

Thai Nakin Hospital Public Company Limited
and its subsidiary
Review report interim financial information
For the three-month and six-month periods ended
31 January 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thai Nakarin Hospital Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thai Nakarin Hospital Public Company Limited and its subsidiary ("the Group") as at 31 January 2023, and the related consolidated statements of comprehensive income for the three-month and six-month period then ended, the related statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Thai Nakarin Hospital Public Company Limited for the same period (collectively "interim financial information"). 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 Thai 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 Thai Standards on Auditing 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.

Samran Taengcham

Certified Public Accountant (Thailand) No. 8021

EY Office Limited

Bangkok: 13 March 2023

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of financial position

As at 31 January 2023

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 January	31 July	31 January	31 July
		2023	2022	2023	2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	1,015,470	699,568	1,013,598	697,019
Trade and other receivables	2, 4	267,972	360,768	267,817	360,588
Inventories		43,775	36,172	43,775	36,172
Other current financial assets	5	221,525	472,547	221,525	472,547
Other current assets		376	1,532	376	1,532
Total current assets		1,549,118	1,570,587	1,547,091	1,567,858
Non-current assets					
Investment in subsidiary	6	-	-	1,000	1,000
Property, plant and equipment	7	876,444	778,999	876,444	778,999
Intangible assets		3,051	3,374	3,051	3,374
Right-of-use assets	8	580,826	592,180	580,826	592,180
Deferred tax assets		28,169	24,446	28,169	24,446
Other non-current assets		146	99	146	99
Total non-current assets		1,488,636	1,399,098	1,489,636	1,400,098
Total assets		3,037,754	2,969,685	3,036,727	2,967,956

The accompanying notes are an integral part of the financial statements.

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 January 2023

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 January	31 July	31 January	31 July
		2023	2022	2023	2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	9	233,311	210,248	233,150	209,132
Doctor fee payable	2	97,525	106,572	97,525	106,572
Income tax payable		28,953	26,801	28,953	26,710
Other current liabilities		29,462	31,154	29,462	31,154
Total current liabilities		389,251	374,775	389,090	373,568
Non-current liabilities					
Provision for long-term employee benefits		107,528	102,956	107,528	102,956
Other non-current financial liabilities		3,932	7,954	3,932	7,954
Total non-current liabilities		111,460	110,910	111,460	110,910
Total liabilities		500,711	485,685	500,550	484,478
Shareholders' equity					
Share capital					
Registered					
180,000,000 ordinary shares of Baht 1 each		180,000	180,000	180,000	180,000
Issued and fully paid-up					
180,000,000 ordinary shares of Baht 1 each		180,000	180,000	180,000	180,000
Share premium		20,538	20,538	20,538	20,538
Retained earnings					
Appropriated - statutory reserve		18,000	18,000	18,000	18,000
Unappropriated		2,318,505	2,265,462	2,317,639	2,264,940
Equity attributable to owners of the company		2,537,043	2,484,000	2,536,177	2,483,478
Total liabilities and shareholders' equity		3,037,754	2,969,685	3,036,727	2,967,956

The accompanying notes are an integral part of the financial statements.

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Directors
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(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of comprehensive income

For the three-month period ended 31 January 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Consolidated		
	financial		
	statements	Separate financial statements	
	31 January	31 January	31 January
<u>Note</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>
Profit and loss:			
Revenues			
Revenues from hospital operations	590,391	590,391	666,108
Other income	5,464	5,174	2,324
Total revenues	<u>595,855</u>	<u>595,565</u>	<u>668,432</u>
Expenses			
Cost of hospital operations and goods sold	447,853	447,666	461,240
Administrative expenses	43,266	43,228	61,258
Total expenses	<u>491,119</u>	<u>490,894</u>	<u>522,498</u>
Operating profit	104,736	104,671	145,934
Finance income	2,536	2,534	1,110
Profit before income tax expenses	107,272	107,205	147,044
Income tax expenses	10 (20,431)	(20,465)	(28,435)
Profit for the period	<u>86,841</u>	<u>86,740</u>	<u>118,609</u>
Other comprehensive income:			
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	<u>86,841</u>	<u>86,740</u>	<u>118,609</u>
Basic earnings per share			
Profit (Baht)	<u>0.48</u>	<u>0.48</u>	<u>0.66</u>
Weighted average number of ordinary shares (Thousand shares)	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of comprehensive income

For the six-month period ended 31 January 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Consolidated		
	financial		
	statements	Separate financial statements	
	31 January	31 January	31 January
<u>Note</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>
Profit and loss:			
Revenues			
Revenues from hospital operations	1,184,914	1,184,914	1,359,227
Other income	13,214	12,441	5,276
Total revenues	1,198,128	1,197,355	1,364,503
Expenses			
Cost of hospital operations and goods sold	875,994	875,648	924,740
Administrative expenses	127,237	127,160	119,341
Total expenses	1,003,231	1,002,808	1,044,081
Operating profit	194,897	194,547	320,422
Finance income	3,849	3,847	2,330
Profit before income tax expenses	198,746	198,394	322,752
Income tax expenses	10 (37,703)	(37,695)	(62,674)
Profit for the period	161,043	160,699	260,078
Other comprehensive income:			
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	161,043	160,699	260,078
Basic earnings per share			
Profit (Baht)	0.89	0.89	1.44
Weighted average number of ordinary shares (Thousand shares)	180,000	180,000	180,000

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the six-month period ended 31 January 2023

(Unit: Thousand Baht)

	Consolidated financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	
Balance as at 1 August 2022	180,000	20,538	18,000	2,265,462	2,484,000
Total comprehensive income for the period	-	-	-	161,043	161,043
Dividend paid (Note 11)	-	-	-	(108,000)	(108,000)
Balance as at 31 January 2023	<u>180,000</u>	<u>20,538</u>	<u>18,000</u>	<u>2,318,505</u>	<u>2,537,043</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the six-month period ended 31 January 2023

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	
Balance as at 1 August 2021	180,000	20,538	18,000	1,930,110	2,148,648
Total comprehensive income for the period	-	-	-	260,078	260,078
Dividend paid (Note 11)	-	-	-	(90,000)	(90,000)
Balance as at 31 January 2022	<u>180,000</u>	<u>20,538</u>	<u>18,000</u>	<u>2,100,188</u>	<u>2,318,726</u>
Balance as at 1 August 2022	180,000	20,538	18,000	2,264,940	2,483,478
Total comprehensive income for the period	-	-	-	160,699	160,699
Dividend paid (Note 11)	-	-	-	(108,000)	(108,000)
Balance as at 31 January 2023	<u>180,000</u>	<u>20,538</u>	<u>18,000</u>	<u>2,317,639</u>	<u>2,536,177</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of cash flows

For the six-month period ended 31 January 2023

(Unit: Thousand Baht)

	Consolidated		
	financial	Separate financial statements	
	statements		
	31 January	31 January	31 January
	2023	2023	2022
Cash flows from operating activities			
Profit before tax	198,746	198,394	322,752
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortisation expenses	57,043	57,043	43,639
Allowance for expected credit losses	14,589	14,589	7,454
Long-term employee benefit expenses	6,961	6,961	6,880
(Gain) loss on disposals of equipment	(2,059)	(2,059)	493
Interest income	(3,847)	(3,847)	(2,330)
Profit from operating activities before changes in operating assets and liabilities	271,433	271,081	378,888
Decrease (increase) in operating assets			
Trade and other receivables	78,517	78,492	(172,664)
Inventories	(7,603)	(7,603)	(2,031)
Other current assets	1,156	1,156	(192)
Other non-current assets	(47)	(47)	102
Increase (decrease) in operating liabilities			
Trade and other payables	935	1,890	36,007
Doctor fee payable	(9,047)	(9,047)	29,515
Other current liabilities	(1,692)	(1,692)	(15,219)
Provision for long-term employee benefits	(2,389)	(2,389)	(3,528)
Other non-current financial liabilities	(4,022)	(4,022)	-
Cash from operating activities	327,241	327,819	250,878
Cash paid for income tax	(39,274)	(39,175)	(42,279)
Net cash from operating activities	287,967	288,644	208,599

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of cash flows (continued)

For the six-month period ended 31 January 2023

(Unit: Thousand Baht)

	Consolidated		
	financial	Separate financial statements	
	statements	Separate financial statements	
	31 January	31 January	31 January
	2023	2023	2022
Cash flows from investing activities			
Interest received	3,537	3,537	2,543
Decrease in other current financial assets	251,022	251,022	99,703
Cash paid for purchases of building improvement and equipment	(120,773)	(120,773)	(129,344)
Cash paid for purchase of intangible assets	(32)	(32)	-
Increase in right-of-use assets	-	-	(7,348)
Cash received from disposals of equipment	2,181	2,181	503
Net cash from (used in) investing activities	135,935	135,935	(33,943)
Cash flows from financing activities			
Dividend paid	(108,000)	(108,000)	(90,000)
Net cash used in financing activities	(108,000)	(108,000)	(90,000)
Net increase in cash and cash equivalents	315,902	316,579	84,656
Cash and cash equivalents at beginning of period	699,568	697,019	366,744
Cash and cash equivalents at end of period (Note 3)	1,015,470	1,013,598	451,400
Supplemental cash flows information			
Non-cash items			
Accounts payable - construction and equipment purchase	71,441	71,441	4,176

The accompanying notes are an integral part of the financial statements.

Thai Nakarin Hospital Public Company Limited and its subsidiary
Notes to consolidated interim financial statements
For the three-month and six-month periods ended 31 January 2023

1. General information

1.1 Corporate information

Thai Nakarin Hospital Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business. The registered office of the Company is at No. 345 Thepparat Road, Kwaeng Bangna Nuea, Khet Bangna, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Thai Nakarin Hospital Public Company Limited and its subsidiary (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 July 2022. There have been no changes in the structure of the subsidiary during the current period.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 July 2022.

Financial reporting standards that became effective in the current year

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2023. The management of the Group is currently evaluating the impact of these standards to the financial statements in the years when they are adopted.

2. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	<u>Transfer pricing policy</u>
Revenue from hospital operations	Based on the price charged to normal customers
Rental income	Rates as stipulated in the agreements
Doctor fee expenses (directors and management)	Paid at the same rate as other doctors in the hospital
Medical welfare	Under the Company's regulations, medical welfare benefits are granted to directors, their spouses, children and parents, up to a specified amount per annum. These benefits exclude doctor fees, examinations conducted on other premises and special equipment charges

(Unaudited but reviewed)

(Unit: Thousand Baht)

For three-month periods ended 31 January

	Consolidated		
	financial	Separate	
	statements	financial statements	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with related companies and persons</u>			
Revenue from hospital operations	13	13	3,811
Doctor fee expenses (directors and management)	2,416	2,416	3,529
Medical welfare	1,254	1,254	958

(Unit: Thousand Baht)

For six-month periods ended 31 January

	Consolidated		
	financial	Separate	
	statements	financial statements	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with related companies and persons</u>			
Revenue from hospital operations	55	55	7,095
Doctor fee expenses (directors and management)	4,894	4,894	8,260
Medical welfare	2,338	2,338	1,903

The balances of accounts as at 31 January 2023 and 31 July 2022 between the Company and its related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 January 2023	31 July 2022	31 January 2023	31 July 2022
<u>Trade receivables - related parties</u>				
(Note 4)				
Related companies (related by common shareholders and directors)	820	9,628	820	9,628
Total trade receivables - related parties	820	9,628	820	9,628

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 January	31 July	31 January	31 July
	2023	2022	2023	2022
<u>Other receivables - related parties</u>				
(Note 4)				
Subsidiaries	-	-	24	-
Total trade receivables - related parties	-	-	24	-
<u>Doctor fee payable - related persons</u>				
Related persons (directors and management)	764	929	764	929
Total doctor fee payable - related persons	764	929	764	929

Directors and management's benefits

During the three-month and six-month periods ended 31 January 2023 and 2022, the Company had employee benefit expenses to its directors and management as below.

(Unit: Thousand Baht)

	For three-month periods		For six-month periods	
	ended 31 January		ended 31 January	
	2022	2021	2022	2021
Short-term employee benefits	12,387	15,165	23,669	27,480
Post-employment benefits	628	1,516	1,261	3,024
Total	13,015	16,681	24,930	30,504

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 January	31 July	31 January	31 July
	2023	2022	2023	2022
Cash	7,821	8,218	7,821	8,218
Bank deposits	1,007,649	691,350	1,005,777	688,801
Total cash and cash equivalents	1,015,470	699,568	1,013,598	697,019

As at 31 January 2023, bank deposits in savings accounts carried interests between 0.15 and 1.15 percent per annum (31 July 2022: between 0.05 and 0.50 percent per annum).

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 January 2023	31 July 2022	31 January 2023	31 July 2022
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	7	2,787	7	2,787
3 - 6 months	-	6,788	-	6,788
6 - 12 months	785	53	785	53
Over 12 months	28	-	28	-
Total trade receivables - related parties	820	9,628	820	9,628
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	72,984	88,947	72,984	88,947
Past due				
Up to 3 months	82,617	94,342	82,617	94,342
3 - 6 months	15,973	46,035	15,973	46,035
6 - 12 months	26,547	124,724	26,547	124,724
Over 12 months	88,631	4,252	88,631	4,252
Total trade receivables - unrelated parties	286,752	358,300	286,752	358,300
Less: Allowance for expected credit losses	(29,949)	(15,360)	(29,949)	(15,360)
Total trade receivables - unrelated parties - net	256,803	342,940	256,803	342,940
Total trade receivables - net	257,623	352,568	257,623	352,568
<u>Other receivables</u>				
Other receivables - related party	-	-	24	-
Other receivables - unrelated parties	8,923	7,084	8,744	6,904
Accrued interest income	1,426	1,116	1,426	1,116
Total other receivables	10,349	8,200	10,194	8,020
Total trade and other receivables - net	267,972	360,768	267,817	360,588

5. Other current financial assets

As at 31 January 2023 and 31 July 2022, other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Other current financial assets		Interest rate	
			(percent per annum)	
	31 January 2023	31 July 2022	31 January 2023	31 July 2022
Fixed deposits at financial institutions (12 months)	221,525	472,547	0.50 - 2.00	0.15 - 1.15
Total other current financial assets	<u>221,525</u>	<u>472,547</u>		

6. Investment in subsidiary

Details of investments in subsidiary as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Type of relation	Shareholding percentage		Cost	
		31 January	31 July	31 January	31 July
		2023	2022	2023	2022
		(%)	(%)		(Audited)
Local subsidiary					
Jatu Charoen Development Company Limited	Direct holding	99.97	99.97	1,000	1,000

On 13 December 2021, the Board of Directors' meeting No. 5/2021 resolved to approve the establishment of a new subsidiary, Jatu Charoen Development Company Limited, which is engaged in health establishment and hotel business, providing elderly and dependency care both onsite and offsite as well as distributions of medicines, supplement products, medical supplies and equipments. The subsidiary has a registered capital of 10,000 shares with a par value of Baht 100 per share, totaling Baht 1 million. The subsidiary registered the establishment with the Department of Business Development, the Ministry of Commerce on 18 February 2022.

7. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 31 January 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
	<hr/>
Net book value as at 1 August 2022	778,999
Additions during the period - at cost	142,901
Disposals during the period - net book value at disposal date	(122)
Depreciation for the period	<hr/> (45,334)
Net book value as at 31 January 2023	<hr/> <u>876,444</u>

8. Right-of-use assets

Movements in the Right-of-use assets account during the six-month period ended 31 January 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
	<hr/>
Net book value as at 1 August 2022	592,180
Amortisation for the period	<hr/> (11,354)
Net book value as at 31 January 2023	<hr/> <u>580,826</u>

The Company entered into a long-term lease agreement for lease of land and building which are the current operation hospital building with Thai Red Cross Society. The agreement is for a period of 30 years, from 9 November 2018 to 8 November 2048 with the lease payment of Baht 668 million, being payable in full upon signing the new lease agreement. The Company paid the lease payment of Baht 668 million to the Thai Red Cross Society on 22 February 2019.

(Unaudited but reviewed)

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 January	31 July	31 January	31 July
	2023	2022	2023	2022
Trade payables - unrelated parties	100,765	93,143	100,755	92,383
Other payables - unrelated parties	21,482	23,828	21,482	23,828
Accounts payable - construction and equipment purchases	71,441	49,313	71,441	49,313
Accrued expenses	39,623	43,964	39,472	43,608
Total trade and other payables	<u>233,311</u>	<u>210,248</u>	<u>233,150</u>	<u>209,132</u>

10. Income tax

Interim corporate income tax is calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 31 January 2023 and 2022 are made up follows:

(Unit: Thousand Baht)

	For three-month periods ended 31 January		
	Consolidated	Separate	
	financial	financial statements	
	statements	2023	2022
		<u>2023</u>	<u>2022</u>
Current income tax:			
Interim corporate income tax charge	19,470	19,504	28,870
Deferred tax:			
Relating to origination and reversal of temporary differences	961	961	(435)
Income tax expenses reported in the statements of comprehensive income	<u>20,431</u>	<u>20,465</u>	<u>28,435</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For six-month periods ended 31 January

	Consolidated financial statements	Separate financial statements	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Current income tax:			
Interim corporate income tax charge	41,426	41,418	64,643
Deferred tax:			
Relating to origination and reversal of temporary differences	<u>(3,723)</u>	<u>(3,723)</u>	<u>(1,969)</u>
Income tax expenses reported in the statements of comprehensive income	<u>37,703</u>	<u>37,695</u>	<u>62,674</u>

11. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 18 November 2021	<u>90.0</u>	0.50
Total dividends for 2022		<u>90.0</u>	
Final dividends for 2022	Annual General Meeting of the shareholders on 17 November 2022	<u>108.0</u>	0.60
Total dividends for 2023		<u>108.0</u>	

12. Operating segment information

Operating segment information is reported in a manner consistent with the internal reporting the chief operating decision maker has received and regularly reviewed to make decisions about resources to be allocated to the segment and assess its performance. The chief operating decision maker has been identified as Executive Committee.

The one main reportable operating segment of the Company is the hospital business and the single geographical area of its operation is Thailand. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

13. Commitments and contingent liabilities

13.1 Commitments under service agreements

The Company had total minimum payments to be paid in the future under the service agreements as follows:

	(Unit: Million Baht)	
	31 January 2023	31 July 2022
	<hr/>	<hr/>
Payable:		
In up to 1 year	19.7	10.0
In over 1 year and up to 3 years	1.9	2.6

13.2 Capital commitments

As at 31 January 2023, the Company had capital commitments of Baht 66.58 million (31 July 2022: Baht 117.4 million) in respect of the acquisitions of buildings and building improvements, medical equipment and facility systems.

13.3 Guarantees

- a. As at 31 January 2023, the Company had credit facilities with a commercial bank for overdrafts of Baht 20 million and short-term loans of Baht 10 million (31 July 2022: Credit facilities with a commercial bank for overdrafts of Baht 20 million and short-term loans of Baht 10 million).
- b. As at 31 January 2023, the Company had outstanding bank guarantees of approximately Baht 4.8 million issued by the bank on behalf of the Company in respect of electricity use as required in the normal course of business. (31 July 2022: Baht 4.8 million).

14. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 March 2023.