



No.RPH-SET 13/2020

November 7, 2020

Subject : Management Discussion and Analysis Quarterly Ending September 30, 2020

To : The President
The Stock Exchange of Thailand

The Board of Directors meeting of Ratchaphruek Hospital Public Company Limited (the Company) No.5/2020 dated November 7, 2020 approved the Company's Interim Financial Information ending September 30, 2020. The Company would like to clarify the nine-month period ended September 30, 2020 earnings results, as follows.

Statement of comprehensive income

Revenue from hospital operations

The Company booked revenue from hospital operations amounted to Baht 612.74 million and Baht 573.69 million for the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, respectively. The figures represent a period-on-period decrease of 6.37% due mainly to the Corona Viruses (COVID-19) outbreak.

For the 3rd quarter, the Company generated the total revenues from hospital operations in amounts of Baht 218.71 million and Baht 195.91 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, the figures represent a period-on-period decrease of 10.42%.

Cost of hospital operations

The cost of hospital operations amounted to Baht 426.30 million and Baht 418.60 million in the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, respectively. Meanwhile, the cost of hospital operations to revenue ratios stood at 68.30% and 71.62% respectively.

For the 3rd quarter, the cost of hospital operations amounted to Baht 148.98 million and Baht 140.73 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, respectively. Meanwhile, the cost of hospital operations to revenue ratios stood at 67.09% and 70.77%, respectively. The higher ratio on a period-on-period basis was attributable to the Company has some fixed costs that unchanged irrespective of the revenue.

Other Income

The other income amounted to Baht 11.43 million and Baht 10.74 million in the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, respectively.

For the 3rd quarter, the other income amounted to Baht 3.36 million and Baht 2.94 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, respectively.



Distribution costs

The Company booked distribution costs amounting to Baht 2.98 million and Baht 4.45 million for the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, respectively. The distribution costs to revenue ratios for those years stood at 0.48% and 0.76%, respectively.

For the 3rd quarter, the distribution costs amounted to Baht 1.12 million and Baht 1.63 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, respectively. Meanwhile, the distribution costs to revenue ratios stood at 0.50% and 0.82%, respectively.

Administrative expenses

In the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, the Company's administrative expenses amounted to Baht 94.18 million and Baht 88.21 million, respectively. The administrative expenses to revenue ratios for those years stood at 15.09% and 15.09%, respectively.

For the 3rd quarter, the administrative expenses amounted to Baht 35.47 million and Baht 28.95 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, respectively. Meanwhile, the administrative expenses to revenue ratios stood at 15.97% and 14.56%, respectively. In the three-month period ended September 30, 2019, the Company has one-time expenses in certifying hospital standard (JCI), and property tax amounted to Baht 3.40 million.

Finance costs

The Company booked finance costs amounting to Baht 7.87 million in the nine-month period ended September 30, 2019 and Baht 5.86 million in the nine-month period ended September 30, 2020. The period-on-period decrease in finance costs was because of a principle repayment and a reducing loan interest rates.

Net profits

The Company booked net profits of Baht 74.45 million and Baht 53.94 million in the nine-month period ended September 30, 2019 and the nine-month period ended September 30, 2020, respectively, the figures represent a period-on-period decrease of 27.55%. The net profit to revenue ratios stood at 11.93% and 9.32%, respectively.

For the 3rd quarter, the net profits were Baht 27.22 million and Baht 20.51 million in the three-month period ended September 30, 2019 and the three-month period ended September 30, 2020, respectively, the figures represent a period-on-period decrease of 24.63%. The net profit to revenue ratios stood at 12.26% and 10.32%, respectively, this decrease was related mainly to a decrease in revenues.



Statement of financial position

As of December 31, 2019 and September 30, 2020, the Company's total assets amounted to Baht 1,751.26 million and Baht 1,769.53 million, respectively. Major assets were cash and cash equivalents, and property, plant and equipment. As of December 31, 2019 and September 30, 2020, the Company saw cash and cash equivalents to Baht 49.21 million and Baht 120.73 million, respectively, are due to the withdrawal for long-term loans from financial institutions, and a 6-month grace period for non-payment of loans from financial institutions to manage liquidity in the outbreak of Corona Viruses. Meanwhile, as of December 31, 2019 and September 30, 2020, the Company's property, plant and equipment were valued at Baht 1,603.73 million and Baht 1,547.21 million, the decrease thanks to the booking of depreciation.

The Company saw total liabilities of Baht 433.77 million and Baht 452.71 million, as of December 31, 2019 and September 30, 2020, respectively. The major liability was long-term loans from financial institutions, and trade and other payables. As of December 31, 2019 and September 30, 2020, the long-term loans from financial institutions stood at Baht 266.67 million and Baht 321.79 million, respectively. Meanwhile, the trade and other payables stood at Baht 128.91 million and Baht 87.02 million, respectively.

As of December 31, 2019 and September 30, 2020, the shareholders' equity was valued at Baht 1,317.48 million and Baht 1,316.83 million, respectively.

Yours sincerely

(Mr. Teerawat Srinakarin)
Chief Executive Officer