



Subject : Management Discussion and Analysis for Yearly Ending December 31, 2022

To : The President
The Stock Exchange of Thailand

According to The Board of Directors of Ratchaphruek Hospital Public Company Limited (“the company”) meeting No. 1/2023 dated February 25, 2023 the meeting approved the Company’s Financial Information ended December 31, 2022. The Company would like to clarify the year ended December 31, 2022 operating results, as follows.

Executive Summary

Performance of 4Q2022 & 2022

Unit : Million Baht	2022	2021	% Change
Revenues from hospitel operations	1,326.18	1,412.56	(6.1%)
EBITDA	457.66	599.02	(23.6%)
Net profit	286.47	402.99	(28.9%)

Unit : Million Baht	4Q2022	3Q2022	4Q2021	% Change	
				QoQ	YoY
Revenues from hospitel operations	238.15	283.43	598.67	(16.0%)	(60.2%)
EBITDA	15.85	94.90	370.81	(83.3%)	(95.7%)
Net profit	(7.95)	55.87	224.75	(114.2%)	(103.5%)

Remark: QoQ means change comparing to 3Q2022
YoY means changes comparing to 4Q2021

For the year ended December 31, 2022 (“2022”), the revenue from hospital operations amounted to THB 1,326.18 million, decrease of 6.1% from 2021. Caused by 1Q2022 to 2Q2022 the Company receiving cases of Covid-19 infection patients. However, in 3Q2022 to 4Q2022 the situation of the epidemic of COVID-19 was unfolding and in July 2022, the Medical department announced the situation of the epidemic of COVID-19 return to Post-Pandemic as resulted in a return of non Covid-19 patients. In addition, the Company is well-equipped, prepared and medical services covering treatment various of diseases.

In 4Q2022 the situation of the epidemic of COVID-19 was unfolding cause to the lower COVID-19 patients. However, resulted in a return of non Covid-19 patients and into normal state to the same quarter of the year prior to COVID-19 pandemic (Y2019). In addition, that has caused the government change reimbursement to hospitals for treating Covid-19 patients and applies retrospectively, the Company has an affect on be adjusted decrease Covid-19 related revenue amounted to THB 25.36 Million.



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The year ended December 31, 2022 (“2022”), the Company reported EBITDA of THB 457.66 million, decreased of 23.6% from 2021 due to changes in revenue structure which led to an absence of massive Covid-19 related revenue.

Analysis of 2022 Performance

Unit : Million Baht	2022	2021	% Change
Revenues from hospitel operations	1,326.18	1,412.57	(6.1%)
Other income	14.08	11.89	18.4%
Total revenue	1,340.26	1,424.46	

Unit : Million Baht	4Q2022	3Q2022	4Q2021	% Change	
				QoQ	YoY
Revenues from hospitel operations	238.15	283.43	598.67	(16.0%)	(60.2%)
Other income	6.55	3.07	3.79	113.4%	72.8%
Total revenue	244.70	286.50	602.46		

Revenue from hospital operations

For the year ended December 31, 2022 (“2022”), the revenue from hospital operations amounted to THB 1,326.18 million, decrease of 6.1% from 2021 and in 4Q2022, the revenue from hospital operations decrease of 60.2% YoY and decrease of 16.0% QoQ, caused by 2022 the lower receiving cases of Covid-19 infection patients. However, resulted in a return of non Covid-19 patients and into normal state to the same quarter of the year prior to COVID-19 pandemic (Y2019). In addition, that has caused the government change reimbursement to hospitals for treating Covid-19 patients and applies retrospectively, the Company has an affect on be adjusted decrease Covid-19 related revenue amounted to THB 25.36 Million.

Unit : Million Baht	2022	2021	% Change
Cost of hospitel operations	827.01	746.98	10.7%
Distributions costs	9.68	5.70	69.8%
Administrative expenses	139.83	162.02	(13.7%)
Finance cost	5.55	6.69	(17.0%)
Tax expense	71.72	100.07	(28.3%)
Total expense	1,053.79	1,021.46	

บริษัท โรงพยาบาลราชพฤกษ์ จำกัด (มหาชน)

Ratchaphruek Hospital Public Company Limited

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Unit : Million Baht	4Q2022	3Q2022	4Q2021	% Change	
				QoQ	YoY
Cost of hospital operations	208.09	188.98	259.16	10.1%	(19.7%)
Distributions costs	5.94	1.35	1.43	340.0%	315.4%
Administrative expenses	38.98	25.05	60.34	55.6%	(35.4%)
Finance cost	1.37	1.40	1.46	(2.1%)	(6.2%)
Total expense	254.38	216.78	322.39		

Cost of hospital operations

For the year ended December 31, 2022 (“2022”), the cost of hospital operations amounted to THB 827.01 million, increase of 10.7% from 2021. The cost of hospital operations to revenue ratios for 2022 and 2021 at 61.7% and 52.4%, respectively. Caused by the Company all realized advance payment for vaccine. In addition, higher doctor fees and higher staff expenses together with an increase in utility.

Administrative expenses

For the year ended December 31, 2022 (“2022”), the company’s administrative expenses amounted to THB 139.83 million, decrease of 13.7% from 2021. The administrative expenses to revenue ratios for 2022 and 2021 at 10.4% and 11.4%, respectively. The lower in ratio on a period-on-period basis was attributed to the effectively managed and the strictly implemented measures of cost control corresponding with the economic consequences from Covid-19 pandemic situation caused the significant lower in administration expenses.

Profitability Analysis

Unit : Million baht	2022	2021	% Change
EBITDA	457.66	599.02	(23.6%)
EBITDA Margin(%)	34.2%	42.1%	
EBIT	363.75	509.76	(28.6%)
EBIT Margin(%)	27.1%	35.8%	
Net profit	286.47	402.99	(28.9%)
Net profit margin(%)	21.4%	28.3%	
EPS (Baht)	0.52	0.74	



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Unit : Million baht	4Q2022	3Q2022	4Q2021	% Change	
				QoQ	YoY
EBITDA	15.85	93.61	370.81	(83.1%)	(95.7%)
EBITDA Margin(%)	6.5%	32.7%	61.6%		
EBIT	(8.32)	71.12	281.53	(111.7%)	(103.0%)
EBIT Margin(%)	(3.4%)	24.8%	46.7%		
Net profit	(7.95)	55.87	224.75	(114.2%)	(103.5%)
Net profit margin(%)	(3.3%)	19.5%	37.3%		
EPS (Baht)	(0.01)	0.10	0.41		

Net profits

For the year ended December 31, 2022 (“2022”), the net profits amounted to THB 286.47 million, decrease of 28.9% from 2021, caused by 2022 the lower receiving cases of Covid-19 infection patients. However, resulted in a return of non Covid-19 patients and into normal state to the same quarter of the year prior to COVID-19 pandemic (Y2019). In addition, that has caused the government change reimbursement to hospitals for treating Covid-19 patients and applies retrospectively, the Company has an affect on be adjusted decrease Covid-19 related revenue amounted to THB 25.36 Million.

Financial ratios

	2022	2022
Current ratio (x)	2.05	1.71
Return on Asset (%)	17.9%	25.4%
Total liabilities to equity (x)	0.21	0.32

	2022	2022
Avg. Collection Period (Days)	86.72	65.45
Avg. Inventory Period (Days)	11.55	12.97
Avg. Payment Period (Days)	67.19	69.58

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Analysis of 2022 Financial Position

Unit : Million baht	31 December 2022	31 December 2021	% Change
Cash and cash equivalents	316.79	237.71	33.3%
Trade and other receivables	180.52	449.65	(59.9%)
Inventories	22.64	29.68	(23.7%)
Restricted deposits at financial institution	2.24	1.94	15.4%
Investment property	12.00	12.00	0.0%
Property, plant and equipment	1,427.54	1,453.44	(1.8%)
Right-of-use assets	11.66	10.14	15.0%
Intangible asset	26.04	5.48	375.0%
Deferred tax assets	6.30	10.74	(41.4%)
Other non-current assets	2.96	3.74	(20.9%)
Total assets	2,008.69	2,214.52	(9.3%)

Total assets as of December 31, 2022 were THB 2,008.69 million, decrease of 9.3% from December 31, 2021 due mainly to a decrease in trade and other receivables cause by received payments of Covid-19 related revenue and the decrease in advance for Moderna vaccine due to COVID-19 vaccination service has been completed in 4Q2022.

In addition, the Company's property, plant and equipment as of December 31, 2022 values are THB 1,427.54 million, decrease slightly of 1.8% from December 31, 2021 due to the depreciation on a regular basis.

However, the company has cash and cash equivalents as of December 31, 2022 was THB 316.79 million, increase of 33.3% from December 31, 2021 cause by received payments of Covid-19 related revenue and the Company's intangible asset as of December 31, 2022 values are THB 26.04 million, increase of 375.0% from December 31, 2021 due to the investment on Hospital Information System (HIS).



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Unit : Million baht	31 December 2022	31 December 2021	% Change
Short-term borrowings from financial institution	20.00	20.00	0.0%
Trade and other payables	107.01	197.45	(45.8%)
Current portion of long-term borrowings	105.61	104.57	1.0%
Accrued income tax	3.44	91.20	(96.2%)
Other current liabilities	3.69	5.02	(26.4%)
Long-term borrowings from financial institutions	11.37	81.87	(86.1%)
Employee benefit obligations	29.01	29.06	(0.2%)
Other non-current liabilities	5.69	5.51	3.3%
Total Liabilities	285.82	534.67	(46.5%)
Total Shareholders' Equity	1,722.87	1,679.85	2.6%
Total liabilities and shareholders' equity	2,008.69	2,214.52	(9.3%)

Total liabilities as of December 31, 2022 were THB 285.82 million, decrease of 46.5% from December 31, 2021 due mainly to a decrease in Accrued income tax, long-term loan from financial institutions, and account payables and other payables.

As of December 31, 2022, the shareholders' equities values are THB 1,722.87 million, increase of 2.6% from December 31, 2021.

Yours sincerely,

(Mr. Teerawat Srinakarin)
Chief Executive Officer