



Subject : Management Discussion and Analysis for Quarterly Ending June 30, 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.3/2023 dated August 5, 2023 the meeting approved the Company’s Interim Financial Information ended June 30, 2023. The Company would like to clarify the six-month ended June 30, 2023 operating results, as follows.

Executive Summary

Performance of 2Q2023 & 6M2023

Unit : Million Baht	6M2023	6M2022	% Change
Revenues from hospital operations	549.46	804.60	(31.7%)
EBITDA	151.95	346.92	(56.2%)
Net profit	81.88	238.55	(65.7%)

Unit : Million Baht	2Q2023	1Q2023	2Q2022	% Change	
				QoQ	YoY
Revenues from hospital operations	284.86	264.61	284.45	7.7%	0.1%
EBITDA	80.61	71.34	96.26	13.0%	(16.3%)
Net profit	44.89	36.99	57.17	21.4%	(21.5%)

Remark: QoQ means change comparing to 1Q2023
YoY means changes comparing to 2Q2022

In 2Q2023 the company has recently achieved the Global Healthcare Accreditation with Excellence designation by the U.S. based Global Healthcare Accreditation (GHA) Program. This is a hospital has achieved this honor.

For the six-month period ended June 30, 2023 (“6M2023”), the revenue from hospital operations amounted to THB 549.46 million, decrease of 31.7% from 6M2022. Caused by 1Q2022 to 2Q2022 the Company receiving cases of Covid-19 infection patients, opening cohort wards, opening several of Hospital treatments and opening of Home Isolation treatments. However, in 2Q2023, 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 6M2023 increased from 6M2022 but it’s still lower than the decrease of receiving case of Covid-19 infection patients which caused by 2Q2023 performance is decreased significantly.

The six-month period ended June 30, 2023 (“6M2023”), the Company reported EBITDA of THB 151.95 million, decreased of 56.2% from 6M2022 due to changes in revenue structure which led to an absence of massive Covid-19 related revenue.



Analysis of 6M2023 Performance

Unit : Million Baht	6M2023	6M2022	% Change
Revenues from hospital operations	549.46	804.60	(31.7%)
Other income	7.89	4.46	76.9%
Total revenue	557.35	809.06	

Unit : Million Baht	2Q2023	1Q2023	2Q2022	% Change	
				QoQ	YoY
Revenues from hospital operations	284.86	264.61	284.45	7.7%	0.1%
Other income	6.16	1.73	2.32	256.1%	165.5%
Total revenue	291.02	266.34	286.77		

Revenue from hospital operations

For the six-month period ended June 30, 2023 (“6M2023”), the revenue from hospital operations amounted to THB 549.46 million, decrease of 31.7% from 6M2022. Caused by 2Q2022 the Company receiving cases of Covid-19 infection patients. However, in 2Q2023 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 6M2023 increased from 6M2022 but it’s still lower than the decrease of receiving case of Covid-19 infection patients which caused by 2Q2023 performance is decreased significantly

However, the performance of 2Q2023 for non Covid-19 revenue has growth rate of 35.34% from 2Q2022.

Unit : Million Baht	6M2023	6M2022	% Change
Cost of hospital operations	362.78	429.93	(15.6%)
Distributions costs	9.12	2.38	283.2%
Administrative expenses	81.52	75.80	7.5%
Finance cost	1.52	2.79	(45.5%)
Tax expense	20.53	59.62	(65.6%)
Total expense	475.47	570.52	



Unit : Million Baht	2Q2023	1Q2022	2Q2022	% Change	
				QoQ	YoY
Cost of hospital operations	186.85	175.93	174.66	6.2%	7.0%
Distributions costs	6.27	2.85	1.20	120.0%	422.5%
Administrative expenses	41.31	40.21	37.95	2.7%	8.9%
Finance cost	0.37	1.15	1.43	(67.8%)	(74.1%)
Tax expense	11.33	9.20	14.36	23.2%	(21.1%)
Total expense	246.13	229.34	229.60		

Cost of hospital operations

For the six-month period ended June 30, 2023 (“6M2023”), the cost of hospital operations amounted to THB 362.78 million, decrease of 15.6% from 6M2022. The cost of hospital operations to revenue ratios for 6M2023 and 6M2022 at 65.09% and 53.14%, respectively. Caused by cost of medicines and medical supplies, the FT value is an adjustment of the electricity was increasing, the depreciation and higher staff expenses. Although, cost of treating Covid-19 patients were lower than non Covid-19 patients.

Distributions costs

For the six-month period ended June 30, 2023 (“6M2023”), the company’s distributions costs amounted to THB 9.12 million, increase of 283.2% from 6M2022. The distributions costs to revenue ratios for 6M2023 and 6M2022 at 1.64% and 0.29%, respectively. The higher in ratio on a period-on-period basis was the company’s produced advertising and public relations media in various social media channels.

Profitability Analysis

Unit : Million baht	6M2023	6M2022	% Change
EBITDA	151.95	346.92	(56.2%)
EBITDA Margin(%)	27.3%	42.9%	
EBIT	103.93	300.95	(65.5%)
EBIT Margin(%)	18.6%	37.2%	
Net profit	81.88	238.55	(65.7%)
Net profit margin(%)	14.7%	29.5%	
EPS (Baht)	0.15	0.44	



โรงพยาบาลราชพฤกษ์
Ratchaphruek Hospital

Unit : Million baht	2Q2023	1Q2023	2Q2022	% Change	
				QoQ	YoY
EBITDA	80.61	71.34	96.26	13.0%	(16.3%)
EBITDA Margin(%)	27.7%	26.8%	33.6%		
EBIT	56.59	47.34	72.96	19.5%	(22.4%)
EBIT Margin(%)	19.4%	17.8%	25.4%		
Net profit	44.89	36.99	57.17	21.4%	(21.5%)
Net profit margin(%)	15.4%	13.9%	19.9%		
EPS (Baht)	0.08	0.07	0.10		

Net profits

For the six-month period ended June 30, 2023 (“6M2023”), the net profits amounted to THB 81.88 million, decrease of 65.7% from 6M2022 caused by the lower receiving cases of Covid-19 infection patients. Although, a return of non Covid-19 patients in 6M2023 increased from 6M2022 but it’s still lower than the decrease of receiving case of Covid-19 infection patients.

Financial ratios

	30 June 2023	31 March 2023	30 June 2022
Current ratio (x)	3.13	3.49	2.04
Return on Asset (%)	8.1%	8.4%	38.8%
Total liabilities to equity (x)	0.10	0.09	0.25

บริษัท โรงพยาบาลราชพฤกษ์ จำกัด (มหาชน)

Ratchaphruek Hospital Public Company Limited

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Analysis of 2Q2023 Financial Position

Unit : Million baht	30 June 2023	31 December 2022	% Change
Cash and cash equivalents	285.44	316.79	(9.9%)
Trade and other receivables	144.79	180.52	(19.8%)
Inventories	24.92	22.64	10.1%
Restricted deposits at financial institution	2.24	2.24	0.0%
Investment property	12.00	12.00	0.0%
Property, plant and equipment	1,390.06	1,427.54	(2.6%)
Right-of-use assets	10.76	11.66	(7.7%)
Intangible asset	24.42	26.04	(6.2%)
Deferred tax assets	6.72	6.30	6.7%
Other non-current assets	1.77	2.96	(40.2%)
Total assets	1,903.12	2,008.69	(5.3%)

Total assets as of June 30, 2023 were THB 1,903.12 million, decrease of 5.3% from December 31, 2022 due mainly to a decrease in cash and cash equivalents, and trade and other receivables.

In addition, the Company's property, plant and equipment as of June 30, 2023 values are THB 1,390.06 million, decrease slightly of 2.6% from December 31, 2022 due to the depreciation on a regular basis.

Unit : Million baht	30 June 2023	31 December 2022	% Change
Short-term borrowings from financial institution	20.00	20.00	0.0%
Trade and other payables	105.24	107.01	(1.7%)
Current portion of long-term borrowings	-	105.61	(100.0%)
Accrued income tax	15.96	3.44	364.0%
Other current liabilities	4.06	3.69	10.0%
Long-term borrowings from financial institutions	-	11.37	(100.0%)
Employee benefit obligations	30.34	29.01	4.6%
Other non-current liabilities	4.60	5.69	(19.2%)
Total Liabilities	180.20	285.82	(37.0%)
Total Shareholders' Equity	1,722.92	1,722.87	0.0%
Total liabilities and shareholders' equity	1,903.12	2,008.69	(5.3%)



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Total liabilities as of June 30, 2023 were THB 180.20 million, decrease of 37.0% from December 31, 2022 due to the company repaid the full amount of long-term loan from financial institutions in 1Q2023 and payment of trade and account payables and other payables as normal business.

As of June 30, 2023, the shareholders' equities values are THB 1,722.92 million, increase slightly from December 31, 2022.

Yours sincerely,

(Mr. Teerawat Srinakarin)
Chief Executive Officer

บริษัท โรงพยาบาลราชพฤกษ์ จำกัด (มหาชน)

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