

EKH/CS/2560/036

7th August 2017

Subject: Management Discussion and Analysis of Financial statement for the three-month period at the ended of 30 June 2017

Attention: Directors and Manager
The Stock Exchange of Thailand

Ekachai Medical Care Public Company Limited (the "Company") would like to clarify on the operating results for the six-month period at the ended of 30 June 2017 as follows.

Operational Performance

The company reported total revenues in Q2/2017 at THB 120.96 million, an increase by THB 7.87 million or 6.96% from the same period last year (Q2/2016 : THB 113.09 million).

As a result of an increase in OPD patients volume, revenue from hospital operations in Q2/2017 was THB 116.53 million, an increased by THB 5.29 million or 4.76% from the same period last year (Q2/2016 : THB 111.24 million). Other income in Q2/2017 was THB 4.43 million, increased from THB 1.85 million in Q2/2016.

Total operating costs (including depreciation and amortization) in Q2/2017 was THB 81.71 million, an increase by THB 5.53 million or 7.26% (Q2/2016 : THB 76.18 million). An increase was primarily due to an increase in medical costs such as mobile check-up cost, nurses and medical staff salary, medicine cost.

The company's gross profit in Q2/2017 was THB 34.82 million, slightly decreased from THB 35.06 in Q2/2016.

The company's net income in Q2/2017 was THB 12.22 million, a decreased by THB 0.73 million or 5.61% from the same period last year (Q2/2016 : THB 12.95 million). As a result, net profit margin decreased from 11.45% in Q2/2016 to 10.11% in Q2/2017.

Statement of financial position

As of June 30, 2017, the company and subsidiary had total assets of THB 822.45 million. The percentage of long-term & short-term investment, land & building, cash and account receivable to total asset were 48.86%, 31.84%, 11.22% and 5.06% The company's total liabilities was THB 66.03 million. The company's shareholders' equity was THB 756.41 million. The company's Debt-to-equity ratio was 0.087.

As of June 30, 2017, the company and subsidiary had total asset of THB 822.45 million. The percentage of land & building, long-term investment, account receivable and inventories to total asset were 48.86%, 36.84%, 5.06% and 1.32% respectively.

Yours faithfully,

Mr. Amnaj Eur-Areemitr
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