

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

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V & A

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

CERTIFIED PUBLIC ACCOUNTANTS
สำนักงานใหญ่ เลขประจำตัวผู้เสียภาษี 0105556000751

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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 September 30, 2021, the related statements of comprehensive income for the three-month and nine-month periods ended September 30, 2021, 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 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.

C. Aunpitpongsa.

(Mr. Chaiyakorn Aunpitpongsa)

Certified Public Accountant Registration No. 3196

Dr. Virach & Associates Office Co., Ltd.

Bangkok : November 9, 2021

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2021

ASSETS

THOUSAND BAHT

	Notes	THOUSAND BAHT	
		As at September 30,	As at December 31,
		2021	2020
		UNAUDITED	AUDITED
		REVIEWED	
Current Assets			
Cash and cash equivalents	4	740,899	934,910
Trade receivable and other current receivables	5	132,127	171,343
Inventories		48,077	56,542
Other current financial assets			
Investments in Open-ended Fund	6.1	37	37
Marketable securities	6.2	1,245	1,040
Total other current financial assets		1,282	1,077
Other current assets			
Prepaid expenses		15,176	19,655
Other current assets		4,103	3,757
Total other current assets		19,279	23,412
Total Current Assets		941,664	1,187,284
Non-current Assets			
Other non-current financial assets			
Marketable securities	7.1	8,577	7,989
Other investment	7.2	100,000	-
Total other non-current financial assets		108,577	7,989
Property, plant and equipment		1,285,403	1,273,845
Intangible assets		34,134	23,176
Deferred tax assets	10	13,724	12,413
Other non-current assets		5,879	6,740
Total Non-current Assets		1,447,717	1,324,163
TOTAL ASSETS		2,389,381	2,511,447

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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, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

THOUSAND BAHT

		As at September 30, 2021	As at December 31, 2020
	Note	UNAUDITED REVIEWED	AUDITED
Current Liabilities			
Trade and other current payables	8	139,471	173,601
Assets acquisition payable		21,853	35,615
Accrued corporate income tax		1,843	29,881
Other current liabilities		5,722	8,521
Total Current Liabilities		168,889	247,618
Non-current Liabilities			
Provision for long-term employee benefits		69,151	61,164
Total Non-current Liabilities		69,151	61,164
TOTAL LIABILITIES		238,040	308,782
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		1,796,657	1,848,451
Other components of shareholders' equity		6,684	6,214
Total Shareholders' Equity		2,151,341	2,202,665
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,389,381	2,511,447

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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 AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021

	Notes	THOUSAND BAHT			
		EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
		THREE-MONTH PERIODS		NINE-MONTH PERIODS	
		2021	2020	2021	2020
REVENUES					
Revenues from medical treatment		402,151	488,363	1,240,526	1,340,966
Other income		2,097	11,012	14,419	14,606
Total Revenues		<u>404,248</u>	<u>499,375</u>	<u>1,254,945</u>	<u>1,355,572</u>
EXPENSES					
Cost of medical treatment		321,149	352,116	960,646	981,629
Selling expenses		1,061	1,789	3,874	5,050
Administrative expenses		61,181	63,377	185,682	187,228
Directors' remuneration	9	713	1,201	2,722	3,796
Total Expenses		<u>384,104</u>	<u>418,483</u>	<u>1,152,924</u>	<u>1,177,703</u>
Profit from operating activities		20,144	80,892	102,021	177,869
Finance income		678	1,030	1,893	5,714
Reversal loss (allowance for expected credit loss)		186	842	637	(1,245)
Unrealized gain (loss) on open-ended funds	6.1	1	(13)	-	(30)
Unrealized gain (loss) on marketable securities	6.2	227	25	205	(117)
Profit before Income Tax Expenses		<u>21,236</u>	<u>82,776</u>	<u>104,756</u>	<u>182,191</u>
Income Tax Expenses	10	(4,112)	(16,423)	(17,350)	(27,006)
Profit for the periods		<u>17,124</u>	<u>66,353</u>	<u>87,406</u>	<u>155,185</u>
Other Comprehensive Income (Loss) :-					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Gain (loss) on changes in value of marketable securities-					
Available-for-sale					
Gain (loss) recognized in other comprehensive income	7.1	617	(205)	588	(771)
Income tax on net change from the remeasuring					
of marketable securities					
		(123)	41	(118)	154
Other comprehensive income (loss) for the periods - net of tax		<u>494</u>	<u>(164)</u>	<u>470</u>	<u>(617)</u>
Total comprehensive income for the periods		<u>17,618</u>	<u>66,189</u>	<u>87,876</u>	<u>154,568</u>
Earnings Per Share (Baht)					
Basic Earnings Per Share		<u>0.11</u>	<u>0.41</u>	<u>0.55</u>	<u>0.97</u>
The number of 160,000,000 common stocks used in computation.					

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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

THOUSAND BAHT

	Notes	Retained earnings				Other components of		Total
		Issued and paid-up share capital	Premium on common stocks	Legal reserve	Unappropriated	shareholders' equity	shareholders' equity	
Year 2021								
Balances as at January 1, 2021		160,000	172,000	16,000	1,848,451	6,214	2,202,665	
Total comprehensive income (loss) for the period		-	-	-	87,406	470	87,876	
Dividend payment	9	-	-	-	(139,200)	-	(139,200)	
Balances as at September 30, 2021		160,000	172,000	16,000	1,796,657	6,684	2,151,341	
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		-	-	-	155,185	(617)	154,568	
Dividend payment	9	-	-	-	(252,800)	-	(252,800)	
Balances as at September 30, 2020		160,000	172,000	16,000	1,772,814	6,150	2,126,964	

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

	THOUSAND BAHT	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT FOR THE PERIODS	87,406	155,185
ADJUSTMENTS TO RECONCILE PROFIT FOR THE PERIODS		
TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Income tax expenses	17,350	27,006
Depreciation	116,261	100,274
Amortization of deferred expenses	1,257	2,467
Amortization of computer softwares	4,129	3,029
Unrealized loss on open-ended funds	-	30
Unrealized (gain) loss on marketable securities-trading	(205)	117
Loss on disposal of equipment	282	723
Loss on unused of equipment	3,520	24
Bad debts	32	792
(Reversal loss) allowance for expected credit loss	(637)	1,245
Dividend income	(199)	(129)
Finance income	(1,893)	(5,714)
Long-term employee benefits expenses	7,987	7,894
PROFIT FROM OPERATION BEFORE CHANGE IN		
OPERATING ASSETS AND LIABILITIES ITEMS	235,290	292,943
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Trade and other current receivables	39,821	23,916
Inventories	8,465	7,006
Fixed deposit at bank	-	985,000
Other current assets	4,482	808
Other non-current assets	(2,696)	(814)
DECREASE IN OPERATING LIABILITIES ITEMS		
Trade and other current payables	(35,175)	(39,510)
Assets acquisition payable	(28,222)	(16,003)
Other current liabilities	(2,799)	(2,152)
Provision for long-term employee benefits	-	(535)
Cash received from operation	219,166	1,250,659
Interest income	1,544	10,415
Income tax paid	(46,817)	(64,414)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	173,893	1,196,660

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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

	THOUSAND BAHT	
	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in other non-current financial assets	(100,000)	-
Increase in plant and equipment	(114,976)	(80,282)
Proceeds from disposal of equipment	1,160	702
Increase in intangible assets	(15,087)	(8,924)
Proceeds from dividend income	199	139
NET CASH USED IN INVESTING ACTIVITIES	(228,704)	(88,365)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend payment	(139,200)	(252,800)
NET CASH USED IN FINANCING ACTIVITIES	(139,200)	(252,800)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(194,011)	855,495
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	934,910	49,589
CASH AND CASH EQUIVALENTS AS AT SEPTEMBER 30,	740,899	905,084
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized gain (loss) on marketable securities	588	(771)
Increase in plant and equipment from assets acquisition payable	14,460	11,939
Increase in equipment from other non-current assets	2,300	-
Increase in equipment from retention	1,045	1,086
Increase in intangible assets from assets acquisition payable	-	1,136

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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

SEPTEMBER 30, 2021

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, 2020.

2.2 Accounting standards that became effective in the current accounting period.

The Company has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2021. 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 adoption of these financial reporting standards does not have any significant impact on the Company's 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, 2020.

4. CASH AND CASH EQUIVALENTS

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
Cash	925	1,989
Bank deposits	739,974	932,921
Total	740,899	934,910

5. TRADE AND OTHER CURRENT RECEIVABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	105,647	159,789
Overdue within 3 months	9,349	7,867
Over 3 - 6 months	1,755	3,155
Over 6 - 12 months	1,929	4,562
Over 12 months	8,795	3,648
Total	127,475	179,021
Allowance for expected credit loss	(7,051)	(7,688)
Trade accounts receivable-net	120,424	171,333
Other current receivables	11,703	10
Total trade and other current receivables	132,127	171,343

The Company applies a simplified approach to determine the allowance for expected credit loss.

6. OTHER CURRENT FINANCIAL ASSETS**6.1 Open-ended Fund**

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021		As at December 31, 2020	
Open-ended Fund	47		47	
Valuation adjustment	(10)		(10)	
Open-ended Fund-Fair value	37		37	

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended September 30,			
	three-month		nine-month	
	2021	2020	2021	2020
Unrealized gain (loss) on investments in open-ended fund	1	(13)	-	(30)

6.2 Marketable securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021		As at December 31, 2020	
Acquisition cost	2,008		2,008	
Valuation adjustment	(763)		(968)	
Fair value at ending periods	1,245		1,040	

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended September 30,			
	three-month		nine-month	
	2021	2020	2021	2020
Unrealized gain (loss) on marketable securities	227	25	205	(117)

7. OTHER-NON-CURRENT FINANCIAL ASSETS**7.1 Marketable securities**

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
Acquisition cost	222	222
Valuation adjustment	8,355	7,767
Fair value at ending periods	8,577	7,989

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended September 30,			
	three-month		nine-month	
	2021	2020	2021	2020
Gain (loss) on changes in value of Marketable securities	617	(205)	588	(771)

7.2 Other investment

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
Savings lottery (due January 8, 2023)	100,000	-

8. TRADE AND OTHER CURRENT PAYABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
Trade accounts payables	42,332	63,264
Accrued expenses	19,815	20,405
Accrued doctors' fees	57,364	65,021
Others	19,960	24,911
Total	139,471	173,601

9. DIVIDEND PAYMENT AND DIRECTOR'S REMUNERATION

On March 4, 2021, the Board of Directors' Meeting was held and has a resolution to pay dividend at Baht 0.87 per share to the shareholders of 160 million shares, totalling Baht 139.20 million. On April 22, 2021, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay such proposed dividend, including directors' remuneration amounting to Baht 2.31 million, and annual meeting allowance as specified. The payment date for dividend on May 21, 2021.

On April 2, 2020, the Board of Directors' Meeting No.3/2020 was held and approved a resolution to pay interim dividend at Baht 1.58 per share to the shareholders of 160 million shares, totalling Baht 252.80 million, the interim dividend payment was made on April 30, 2020. On August 6, 2020, the Ordinary General Shareholders' Meeting No.1/2020 was held and has acknowledged the payment of interim dividend to the shareholders and approved to pay directors' remuneration amounting to Baht 4.21 million, and annual meeting allowance as specified.

10. INCOME TAXES

Corporate income tax of the Company for the three-month and nine-month periods ended September 30, 2021 and 2020 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 PERIODS ENDED SEPTEMBER 30,	2021	2020
<u>For 3 month periods</u>		
Corporate income tax for the periods	4,555	16,711
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(443)	(288)
Income tax expenses	4,112	16,423
<u>For 9 month periods</u>		
Corporate income tax for the periods	18,779	28,756
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(1,429)	(1,750)
Income tax expenses	17,350	27,006

As at September 30, 2021 and December 31, 2020, the deferred tax assets/liabilities arose from the following temporary differences:

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at September 30, 2021	As at December 31, 2020
Temporary differences in the statements of comprehensive income		
Unrealized loss on open-ended fund	10	10
Unrealized loss on of investment in marketable securities - other current	763	968
Allowance for expected credit loss	7,051	7,688
Provision for long-term employee benefits	69,151	61,164
Total	76,975	69,830
Temporary differences in other comprehensive income - Recognized in other components of shareholders' equity		
Gain from the remeasuring of investment in marketable securities - other - non-current	(8,355)	(7,767)
Total	68,620	62,063
Deferred tax assets calculated from tax rate of 20%.	13,724	12,413

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, 2021 and December 31, 2020, the Company has commitment from the issuance of bank guarantee as follow :

PARTICULAR	(AMOUNT IN THOUSAND BAHT)	
	As at September 30, 2021	As at December 31, 2020
Letters of guarantee issued by commercial bank	4,277	4,277

12.2 Commitment under service agreement

As at September 30, 2021, 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 28.86 million.

12.3 Capital expenditure commitments

As at September 30, 2021, the Company has capital expenditure commitments to pay a total of Baht 32.30 million in regarding to system improvements and building construction projects.

13. COVID-19 PANDEMIC

COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. The Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provision and contingent liabilities.

14. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's Board of Directors on November 9, 2021.