

No. BCH.084/2019

13 May 2019

Subject : Management Discussion and Analysis Quarter 1 Ending 31 March 2019

To : The President
The Stock Exchange of Thailand

Bangkok Chain Hospital Public Company Limited (the “Company”) would like to report the operating results of the Company and its subsidiaries for the first quarter ended 31 March 2019 which had been reviewed by the independent auditor as follows:

Consolidated financial statements

The Group reported profit attributable to owners of the Company for Q1/2019 in the amount of Baht 248.1 million (Q1/2018: Baht 214.6million) which increased by Baht 33.5 million or 15.6%. The profit before finance costs and income tax were Baht 374.5 million (Q1/2018: Baht 340.4 million) which increased by Baht 34.1 million or 10.0%. The main reasons were:

- Total revenues for Q1/2019 were Baht 2,105.8 million which increased by Baht 261.9 million or 14.2% due to the following reasons:

Unit: Million Baht

Revenue Structure	Q1/2019	Q1/2018	Change	
General Patient Revenue	1,396.6	1,204.3	192.3	16.0%
Social Security Scheme Revenue	681.5	618.1	63.4	10.3%
Other Revenue	27.7	21.5	6.2	28.8%
Total	2,105.8	1,843.9	261.9	14.2%

- The General Patient revenue for Q1/2019 were Baht 1,396.6 million which increased from Q1/2018 by Baht 192.3 million or 16.0% as a result of constantly growing of the existing customer base and the expansion of both local and international patient base.

- The Social Security Scheme revenue for Q1/2019 were reported in the amount of Baht 681.5 million growing from Q1/2018 by Baht 63.4 million or 10.3% due to an increase in number of insured person under Social Security Scheme as a result of an increase in quota for Kasemrad Hospital Prachachuen, Kasemrad Hospital Bangkae and Kasemrad Hospital Rattanatibeth.

- Total expenses for Q1/2019 were reported in the amount of Baht 1,764.2 million which increased from the Q1/2018 by Baht 226.8 million or 14.8% which consists of cost of hospital operations in the amount of Baht 193.9 million or 15.5%. Distribution cost and administrative expenses increased in the amount of Baht 33.9 million or 13.3% which in line with the increased revenue. The main reasons were an increase in staff expense and doctor fee as a result of operational preparation for the expansion of the new hospital and the opening of the new specialized centers in the existing hospitals. And, the financial costs decreased in the

amount of Baht 1.0 million or 2.9% which was in line with the improved financial cost management of the Company.

- Income tax for Q1/2019 was in the amount of Baht 59.0 million which increased from Q1/2018 by Baht 5.8 million or 10.9% which increased in line with the profit before income tax.

Separate financial statements

The Company reported profit for Q1/2019 in the amount of Baht 128.4 million (Q1/2018: Baht 87.6 million) which increased by Baht 40.9 million or 46.7%. The profit before finance costs and income tax were Baht 185.6 million (Q1/2018: Baht 134.9 million) which increased by Baht 50.7 million or 37.6%. The main reasons were:

- Total revenues for Q1/2019 were Baht 1,249.2 million which increased from Q1/2018 by Baht 244.1 million or 24.3% due the following reasons:

Unit: Million Baht

Revenue Structure	Q1/2019	Q1/2018	Change	
General Patient Revenue	770.1	578.2	191.9	33.2%
Social Security Scheme Revenue	445.4	396.8	48.6	12.2%
Other Revenue	33.7	30.1	3.6	12.0%
Total	1,249.2	1,005.1	244.1	24.3%

- Total expenses for Q1/2019 were Baht 1,095.2 million which increased by Baht 192.5 million or 21.3% as a result of the increase in cost of hospital operations in the amount of Baht 158.4 million or 22.1% which was in line with the increased revenue. Distribution costs and administrative expenses increased in the amount of Baht 35.0 million or 22.9%. On the other hand, finance costs decreased in the amount of Baht 0.9 million or 2.8% which in line with the improved financial cost management of the Company.

- Income tax for Q1/2019 was Baht 25.6 million which increased from Q1/2018 by Baht 10.7 million or 72.1% in line with the increase in profit before income tax.

Please be informed accordingly.

Yours sincerely,

(Assoc.Prof.Dr.Chalerm Harnphanich, M.D.)
Chief Executive Officer