

Management Discussion and Analysis

The Operations result of the company, its Subsidiaries

Unit : Million Baht

List	2013	2012	Changes	Average
Revenues from hospital operations	1,106.68	1,008.71	97.97	9.71
Other Income	22.95	17.50	5.45	31.14
Total revenues	1,129.63	1,026.21	103.42	10.08
Cost of hospital operations	845.96	795.47	50.49	6.35
Selling expenses	30.96	29.88	1.08	3.61
Administrative expenses	163.01	167.25	(4.24)	(2.54)
Total expenses	1,039.93	992.60	47.33	4.77
Profit before finance cost and income tax expenses	89.70	33.61	56.09	166.88
Finance cost	11.28	16.69	(5.41)	(32.41)
Profit before income tax expenses	78.42	16.92	61.50	363.48
Income tax expenses	16.78	4.34	12.44	286.64
Net profit	61.64	12.58	49.06	389.98
Profit attributable to:				
Equity holders of the Company	61.09	13.34	47.75	357.95
Non-controlling interests of the subsidiaries	0.55	(0.76)	1.31	(172.37)

Profitability Ratio

Unit : Million Baht

List	2013	2012	Changes	Average
Gross Profit	260.72	213.24	47.48	22.27
Gross Profit Margin Ratio	23.56%	21.14%		
EBITDA	175.24	109.60	65.64	59.89
EBITDA Ratio	15.51%	10.68%		
Net Profit Margin Ratio	5.46%	1.23%		



For the Company's Performance ended December 31, 2013, the Company and its subsidiaries had a net profit of 61.64 million Baht increase from the year 2012 of 49.06 million baht or 389.98 percent.

Service Income for the year ended 31 December 2013 amounted to 1,106.68 million baht, Increase from the year 2012 of 97.97 million baht or 9.71 percent As a result of market expansion strategy focused on customer groups with medical technology and increasing medical personnel and aim for service excellence. Revenue from General Patient increased 81.88 million Baht or 11.43 percent and Revenue social security patients increased 16.07 million, resulting in total revenues of the Company and its subsidiaries increased by 103.42 million Baht or 10.08 percent from 1,026.21 million to 1,129.63 million Baht.

Cost of hospital operations in 2013 of the Company and its subsidiaries, including 845.96 million Baht, an increase from the year 2012 of 50.49 million or 6.35 percent. As results of the growing number of customers are on the rise, cost of the doctors, nurses and staff compensation. Cost of service including depreciation increased.

Selling expenses for the year ended 31 December 2013 amounted to 30.96 million baht, increase from the year 2012 of 1.08 million baht or 3.61 percent As a result of expansion of the development of excellence. And an increase in personnel to support the growth of income group customers. Resulting in employee compensation related to sales. And the cost of advertising and promotion increases.

Administrative expenses for the year ended 31 December 2013 amounted to 163.01 million baht decrease from the year 2012 of 4.24 million baht or 2.54 percent As a result of cost control with greater efficiency.

Financial cost totaled 11.28 million, a decrease from the 2012 amount of 5.41 million, or 32.41 percent because of repayment of the loan.

Income tax expenses totaled 16.78 million Baht, up from the year 2012 of 12.44 million, or 286.64 percent cause of increased earnings.

Financial Status

Unit: Million Baht

List	2013	2012	Changes	Average
Total Assets	1,123.42	1,100.88	22.54	2.05
Total Liabilities	330.60	353.15	(22.55)	(6.39)
Equity Holders of The parent	776.50	731.46	45.04	6.16
Total Shareholder's Equity	792.82	747.73	45.09	6.03

The consolidated financial statements of the Company and its subsidiaries as at December 31, 2013, total assets of 1,123.42 million baht, an increase from 2012 of 22.54 million, or 2.05 percent, Due to the Company's cash and cash equivalents increased by 7.70 million baht, trade and other receivables increased by 19.95 million baht and non-current assets increased by 6.12 million baht.

Total liabilities of the Company and its subsidiaries as at December 31, 2013 amounted to 330.60 million baht, down from 22.55 million in 2012, representing a percentage of 6.39. Due to the repayment of the loan agreement and return the promissory note to the Company.

The shareholders of the Company amounted to 776.50 million baht; an increase of 45.04 million baht in 2012 of 6.16 percent due to the Company's retained earnings increased from 123.91 million baht to 168.95 million baht.

Liquidity

List	2013	2012	Changes	Average
Net cash provided by operating activities.	142.77	84.10	58.67	69.76
Net cash provided by investing activities.	(26.11)	(119.88)	93.77	(78.22)
Net cash provided by (used in) financing activities.	(68.96)	27.58	(96.54)	(350.04)
Cash and cash equivalents as at January 1.	96.18	104.38	(8.20)	(7.86)
Cash and cash equivalents as at December 31.	143.88	96.18	47.70	49.59

Statement of cash flows for the year ended December 31, 2013, the Company and its subsidiaries in cash flow from operating activities increased from 58.67 million in 2012 of 142.77 million baht or 69.79 percent due to lower earnings from operations. Net cash used in investing activities amounted to 26.11 million baht, down from the year 2012 of 93.77 million or 78.22 percent, the cash flow from financing activities amounted to 68.96 million, an decrease from 2012 of 96.54 million equivalent 350.04 is due to receive funds from the capital increase of the Company and partly used to repay loans to financial institutions.

As at 31 December 2013 The Company and its subsidiaries has cash and cash equivalents totaled of 143.88 million baht, decrease from the year 2012 were 47.70 million Baht or 49.59 percent.

