



May 6, 2023

Subject : Management Discussion and Analysis for Quarterly Ending March 31, 2023

To : The President  
The Stock Exchange of Thailand

According to The Board of Directors of Ratchaphruek Hospital Public Company Limited (“the company”) meeting No. 2/2023 dated May 6, 2023 the meeting approved the Company’s Interim Financial Information ended March 31, 2023. The Company would like to clarify the three-month ended March 31, 2023 operating results, as follows.

### Executive Summary

#### Performance of 1Q2023

Unit : Million Baht	3M2023	3M2022	% Change
Revenues from hospital operations	264.61	520.15	-49.13%
EBITDA	71.34	250.66	-71.54%
Net profit	36.99	181.38	-79.60%

For the three-month period ended March 31, 2023 (“3M2023”), the revenue from hospital operations amounted to THB 264.61 million, decrease of 49.13% from 3M2022. Caused by 1Q2022 the Company receiving cases of Covid-19 infection patients. However, in 1Q2023 the situation of the epidemic of Covid-19 was unfolding cause to the lower Covid-19 patients. Although, a return of non Covid-19 patients in 3M2023 increased from 3M2022 but it’s still lower than the decrease of receiving case of Covid-19 infection patients which caused by 1Q2023 performance is decreased significantly.

However, the performance of 1Q2023 for non Covid-19 revenue has growth rate of 19.36% from 1Q2022.

The three-month period ended March 31, 2023 (“3M2023”), the Company reported EBITDA of THB 71.34 million, decreased of 71.54% from 3M2022 due to changes in revenue structure which led to an absence of massive Covid-19 related revenue.



### Analysis of 3M2023 Performance

Unit : Million Baht	3M2023	3M2022	% Change
Revenues from hospital operations	264.61	520.15	-49.13%
Other income	1.73	2.14	-19.01%
<b>Total revenue</b>	<b>266.34</b>	<b>522.29</b>	

### Revenue from hospital operations

For the three-month period ended March 31, 2023 (“3M2023”), the revenue from hospital operations amounted to THB 264.61 million, decrease of 49.13% from 3M2022, caused by 1Q2023 the lower receiving cases of Covid-19 infection patients. Although, a return of non Covid-19 patients in 3M2023 increased from 3M2022 but it's still lower than the decrease of receiving case of Covid-19 infection patients which caused by 1Q2023 performance is decreased significantly.

However, the performance of 1Q2023 for non Covid-19 revenue has growth rate of 19.36% from 1Q2022.

Unit : Million Baht	3M2023	3M2022	% Change
Cost of hospital operations	175.94	255.27	-31.08%
Distributions costs	2.85	1.18	142.45%
Administrative expenses	40.21	37.85	6.23%
Finance cost	1.15	1.36	-15.53%
Tax expense	9.20	45.26	-79.67%
<b>Total expense</b>	<b>229.34</b>	<b>340.91</b>	

### Cost of hospital operations

For the three-month period ended March 31, 2023 (“3M2023”), the cost of hospital operations amounted to THB 175.94 million, decrease of 31.08% from 3M2022. The cost of hospital operations to revenue ratios for 3M2023 and 3M2022 at 66.06% and 48.88%, respectively. Caused by cost of medicines and medical supplies, medical personnel and cost of treating Covid-19 patients were lower than non Covid-19 patients.

### Tax expense

For the three-month period ended March 31, 2023 (“3M2023”), the tax expense amounted to THB 9.20 million, decrease of 79.67% from 3M2022 which related to the decrease of net profit, 79.60% from 3M2022



### Profitability Analysis

Unit : Million Baht	3M2023	3M2022	% Change
EBITDA	71.34	250.66	-71.54%
EBITDA Margin (%)	26.8%	48.0%	
EBIT	47.34	227.99	-79.24%
EBIT Margin (%)	17.8%	43.7%	
Net profit	36.99	181.38	-79.60%
Net profit margin (%)	13.9%	34.7%	
EPS (Baht)	0.07	0.33	

### Net profits

For the three-month period ended March 31, 2023 (“3M2023”), the net profits amounted to THB 36.99 million, decrease of 79.60% from 3M2022, caused by the lower receiving cases of Covid-19 infection patients. Although, a return of non Covid-19 patients in 3M2023 increased from 3M2022 but it's still lower than the decrease of receiving case of Covid-19 infection patients.

### Financial ratios

	3M2023	3M2022
Current ratio (x)	3.49	2.03
Return on Asset (%)	2.17%	10.82%
Debt service coverage ratio DSCR (x)	0.54	3.34

	31 March 2023	31 December 2022
Total liabilities to equity (x)	0.09	0.17



**Analysis of 1Q2023 Financial Position**

Unit : Million Baht	31 March 2023	31 December 2022	% Change
Cash and cash equivalents	259.68	316.79	-18.03%
Trade and other receivables	171.98	180.52	-4.73%
Inventories	23.60	22.64	4.27%
Restricted deposits at financial institution	2.24	2.24	0.00%
Long-term borrowings	1.62	1.15	40.34%
Investment property	12.00	12.00	0.00%
Property, plant and equipment	1,410.64	1,427.54	-1.18%
Right-of-use assets	11.22	11.66	-3.77%
Advance payment for fixed assets	-	1.69	-100.00%
Intangible asset	25.32	26.04	-2.75%
Deferred tax assets	6.49	6.30	2.90%
Other non-current assets	0.11	0.11	0.00%
<b>Total assets</b>	<b>1,924.91</b>	<b>2,008.69</b>	<b>-4.17%</b>

Total assets as of March 31, 2023 were THB 1,924.91 million, decrease of 4.17% from December 31, 2022 due mainly to a decrease in cash and cash equivalents cause by repaid the full amount of long-term loan from financial institutions during the period and trade and other receivables cause by received payments of Covid-19 related revenue.

In addition, the Company's property, plant and equipment as of March 31, 2023 values are THB 1,410.64 million, decrease slightly of 1.18% from December 31, 2022 due to the depreciation on a regular basis and disposal of unused assets.



โรงพยาบาลราชพฤกษ์  
Ratchaphruek Hospital

Unit : Million Baht	31 March 2023	31 December 2022	% Change
Short-term borrowings from financial institution	20.00	20.00	0.00%
Trade and other payables	95.36	107.01	-10.89%
Current portion of long-term borrowings	-	105.61	-100.00%
Accrued income tax	10.62	3.44	208.45%
Other current liabilities	4.48	3.68	21.50%
Long-term borrowings from financial institutions	-	11.37	-100.00%
Employee benefit obligations	29.59	29.01	2.00%
Other non-current liabilities	5.00	5.69	-12.24%
<b>Total liabilities</b>	<b>165.05</b>	<b>285.82</b>	<b>-42.26%</b>
Shareholders' equity	1,759.86	1,722.86	2.15%
<b>Total liabilities and shareholders' equity</b>	<b>1,924.91</b>	<b>2,008.69</b>	<b>-4.17%</b>

Total liabilities as of March 31, 2023 were THB 165.05 million, decrease of 42.26% from December 31,2022 due to the Company repaid the full amount of long-term loan from financial institutions during the period and payment of trade and other payables as normal business.

As of March 31, 2023, the shareholders' equities values are THB 1,759.86 million, increase of 2.15% from December 31,2022.

Yours sincerely,

(Mr. Teerawat Srinakarin)  
Chief Executive Officer

บริษัท โรงพยาบาลราชพฤกษ์ จำกัด (มหาชน)

Ratchaphruek Hospital Public Company Limited

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