

**PATRANGSIT HEALTHCARE GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE INTERIM FINANCIAL STATEMENTS
JUNE 30, 2024**

1. GENERAL INFORMATION

1.1 Legal status and address of the Company

The Company had registered to be a limited company with the Ministry of Commerce on October 3, 1984. According to the Extraordinary Shareholders' Meeting No. 1/2022 held on November 15, 2022, the shareholders had a resolution to changes the Company' status to a public limited company and the the Company's name from "Pathumrak Co., Ltd." to "Patragsit Healthcare Group Public Company Limited. The changes of Company's status to be the public company limited and the Company's name were registered with the Ministry of Commerce on November 28, 2022.

The address of its registered office is as follows:

Head office is located at 733/345, 733/359 Moo 8, Phahonyothin Road, Tambon Khu Khot, Amphoe Lam Luk Ka, Pathum Thani 12130 Thailand.

Branch office is located at 73/26, 73/28 Moo 19, Klong Nueng Subdistrict, Klong Luang District, Pathum Thani 12120 Thailand.

1.2 Nature of the Company's operations

Its main business operations is the hospital business.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 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", and the requirements of the Securities and Exchange Commission (SEC). 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 situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2023.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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 financial statements in Thai language version.

2.2 Basis for the preparation of consolidated financial statements

2.2.1 The consolidated financial statements have included the financial statements of Patransit Healthcare Group Public Company Limited and its subsidiary as follows;

Company name	Type of business	Country of Incorporation	Percentage of shareholding (%)	
			As at June 30, 2024	As at December 31, 2023
Patumruks Vejchakarn Company Limited	Hospital business	Thailand	100	100

2.2.2 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

2.2.3 Subsidiary are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

2.2.4 The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.

2.2.5 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

2.3 Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards 2023, This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparing the interim financial statements are the same accounting policies used in the preparation of the annual financial statements for the year ended December 31, 2023.

4. RELATED PARTIES TRANSACTION

The Company and its subsidiary had significant business transactions with related parties. Such transactions, which arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiary and those related parties.

The nature of relationship with related parties were summarized as follows:

Related parties	Relationship
<u>Subsidiary companies</u>	
Patumruks Vejchakarn Company Limited	Shareholder and common directors
<u>Associate company</u>	
White Plai Company Limited	Shareholder
<u>Related company</u>	
B-Yes Co., Ltd.	Common shareholders
Alissa Global Co., Ltd.	Common shareholders
Khlong Si Samakki Co., Ltd.	Common shareholders
Absolute Cosmetic Co., Ltd.	Common shareholders
<u>Related person</u>	
Key management personnel	Persons having authority and responsibility for management
Shareholders	Persons holding the Company's and its subsidiary's share

Revenues and expenses with the related parties for the three-month and six-month periods ended June 30, 2024 and 2023 were summarized as follows:

		Million Baht			
		Consolidated financial statements		Separate financial statements	
		For the three-month periods ended June 30,		For the three-month periods ended June 30,	
Pricing policies		2024	2023	2024	2023
<u>Transactions with subsidiary</u>					
Revenue from hospital operations	Market price	-	-	4.9	4.9
Rental income	As contract price	-	-	0.9	0.8
Service income	As contract price	-	-	5.1	4.2
Dividend income	As declaration	-	-	30.0	30.0
Sale income	Market price	-	-	0.1	0.1
Rental and service expense	As contract price	-	-	1.6	1.5
<u>Transactions with related persons and companies</u>					
Revenue from hospital operations	Market price	0.1	0.1	0.1	0.1
Computer software maintenance expense	As contract price	0.3	0.3	-	-
Purchase of intangible assets	As mutually agreed price	-	0.6	-	0.4
<u>Directors and management's benefits</u>					
Short-term employee benefit		5.8	4.2	4.8	3.2
Post-retirement benefits		0.1	0.1	0.1	0.1
Total		<u>5.9</u>	<u>4.3</u>	<u>4.9</u>	<u>3.3</u>

<u>Pricing policies</u>		Million Baht			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		For the six-month periods		For the six-month periods	
		ended June 30,		ended June 30,	
		2024	2023	2024	2023
<u>Transactions with subsidiary</u>					
Revenue from hospital operations	Market price	-	-	10.3	9.7
Rental income	As contract price	-	-	1.8	1.7
Service income	As contract price	-	-	10.1	8.4
Dividend income	As declaration	-	-	30.0	30.0
Sale income	Market price	-	-	0.2	0.1
Rental and service expense	As contract price	-	-	3.1	3.1
<u>Transactions with related persons and companies</u>					
Revenue from hospital operations	Market price	0.3	0.3	0.3	0.3
Computer software maintenance expense	As contract price	0.6	0.6	-	-
Purchase of intangible assets	As mutually agreed price	-	3.0	-	2.1
<u>Directors and management’s benefits</u>					
Short-term employee benefit		11.6	8.5	9.6	6.5
Post-retirement benefits		0.2	0.2	0.2	0.2
Total		<u>11.8</u>	<u>8.7</u>	<u>9.8</u>	<u>6.7</u>

Balances of the accounts with the related parties as at June 30, 2024 and December 31, 2023 were summarized as follows:

	Thousand Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
<u>Trade and other current receivables</u>				
Subsidiary	-	-	1,999	2,430
Related companies	174	226	174	226
Total	<u>174</u>	<u>226</u>	<u>2,173</u>	<u>2,656</u>
<u>Trade and other current payables</u>				
Subsidiary	-	-	35	62

5. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2024	31, 2023	30, 2024	31, 2023
Trade receivables				
Related parties (Note 4)				
Age of outstanding debts by due date				
Not yet due	172	226	410	555
Past due				
Not over 3 months	2	-	2	-
Total	174	226	412	555
Other companies				
Age of outstanding debts by due date				
Not yet due	47,487	50,039	37,270	39,625
Past due				
Not over 3 months	26,580	24,068	23,270	19,824
3 - 6 months	1,979	2,655	1,763	2,346
6 - 12 months	383	547	303	522
More than 12 months	6,274	6,040	5,220	4,984
Total	82,703	83,349	67,826	67,301
Total trade receivables	82,877	83,575	68,238	67,856
Less allowance for expected credit losses	(9,044)	(8,929)	(7,843)	(7,759)
Trade receivables, net	73,833	74,646	60,395	60,097
Accrued medical treatment income				
Age of outstanding debts				
Net over 12 months	30,407	28,886	30,407	28,886
More than 12 months	103	103	103	103
Total	30,510	28,989	30,510	28,989
Less Allowance for expected credit losses	(77)	(77)	(77)	(77)
Total accrued medical treatment income	30,433	28,912	30,433	28,912

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Other current receivables				
Accrued income - other companies	4,610	11,570	3,575	11,121
Others				
Related parties (Note 4)	-	-	1,761	2,101
Other companies	14,877	10,357	11,025	8,259
Total	19,487	21,927	16,361	21,481
<u>Less</u> allowance for expected credit losses	(1,618)	(1,618)	(1,618)	(1,618)
Other current receivables, net	17,869	20,309	14,743	19,863
Total trade and other current receivables	122,135	123,867	105,571	108,872

6. ACCRUED MEDICAL TREATMENT INCOME

Accrued medical treatment income consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
<u>Social Security Office</u>				
Accrued medical treatment income				
Chronic diseases	66,137	51,858	66,137	51,858
Patients with severe diseases	96,882	95,254	96,882	95,254
Other accrued incomes	17,803	19,910	17,803	19,910
Total	180,822	167,022	180,822	167,022
<u>National Health Security Office</u>				
Accrued medical treatment income	29,276	21,796	29,243	21,765
<u>National Institute for Emergency Medicine</u>				
Accrued medical treatment income	11,499	17,092	11,499	17,092
	221,597	205,910	221,564	205,879
<u>Less</u> Allowance for expected credit losses	(7,936)	(13,427)	(7,936)	(13,427)
Total accrued medical treatment income	213,661	192,483	213,628	192,452

The Company and its subsidiary are unable to determine the certain amount of medical income for treatment provided to patients with severe diseases and medical income for treatment of chronic diseases that have not been received from the Social Security Office, including medical treatment income that have not been received from National Health Security Office. Therefore, the management of the Company and its subsidiary have estimated the accrued income based on the latest actual amount received along with the current circumstances. The management of the Company and its subsidiary believe that the actual results will not be significantly different from the estimated amount.

Events after the reporting period

On July 30, 2024, the Social Security Office had notified to all hospitals in the Social Security Scheme to inform the adjustment of the in-patient medical with high cost diseases (AdjRW ≥ 2) in the year 2023, considering the payment of medical services from the prior rate of Baht 12,000/AdjRW to Baht 7,200 /AdjRW. The management of the Company considered reducing the estimate of accrued medical treatment income for in-patients with high cost diseases as at December 31, 2023, which recognized as part of revenue from hospital operations in profit or loss for the three-month and six-month periods ending June 30, 2024.

As at June 30, 2024 and December 31, 2023, most of the Company and its subsidiary’s accrued medical treatment income are not overdue more than 12 months which have the reimbursements in accordance with bases, terms and conditions stipulated by Social Security Office and National Health Security Office as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Accrued medical treatment income				
Age of outstanding debts				
Not over 12 months	210,983	188,007	210,983	187,976
More than 12 months	10,614	17,903	10,581	17,903
Total	<u>221,597</u>	<u>205,910</u>	<u>221,564</u>	<u>205,879</u>

7. INVENTORIES

Inventories consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Medicines and medical supplies	50,465	38,963	40,605	29,388
Medical instruments	12,699	13,906	12,699	13,906
Other supplies	1,697	2,065	875	1,261
Total	64,861	54,934	54,179	44,555
<u>Less</u> Allowance for diminution in value of inventories	<u>(468)</u>	<u>(385)</u>	<u>(444)</u>	<u>(365)</u>
Net	<u>64,393</u>	<u>54,549</u>	<u>53,735</u>	<u>44,190</u>

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2024	31, 2023	30, 2024	31, 2023
Debt security designed at fair value through profit or loss				
Unit trust of mutual fund	755,000	730,000	700,000	700,000
Add gain from change of fair value	17,232	7,385	16,348	7,099
Total	772,232	737,385	716,348	707,099

9. INVESTMENT IN SUBSIDIARY

Investment in subsidiary consisted of:

Company's name	Thousand Baht							
	Paid-up capital (Thousand Baht)		Percentage of shareholding (%)		Separate financial statements			
					Equity method		Cost method	
	As at June	As at December	As at June	As at December	As at June	As at December	As at June	As at December
	30, 2024	31, 2023	30, 2024	31, 2023	30, 2024	31, 2023	30, 2024	31, 2023
Patumruks Vejchakarn Co.Ltd.	60,000	60,000	100	100	171,317	184,461	119,999	119,999
Total					171,317	184,461	119,999	119,999

10. INVESTMENT IN ASSOCIATE

Investment in associate consisted of:

Company's name	Nature of business	Country of incorporation	Paid-up capital (Thousand Baht)	Thousand Baht					
				Proportion of Shareholding (Percentage)		Consolidated financial statements		Separate financial statements	
				As at June	As at December	Carrying amounts based on equity method		Carrying amounts based on cost method	
				June	December	June	December	June	December
				30, 2024	31, 2023	30, 2024	31, 2023	30, 2024	31, 2023
White Plai Co., Ltd.	Business of platform development	Thailand	12,500	2.25	2.25	206	249	281	281

11. PROPERTY PLANT AND EQUIPMENT

Movements of the property, plant and equipment for the six-month period ended June 30, 2024 were summarized as follows:

	Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
Balance as at December 31, 2023	1,674,635	1,357,538
Acquisitions during the period	56,466	54,151
Transfer-in (out)	20,307	20,307
Disposals and write-off during the period	(9,595)	(8,855)
Balance as at June 30, 2024	<u>1,741,813</u>	<u>1,423,141</u>
Accumulated depreciation		
Balance as at December 31, 2023	(815,562)	(640,839)
Depreciation for the period	(39,739)	(34,414)
Transfer-(in) out	(10,930)	(10,930)
Accumulated depreciation on disposals / write-off	8,817	8,142
Balance as at June 30, 2024	<u>(857,414)</u>	<u>(678,041)</u>
Net book value		
Balance as at December 31, 2023	<u>859,073</u>	<u>716,699</u>
Balance as at June 30, 2024	<u><u>884,399</u></u>	<u><u>745,100</u></u>

As at June 30, 2024 and December 31, 2023, the Company and its subsidiary had building and equipment, which were fully depreciated but they are still in use with gross carrying amounts of Baht 503 million and Baht 493 million, (for the Company : Baht 404 million and Baht 397 million), respectively.

As at June 30, 2024 and December 31, 2023, land and buildings including the future buildings of the Company are pledged as collateral for short-term credit facilities (Note 14) and long-term loan (Note 16). The said land and buildings have the net book value of Baht 461 million and Baht 453 million, respectively.

13. INTANGIBLE ASSETS

Movements of intangible assets, during the six-month period ended June 30, 2024 were summarized as follows:

	Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2023	56,382	34,067
Acquisitions during the period	1,083	1,083
As at June 30, 2024	57,465	35,150
Accumulated depreciation		
As at December 31, 2023	(15,013)	(8,747)
Amortization for the period	(1,875)	(863)
As at June 30, 2024	(16,888)	(9,610)
Net book value		
As at December 31, 2023	41,369	25,320
As at June 30, 2024	40,577	25,540

14. SHORT-TERM CREDIT FACILITIES FROM FINANCIAL INSTITUTION

The Company had credit facilities with two local banks, as follows:

Types of credit limit	Interest rate (% per annum)	Million Baht	
		As at June 30, 2024	As at December 31, 2023
(1) Bank overdrafts	F/D+2.00 and MOR	16.00	16.00
(2) Promissory note	MMR and MLR - 2.50	240.00	240.00
	MLR - 2.50	20.00	20.00
(3) Letter of guarantee	1.00 and 2.00	40.00	40.00
Total		316.00	316.00

A subsidiary of the Company had credit facilities with a local bank, as follows:

Types of credit limit	Interest rate (% per annum)	Million Baht	
		As at June 30, 2024	As at December 31, 2023
(1) Letter of guarantee	1.00	0.56	0.56
Total		0.56	0.56

As at June 30, 2024 and December 31, 2023, the credit limit is guaranteed by the Company’s land with constructions (Note 11), the Company’s fixed deposit with a bank for Baht 5 million and guaranteed by director of the Company.

15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Trade accounts payable				
Related parties (Note 4)	-	-	27	20
Other companies	110,287	110,832	99,859	100,356
Total	110,287	110,832	99,886	100,376
Other current payables:				
Accrued doctor fee	54,170	54,084	47,046	47,190
Accrued medical referral expenses	12,023	13,817	12,023	13,817
Accounts payable - acquisition of assets	38	-	38	-
Accrued other expenses				
Related parties (Note 4)	-	-	8	42
Other companies	97,699	100,725	83,516	85,852
Total	163,930	168,626	142,631	146,901
Total trade and other payables	274,217	279,458	242,517	247,277

16. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Long-term loans from financial institutions consisted of:

Loan	Interest rate (%)	Repayment	Thousand Baht	
			Consolidated financial statements / Separate financial statements	
			As at June 30, 2024	As at December 31, 2023
1	MLR-2.50	Monthly payment of Baht 2.35 million, per month, the first installment in July 2019	3,819	23,036
2	MLR-2.50	Monthly payment of Baht 2.35 million, per month, the first installment in July 2019	-	13,011
	Total		3,819	36,047
	(Less) portion due within one year		(3,819)	(36,047)
	Long-term loans, net of portion due within one year		-	-

Movements of long-term loans from financial institutions for the six-month period ended June 30, 2024 were summarized as follows:

	Thousand Baht
	<u>Consolidated financial statements / Separate financial statements</u>
Beginning balance as at December 31, 2023	36,047
<u>Plus</u> additional loans during the period	-
<u>(Less)</u> repayment during the period	<u>(32,228)</u>
Ending balance as at June 30, 2024	<u><u>3,819</u></u>

The loans are secured by the mortgage of the Company’s land and buildings including the future building (Note 11).

Under the loan agreement, the Company has to comply with certain financial conditions as specified in the agreement such as maintaining the debt-to-equity ratio according to the rate specified in the agreement, etc.

As at June 30, 2024 and December 31, 2023, the Company has long-term credit facilities which have not yet been drawn down amounting to Baht 10 million and Baht 10 million, respectively.

17. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the six-month period ended June 30, 2024 are presented below:

	Thousand Baht	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
As at December 31, 2023	16,066	14,327
Accretion of interest	413	299
Payments	<u>(5,846)</u>	<u>(5,549)</u>
As at June 30, 2024	10,633	9,077
Less: current portion	<u>(6,518)</u>	<u>(6,029)</u>
Lease liabilities - net of current portion	<u><u>4,115</u></u>	<u><u>3,048</u></u>

The following are the amounts recognized in profit or loss for the three-month and six-month periods ended June 30, 2024 and 2023 consisted of:

	Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Depreciation of right-of-use assets	2,330	2,321	2,191	2,413
Interest expense on lease liabilities	186	295	157	310
Leases of low-value assets	3,161	3,483	3,132	3,216
Toal	5,677	6,099	5,480	5,939

	Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Depreciation of right-of-use assets	4,871	4,135	4,634	4,298
Interest expense on lease liabilities	413	539	299	564
Leases of low-value assets	4,995	4,836	4,815	4,397
Toal	10,279	9,510	9,748	9,259

18. TAX EXPENSE

Major components of tax expense for the three-month and six-month periods ended June 30, 2024 and 2023 consisted of:

	Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Tax expenses shown in profit or loss:				
Current tax expenses:				
Tax expenses for the period	7,980	9,070	6,590	6,820
Deferred tax expenses (income):				
Change in temporary differences relating to the original recognition and reversal	975	(1,183)	973	(1,094)
Total	8,955	7,887	7,563	5,726

	Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Tax expenses shown in profit or loss:				
Current tax expenses:				
Tax expenses for the period	23,210	21,539	19,126	16,321
Deferred tax expenses (income):				
Change in temporary differences				
relating to the original recognition				
and reversal	2,445	(2,812)	2,437	(2,512)
Total	25,655	18,727	21,563	13,809

19. APPROPRIATION OF RETAINED EARNINGS

Company

According to the Annual General Meeting of Shareholders of the year 2024 held on April 10, 2024, the shareholders passed a resolution approving to the dividend payment from the unappropriated retained earning and operating results of the year 2023 at the rate of Baht 1.33 per share, totaling Baht 356 million. The Company has already paid the interim dividends at the rate of Baht 0.8130 per share from 246 million shares in total Baht 200 million within July 2023, and will pay the final of dividends at the rate of Baht 0.52 per share from 300 million shares in total Baht 156 million. The payment of such dividends will be paid on May 9, 2024 to the entitled shareholders whose names appeared on the record date of April 19, 2024.

Subsidiary

According to the Annual General Meeting of Shareholders of the year 2024 held on April 10, 2024, the shareholders passed a resolution approving to the dividend payment from the unappropriated retained earning and operating results of the year 2023 at the rate of Baht 50 per share, totaling Baht 30 million.

20. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the parent company by the weighted average number of ordinary shares which were issued during the period and held by outside party.

For the three-month periods ended June 30, 2024 and 2023

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit for the periods (Thousand Baht)	36,611	31,358	60,851	52,616
Weighted average number of ordinary shares (Thousand share)	300,000	246,000	300,000	246,000
Basic earnings per share (Baht per share)	0.12	0.13	0.20	0.21

For the six-month periods ended June 30, 2024 and 2023

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit for the periods (Thousand Baht)	103,163	75,912	116,394	85,773
Weighted average number of ordinary shares (Thousand share)	300,000	246,000	300,000	246,000
Basic earnings per share (Baht per share)	0.34	0.31	0.39	0.35

21. OPERATING SEGMENT

The operating segment information presented herein is consistent with the internal reports of the Company and its subsidiary that the chief operating decision maker has regularly received and reviewed in order to make decisions on resource allocation and assess the performance of the Company’s operating segment. The chief operating decision maker of the Company and its subsidiary is Executive Committee.

The Company and its subsidiary operate in one main reportable operating segment, which is hospital business and operates in one geographical area, which is Thailand. The Company and its subsidiary assess the performance of operating segment by using operating profit or loss, on a basis consistent with that used to assess operating profit or loss in the financial statements, therefore all the revenues, operating profits and assets as reflected in the financial statements are the reporting of the reportable operating segment.

22. COMMITMENTS AND CONTINGENT LIABILITIES

22.1 Capital expenditure commitments

The Company and its subsidiary have capital expenditure commitments as follows:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2024	31, 2023	30, 2024	31, 2023
Building construction	19	15	19	15
Purchase of computer software	10	11	8	9

22.2 Lease and service agreements commitments

The Company and its subsidiary have entered into office equipment rental agreements and agreements relating to the maintenance of medical devices and other services. The Company and its subsidiary have the minimum amount to be paid in the future as follows:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2024	31, 2023	30, 2024	31, 2023
Payment due				
Within one year	18	23	12	15
Over 1 year but not over 3 years	8	9	3	2

22.3 Contingent liabilities regarding guarantees

As at June 30, 2024 and December 31, 2023, the Company and its subsidiary have letters of guarantee issued by banks on behalf of the Company and its subsidiary in the amount of Baht 18 million and Baht 17 million (for the company: Baht 17 million and Baht 16 million), respectively. The such guarantees are related to certain performance obligations as normal in the business of the Company and its subsidiary, which includes letters of guarantee to guarantee electricity use and others.

22.4 Contingent liabilities regarding lawsuit

The Company had contingent liabilities regarding lawsuits because the Company was sued by a patient claiming medical treatment compensation. The litigation capital is Baht 3.00 million. The court of first instance dismissed the case. Presently, such case is under period extension for filing an appeal of the plaintiff. The Company's management believed that the court may order the company not to indemnify the plaintiff and the result of such lawsuit will not have a significant impact on the Company. Therefore, the Company did not record the estimate for damages that may occur in the financial statements.

23. FAIR VALUE HIERARCHY

As at June 30, 2024 and December 31, 2023, the Company and subsidiary had assets were measured at fair values, as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Assets that are measured at fair value				
Investment (level 2)	772,232	737,385	716,348	707,099
Assets disclosed at fair value				
Investment properties (level 3)	53,600	53,600	139,556	139,556

24. EVENTS AFTER THE REPORTING PERIOD

In accordance with the Board of Directors' Meeting No. 3/2024, held on August 13, 2024, the Board of Directors resolved to approve the Company to enter into an investment in an associated company to provide a medical examination center with MRI machine. The Company will invest at 30 percent of registered share capital, amounting to approximately Baht 1.35 million.

25. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's board of directors on August 13, 2024.