

EKH/CS/2019/017

13 May 2019

Subject: Management Discussion and Analysis for the first quarter 2019 results

To Directors and Manager
The Stock Exchange of Thailand

Ekachai Medical Care Public Company Limited (the “Company”) would like to clarify on the operating results for the three-month period at the end of 31st March 2019 as follows.

Summary

The Company reported Total revenues in 1Q19 of Baht 206.36 million, a 44.17% increase from 1Q18 revenues of baht 143.13 million. Net profit for 1Q19 increased by 103.09% to Baht 44.70 million from Baht 22.01 million in 1Q18, with Net profit margin at 21.66% in 1Q19 improved from 15.38% in 1Q18.

Details of the management discussion and analysis follow:

Income Statements

The Company reported Revenues from Hospital Operations of Baht 200.01 million, a 43.68% increase year-over-year from Baht 139.21 million in 1Q18. This was mostly due to an increase in revenues from Inpatients, Outpatients and IVF patients. Centers operating distinctive income included Pediatrics Center and Emergency Center.

The Company reported Cost of Hospital Operations (including Depreciation and Amortization) of Baht 109.59 million for 1Q19, or 22.76% increase year-over-year from Baht 89.27 million in 1Q18. Administrative expenses (including Depreciation and amortization) were Baht 41.03 million for 1Q19, or 48.44% increase year-over-year from Baht 27.64 million in 1Q18. The variance was mostly due to an increase in number of patients, depreciation and employee management expenses. EBITDA increased by 112.55% year-over-year to Baht 55.74 million in 1Q19 from Baht 26.23 million in 1Q18.

(Unit : Baht million)	31 MAR 19 (quarterly)	31 MAR 18 (quarterly)	Change
Revenues from Hospital Operations	200.01	139.21	43.68%
Gross Profit	90.43	49.94	81.08%
Net Profit available to Common Stockholder	44.70	22.01	103.09%

Statements of financial position

As of 31 March 2019, the Company reported Total Current Assets of Baht 459.84 million, increase from Baht 458.21 million as of 31 December 2018. The variance is mostly due to a net increase of Cash and Cash Equivalents and Trade and other Receivables.

Total Non-Current Assets increased to Baht 608.21 million as of 31 March 2019 from Baht 510.09 million as of 31 December 2018. Mostly, due to the increase in long-term investment and the increase in Property, Plant and Equipment as a result of building renovation and additional equipment purchase.

Total Current Liabilities were Baht 150.11 million as of 31 March 2019, increase from Baht 96.84 million as of 31 December 2018, mostly due to the increase in account payable. Non-Current Liabilities were Baht 10.92 million as of 31 March 2019, increase from Baht 9.47 million as at 31 December 2018, mostly due to accounting of long term employee benefits.

Total Shareholders' Equity grew to Baht 907.03 million as of 31 March 2019 from Baht 862.00 million as of 31 December 2018, resulted mostly from the Company's Year 2018 Net profit. Return on Equity (ROE) ratio was 4.93% and Net Debt to Equity ratio was 0.18 as of 31 March 2019.

(Unit : Baht million)	31 MAR 19 (quarterly)	31 DEC 18 (yearly)	Change
Total Assets	1,068.05	968.30	10.30%
Total Liabilities	161.03	106.31	51.47%
Total Shareholder's Equity	899.87	855.08	5.24%
Net Debt to Equity Ratio	0.18	0.12	-
Return on Equity Ratio (%)	4.93%	13.60%	-

Please be informed accordingly.

Yours faithfully,
Ekachai Medical Care PCL.

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