

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

JUNE 30, 2023

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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, 2023, the related statements of comprehensive income for the three-month and six-month periods ended June 30, 2023, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. 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.

R. Vijaksilp

(Ms. Ratchneekon Vijaksilp)

Certified Public Accountant Registration No. 5801

Dr. Virach & Associates Office Co., Ltd.

Bangkok : August 9, 2023

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2023

ASSETS

THOUSAND BAHT

	Notes	As at June 30,	As at December 31,
		2023	2022
		UNAUDITED REVIEWED	AUDITED
Current Assets			
Cash and cash equivalents	4	839,147	975,946
Trade receivable and other current receivables	5	178,777	212,871
Inventories		48,850	61,893
Other current financial assets			
Investments in Open-ended Fund	6.1	33	38
Marketable securities	6.2	908	1,043
Total other current financial assets		941	1,081
Current portion of other non-current financial assets			
Other investment	7.2	-	100,000
Other current assets			
Prepaid expenses		14,871	22,912
Other current assets		3,395	3,267
Total other current assets		18,266	26,179
Total Current Assets		1,085,981	1,377,970
Non-current Assets			
Other non-current financial assets			
Marketable securities	7.1	12,059	15,377
Other investment	7.2	200,000	100,000
Fixed deposit at bank	7.3	200,000	-
Total other non-current financial assets		412,059	115,377
Property, plant and equipment		1,213,452	1,228,914
Intangible assets		23,450	26,702
Deferred tax assets	10	16,596	15,852
Other non-current assets		6,736	7,404
Total Non-current Assets		1,672,293	1,394,249
TOTAL ASSETS		2,758,274	2,772,219

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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 JUNE 30, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

THOUSAND BAHT

		As at June 30, 2023	As at December 31, 2022
	Note	UNAUDITED REVIEWED	AUDITED
Current Liabilities			
Trade and other current payables	8	192,627	209,333
Assets acquisition payable		25,609	11,164
Accrued corporate income tax		31,899	40,314
Other current liabilities		7,637	8,625
Total Current Liabilities		257,772	269,436
Non-current Liabilities			
Provision for long-term employee benefits		77,738	71,571
Total Non-current Liabilities		77,738	71,571
TOTAL LIABILITIES		335,510	341,007
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		2,065,294	2,071,088
Other components of shareholders' equity		9,470	12,124
Total Shareholders' Equity		2,422,764	2,431,212
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,758,274	2,772,219

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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 SIX-MONTH PERIODS ENDED JUNE 30, 2023

	Notes	THOUSAND BAHT			
		EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
		THREE-MONTH PERIODS		SIX-MONTH PERIODS	
		2023	2022	2023	2022
REVENUES					
Revenues from medical treatment		595,536	519,759	1,164,338	1,009,098
Other income		1,419	2,818	10,453	7,699
Total Revenues		596,955	522,577	1,174,791	1,016,797
EXPENSES					
Cost of medical treatment		415,811	384,743	816,205	749,085
Selling expenses		1,102	983	2,466	1,955
Administrative expenses		73,577	69,828	146,174	135,681
Directors' remuneration	9	1,156	957	2,253	1,622
Total Expenses		491,646	456,511	967,098	888,343
Profit from operating activities		105,309	66,066	207,693	128,454
Finance income		2,636	1,147	4,728	1,578
Reversal (allowance for expected credit loss)		5,873	(3,213)	5,909	(3,274)
Unrealized loss on open-ended funds	6.1	(3)	(3)	(5)	(3)
Unrealized gain (loss) on marketable securities	6.2	(90)	30	(135)	(55)
Profit before Income Tax Expenses		113,725	64,027	218,190	126,700
Income Tax Expenses	10	(22,466)	(12,698)	(43,184)	(25,118)
Profit for the periods		91,259	51,329	175,006	101,582
Other Comprehensive Income (Loss) :-					
Other comprehensive income (loss) 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	7.1	(3,167)	2,309	(3,318)	2,986
Income tax on net change from the remeasuring of marketable securities		634	(463)	664	(598)
Other comprehensive income (loss) for the periods - net of tax		(2,533)	1,846	(2,654)	2,388
Total comprehensive income for the periods		88,726	53,175	172,352	103,970
Earnings Per Share (Baht)					
Basic Earnings Per Share		0.57	0.32	1.09	0.63
The number of 160,000,000 common stocks used in computation.					

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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 SIX-MONTH PERIOD ENDED JUNE 30, 2023

THOUSAND BAHT

	Notes	Issued and paid-up share capital	Premium on common stocks	Retained earnings	Legal reserve	Unappropriated	Other components of		Total
							shareholders' equity	Other comprehensive income (loss)	
Year 2023									
Balances as at January 1, 2023		160,000	172,000	16,000	2,071,088		12,124		2,431,212
Total comprehensive income (loss) for the period		-	-	-	175,006		(2,654)		172,352
Dividend payment	9	-	-	-	(180,800)		-		(180,800)
Balances as at June 30, 2023		160,000	172,000	16,000	2,065,294		9,470		2,422,764
Year 2022									
Balances as at January 1, 2022		160,000	172,000	16,000	1,866,525		8,924		2,223,449
Total comprehensive income for the period		-	-	-	101,582		2,388		103,970
Dividend payment	9	-	-	-	(96,000)		-		(96,000)
Balances as at June 30, 2022		160,000	172,000	16,000	1,872,107		11,312		2,231,419

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

UNAUDITED

REVIEWED

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

THOUSAND BAHT

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES :		
PROFIT FOR THE PERIODS	175,006	101,582
ADJUSTMENTS TO RECONCILE PROFIT FOR THE PERIODS TO NET CASH PROVIDED FROM (USED IN) OPERATION :-		
Income tax expenses	43,184	25,118
Depreciation	82,208	85,821
Amortization of deferred expenses	2,049	1,812
Amortization of computer softwares	3,966	3,524
Unrealized loss on open-ended funds	5	3
Unrealized loss on marketable securities	135	55
Gain on disposal of equipment	(97)	(70)
Loss on unused assets	2	68
Bad debts	-	30
(Reversal) allowance for expected credit loss	(5,909)	3,274
Dividend income	(191)	(145)
Finance income	(4,728)	(1,578)
Long-term employee benefits expenses	6,167	5,689
PROFIT FROM OPERATION BEFORE CHANGE IN OPERATING ASSETS AND LIABILITIES ITEMS	301,797	225,183
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS		
Trade and other current receivables	40,003	(7,659)
Inventories	13,043	6,002
Other current assets	8,367	5,167
Other non-current assets	(1,381)	(782)
DECREASE IN OPERATING LIABILITIES ITEMS		
Trade and other current payables	(18,039)	(1,616)
Assets acquisition payable	(3,402)	(28,373)
Other current liabilities	(988)	(2,280)
Cash received from operation	339,400	195,642
Interest income	4,274	1,995
Income tax paid	(51,679)	(24,241)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	291,995	173,396

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

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UNAUDITED

REVIEWED

NONTHAVEJ HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

THOUSAND BAHT

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in plant and equipment	(47,793)	(56,821)
Proceeds from disposal of equipment	322	178
Increase in intangible assets	(714)	(816)
Fixed deposit at bank	(200,000)	-
Proceeds from dividend income	191	145
NET CASH USED IN INVESTING ACTIVITIES	(247,994)	(57,314)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend payment	(180,800)	(96,000)
NET CASH USED IN FINANCING ACTIVITIES	(180,800)	(96,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(136,799)	20,082
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	975,946	793,620
CASH AND CASH EQUIVALENTS AS AT JUNE 30,	839,147	813,702
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS		
Non-cash flows items comprise :		
Unrealized gain (loss) on marketable securities	(3,318)	2,986
Increase in plant and equipment from assets acquisition payable	17,847	6,418
Increase in intangible assets from transferring fixed assets	-	256
Increase in equipment from retention	1,333	1,749

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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, 2023

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, 2022.

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

The Company has adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

These financial reporting standards do not have any significant impact on the financial statements of the Company.

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, 2022.

4. CASH AND CASH EQUIVALENTS

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Cash	1,867	1,897
Bank deposits	837,280	974,049
Total	839,147	975,946

5. TRADE AND OTHER CURRENT RECEIVABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
The trade accounts receivable are classified by outstanding balances of aging as follows :		
Current	167,503	200,605
Overdue within 3 months	9,193	8,664
Over 3 - 6 months	2,275	3,422
Over 6 - 12 months	4,181	11,447
Over 12 months	11,587	10,604
Total	194,739	234,742
Allowance for expected credit loss	(15,962)	(21,871)
Trade accounts receivable-net	178,777	212,871
Total trade and other current receivables	178,777	212,871

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

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Open-ended Fund	47	47
Valuation adjustment	(14)	(9)
Open-ended Fund-Fair value	33	38

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2023	2022	2023	2022
Unrealized loss on investments in open-ended fund	3	3	5	3

6.2 Marketable securities

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Acquisition cost	2,008	2,008
Valuation adjustment	(1,100)	(965)
Fair value at ending periods	908	1,043

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2023	2022	2023	2022
Unrealized gain (loss) on marketable securities	(90)	30	(135)	(55)

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

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Acquisition cost	222	222
Valuation adjustment	11,837	15,155
Fair value at ending periods	12,059	15,377

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	For the periods ended June 30,			
	three-month		six-month	
	2023	2022	2023	2022
Gain (loss) on changes in value of marketable securities	(3,167)	2,309	(3,318)	2,986

7.2 Other investment

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Savings lottery (due January 8, 2023)	-	100,000
Savings lottery (due October 3, 2024)	100,000	100,000
Savings lottery (due January 11, 2025)	100,000	-
Total	200,000	200,000
Current portion	-	(100,000)
Total	200,000	100,000

7.3 Fixed deposit at bank

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Fixed deposit at bank 24 months	200,000	-
Interest rate per annum	1.85	-
Accrued interest	233	-

8. TRADE AND OTHER CURRENT PAYABLES

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Trade accounts payables	49,442	62,941
Accrued expenses	39,808	33,152
Accrued doctors' fees	75,130	79,791
Others	28,247	33,449
Total	192,627	209,333

9. DIVIDEND PAYMENT AND DIRECTOR'S REMUNERATION

On February 21, 2023, the Board of Directors' Meeting was held and has a resolution to pay dividend at Baht 1.13 per share to the shareholders of 160 million shares, totalling Baht 180.80 million. On April 21, 2023, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay such proposed dividend, including directors' remuneration amounting to Baht 3.01 million, and annual meeting allowance as specified. The Company has paid dividend on May 19, 2023.

On March 10, 2022, the Board of Directors' Meeting was held and has a resolution to pay dividend at Baht 0.60 per share to the shareholders of 160 million shares, totalling Baht 96 million. On April 22, 2022, the Ordinary General Shareholders' Meeting was held and approved a resolution to pay such proposed dividend, including directors' remuneration amounting to Baht 1.59 million, and annual meeting allowance as specified. The Company has paid dividend on May 20, 2022.

10. INCOME TAXES

Corporate income tax of the Company for the three-month and six-month periods ended June 30, 2023 and 2022 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,	2023	2022
<u>For 3 month periods</u>		
Corporate income tax for the periods	21,924	13,900
Amortization and reversal of temporary differences assets/liabilities on temporary differences	542	(1,202)
Income tax expenses	22,466	12,698
<u>For 6 month periods</u>		
Corporate income tax for the periods	43,264	26,922
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(80)	(1,804)
Income tax expenses	43,184	25,118

As at June 30, 2023 and December 31, 2022, the deferred tax assets/liabilities arose from the following temporary differences:

(AMOUNT IN THOUSAND BAHT)

PARTICULARS	As at June 30, 2023	As at December 31, 2022
Temporary differences in the statements of comprehensive income		
Allowance for adjustment investment value in Open-ended Fund	14	9
Allowance for adjustment in market securities -other current financial assets	1,100	965
Allowance for expected credit loss	15,962	21,871
Provision for long-term employee benefits	77,738	71,571
Total	94,814	94,416
Temporary differences in other comprehensive income		
- Recognized in other components of shareholders' equity		
Allowance for adjustment in market securities -other non-current financial assets	(11,837)	(15,155)
Total	82,977	79,261
Deferred tax assets calculated from tax rate of 20%.	16,596	15,852

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, 2023 and December 31, 2022, the Company has commitment from the issuance of bank guarantee as follow :

PARTICULAR	(AMOUNT IN THOUSAND BAHT)	
	As at June 30, 2023	As at December 31, 2022
Letters of guarantee issued by commercial bank	4,277	4,277

12.2 Commitment under service agreement

As at June 30, 2023, 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 9.71 million.

12.3 Capital expenditure commitments

As at June 30, 2023, the Company has capital expenditure commitments to pay a total of Baht 38.37 million in regarding to system improvements and building construction projects.

13. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's Board of Directors on August 9, 2023.