 30, 2020.

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.

9. INCOME TAXES

Corporate income tax of the Company for the three-month periods ended March 31, 2020 and 2019 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.

Income tax expenses recognized in statements of comprehensive income consist:

(AMOUNT IN THOUSAND BAHT)

FOR THE THREE-MONTH PERIODS ENDED MARCH 31,	2020	2019
Corporate income tax for the periods	8,871	16,708
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(859)	(1,466)
Income tax expenses	8,012	15,242

As at March 31, 2020 and December 31, 2019, the deferred tax assets/liabilities arose from the following temporary differences:

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at March 31, 2020	As at December 31, 2019
Temporary differences in the statements of comprehensive income		
Unrealized loss on open-ended fund	49	13
Unrealized loss on trading securities	1,412	954
Allowance for doubtful accounts receivables	4,513	3,274
Provision for long-term employee benefits	56,883	54,318
Total	62,857	58,559
Temporary differences in other comprehensive income - Recognized in other components of shareholders' equity		
Gain from the remeasuring of investment in available-for-sale securities	(7,787)	(8,459)
Total	55,070	50,100
Deferred tax assets calculated from tax rate of 20%.	11,014	10,020

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, 2020 and December 31, 2019, the Company has commitment from the issuance of bank guarantee as follow :

PARTICULAR	(AMOUNT IN THOUSAND BAHT)	
	As at March 31, 2020	As at December 31, 2019
Letters of guarantee issued by commercial bank	4,277	4,277

11.2 Commitment under service agreement

As at March 31, 2020, 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 30.58 million.

11.3 Capital expenditure commitments

As at March 31, 2020, the Company has capital expenditure commitments to pay a total of Baht 28.38 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 11, 2020.