

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

JUNE 30, 2021

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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 June 30, 2021, the related statements of comprehensive income for the three-month and six-month periods ended June 30, 2021, changes in shareholders' equity and cash flows for the six-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.


(Mr. Chaiyakorn Aunpitongsa)

Certified Public Accountant Registration No. 3196

Dr. Virach & Associates Office Co., Ltd.

Bangkok : August 6, 2021

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2021

ASSETS

		THOUSAND BAHT	
		As at June 30,	As at December 31,
		2021	2020
		UNAUDITED	AUDITED
	Notes	REVIEWED	
Current Assets			
Cash and cash equivalents	4	763,889	934,910
Trade receivable and other current receivables	5	114,876	171,343
Inventories		44,336	56,542
Other current financial assets			
Investments in Open-ended Fund	6.1	36	37
Marketable securities	6.2	1,018	1,040
Total other current financial assets		1,054	1,077
Other current assets			
Prepaid expenses		14,728	19,655
Other current assets		4,045	3,757
Total other current assets		18,773	23,412
Total Current Assets		942,928	1,187,284
Non-current Assets			
Other non-current financial assets			
Marketable securities	7.1	7,960	7,989
Other investment	7.2	100,000	-
Total other non-current financial assets		107,960	7,989
Property, plant and equipment		1,288,670	1,273,845
Intangible assets		36,253	23,176
Deferred tax assets	10	13,404	12,413
Other non-current assets		6,500	6,740
Total Non-current Assets		1,452,787	1,324,163
TOTAL ASSETS		2,395,715	2,511,447

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

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

		THOUSAND BAHT	
		As at June 30,	As at December 31,
		2021	2020
		UNAUDITED	AUDITED
	Note	REVIEWED	
Current Liabilities			
Trade and other current payables	8	129,441	173,601
Assets acquisition payable		54,459	35,615
Accrued corporate income tax		6,009	29,881
Other current liabilities		5,564	8,521
Total Current Liabilities		195,473	247,618
Non-current Liabilities			
Provision for long-term employee benefits		66,519	61,164
Total Non-current Liabilities		66,519	61,164
TOTAL LIABILITIES		261,992	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		1,779,533	1,848,451
Other components of shareholders' equity		6,190	6,214
Total Shareholders' Equity		2,133,723	2,202,665
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,395,715	2,511,447

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 SIX-MONTH PERIODS ENDED JUNE 30, 2021

		THOUSAND BAHT			
		EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
		THREE-MONTH PERIODS		SIX-MONTH PERIODS	
	Notes	2021	2020	2021	2020
REVENUES					
Revenues from medical treatment		414,213	364,974	838,375	852,603
Other income		1,644	1,137	12,322	3,594
Total Revenues		415,857	366,111	850,697	856,197
EXPENSES					
Cost of medical treatment		319,991	290,519	639,497	629,513
Selling expenses		1,452	1,676	2,813	3,261
Administrative expenses		63,535	60,171	124,501	123,851
Directors' remuneration	9	997	1,327	2,009	2,595
Total Expenses		385,975	353,693	768,820	759,220
Profit from operating activities		29,882	12,418	81,877	96,977
Finance income		705	1,501	1,215	4,684
Reversal loss (allowance for expected credit loss)		264	(847)	451	(2,087)
Unrealized gain (loss) on open-ended funds		(5)	19	(1)	(17)
Unrealized gain (loss) on marketable securities		(126)	316	(22)	(142)
Profit before Income Tax Expenses		30,720	13,407	83,520	99,415
Income Tax Expenses	10	(5,295)	(2,571)	(13,238)	(10,583)
Profit for the periods		25,425	10,836	70,282	88,832
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		(301)	106	(29)	(566)
Income tax on net change from the remeasuring					
of marketable securities					
		60	(21)	5	113
Other comprehensive income (loss) for the periods - net of tax		(241)	85	(24)	(453)
Total comprehensive income for the periods		25,184	10,921	70,258	88,379
Earnings Per Share (Baht)					
Basic Earnings Per Share		0.16	0.07	0.44	0.56
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 SIX-MONTH PERIOD ENDED JUNE 30, 2021

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 income (loss)	Marketable securities
Year 2021						
Balances as at January 1, 2021		160,000	172,000	16,000	1,848,451	2,202,665
Total comprehensive income (loss) for the period		-	-	-	70,282	70,258
Dividend payment	9	-	-	-	(139,200)	(139,200)
Balances as at June 30, 2021		160,000	172,000	16,000	1,779,533	2,133,723
Year 2020						
Balances as at January 1, 2020		160,000	172,000	16,000	1,870,429	2,225,196
Total comprehensive income (loss) for the period		-	-	-	88,832	88,379
Dividend payment	9	-	-	-	(252,800)	(252,800)
Balances as at June 30, 2020		160,000	172,000	16,000	1,706,461	2,060,775

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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 SIX-MONTH PERIOD ENDED JUNE 30, 2021

	THOUSAND BAHT	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT FOR THE PERIODS	70,282	88,832
ADJUSTMENTS TO RECONCILE PROFIT FOR THE PERIODS		
TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Income tax expenses	13,238	10,583
Depreciation	75,943	66,318
Amortization of deferred expenses	581	1,985
Amortization of computer softwares	1,967	2,008
Unrealized loss on open-ended funds	1	17
Unrealized loss on marketable securities-trading	22	142
Loss on disposal of equipment	306	599
Loss on unused of equipment	3,520	-
(Reversal loss) allowance for expected credit loss	(451)	2,085
Dividend income	(123)	(76)
Finance income	(1,215)	(4,684)
Long-term employee benefits expenses	5,355	5,373
PROFIT FROM OPERATION BEFORE CHANGE IN		
OPERATING ASSETS AND LIABILITIES ITEMS	169,426	173,182
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Trade and other current receivables	56,918	48,724
Inventories	12,206	5,275
Fixed deposit at bank	-	262,000
Other current assets	4,630	702
Other non-current assets	(2,641)	(856)
DECREASE IN OPERATING LIABILITIES ITEMS		
Trade and other current payables	(44,627)	(64,014)
Assets acquisition payable	(63,698)	(15,578)
Other current liabilities	(2,957)	(1,788)
Provision for long-term employee benefits	-	(309)
Cash received from operation	129,257	407,338
Interest income	1,224	7,798
Income tax paid	(38,096)	(57,289)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	92,385	357,847

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

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NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 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	(17,826)	(63,426)
Proceeds from disposal of equipment	1,043	615
Increase in intangible assets	(7,546)	(8,905)
Proceeds from dividend income	123	86
NET CASH USED IN INVESTING ACTIVITIES	(124,206)	(71,630)
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	(171,021)	33,417
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	934,910	49,589
CASH AND CASH EQUIVALENTS AS AT JUNE 30,	763,889	83,006
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized loss on marketable securities	(29)	(566)
Increase in plant and equipment from assets acquisition payable	75,044	10,507
Increase in equipment from other non-current assets	2,300	-
Increase in equipment from retention	467	817
Increase in intangible assets from assets payable	7,498	-

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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

JUNE 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 June 30, 2021	As at December 31, 2020
Cash	818	1,989
Bank deposits	763,071	932,921
Total	763,889	934,910

5. TRADE AND OTHER CURRENT RECEIVABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2021	As at December 31, 2020
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	106,219	159,789
Overdue within 3 months	4,170	7,867
Over 3 - 6 months	1,890	3,155
Over 6 - 12 months	3,376	4,562
Over 12 months	6,448	3,648
Total	122,103	179,021
Allowance for expected credit loss	(7,237)	(7,688)
Trade accounts receivable-net	114,866	171,333
Other current receivables	10	10
Total trade and other current receivables	114,876	171,343

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

6. OTHER CURRENT FINANCIAL ASSETS

6.1 Open-ended Fund

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2021	As at December 31, 2020
Open-ended Fund	47	47
Valuation adjustment	(11)	(10)
Open-ended Fund-Fair value	36	37

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2021	2020	2021	2020
Unrealized gain (loss) on investments in open-ended fund	(5)	19	(1)	(17)

6.2 Marketable securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2021	As at December 31, 2020
Acquisition cost	2,008	2,008
Valuation adjustment	(990)	(968)
Fair value at ending periods	1,018	1,040

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2021	2020	2021	2020
Unrealized gain (loss) on marketable securities	(126)	316	(22)	(142)

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

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2021	As at December 31, 2020
Acquisition cost	222	222
Valuation adjustment	7,738	7,767
Fair value at ending periods	7,960	7,989

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2021	2020	2021	2020
Gain (loss) on changes in value of Marketable securities	(301)	106	(29)	(566)

7.2 Other investment

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 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 June 30, 2021	As at December 31, 2020
Trade accounts payables	40,532	63,264
Accrued expenses	16,219	20,405
Accrued doctors' fees	51,644	65,021
Others	21,046	24,911
Total	129,441	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 six-month periods ended June 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 JUNE 30,	2021	2020
<u>For 3 month periods</u>		
Corporate income tax for the periods	5,800	3,174
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(505)	(603)
Income tax expenses	5,295	2,571
<u>For 6 month periods</u>		
Corporate income tax for the periods	14,224	12,045
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(986)	(1,462)
Income tax expenses	13,238	10,583

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

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2021	As at December 31, 2020
Temporary differences in the statements of comprehensive income		
Unrealized loss on open-ended fund	11	10
Unrealized loss on of investment in marketable securities - other current	990	968
Allowance for expected credit loss	7,237	7,688
Provision for long-term employee benefits	66,519	61,164
Total	74,757	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	(7,738)	(7,767)
Total	67,019	62,063
Deferred tax assets calculated from tax rate of 20%.	13,404	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 June 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 June 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 June 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 29.85 million.

12.3 Capital expenditure commitments

As at June 30, 2021, the Company has capital expenditure commitments to pay a total of Baht 39.80 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 August 6, 2021.