

Ref. No. Chor Por.(2) 4111/2021

November 12, 2021

To        Managing Director  
             The Stock Exchange of Thailand

**Subject : Management Discussion and Analysis of the nine-months period ended on 30<sup>th</sup> September 2021**

On behalf of Chiang Mai Ram Medical Business Public Company Limited (the Company), I would like to clarify the operation of the Company and its subsidiaries for the quarter ended on September 30, 2021 comparing to the same period in 2020.

**1. Operating results**

**The quarter ended on 30<sup>th</sup> September 2021**

(In Thousand)	September 30, 2021	September 30, 2020	Increase(decrease)
Revenue from medical treatment	1,021,574	903,548	118,026
Other income	25,919	27,749	(1,830)
<b>Total Revenue</b>	<b>1,047,493</b>	<b>931,297</b>	<b>116,196</b>
Share of profit of associates	7,371	1,058	6,313

1. Total revenue with the amount of 1,047.49 million baht is increased 116.20 million baht comparing to the same quarter in 2020 with the amount of 931.30 million baht. Due to the increase revenue to medical treatment of the Company and its subsidiaries 118.03 million baht or 13.06%.

2. The Other income decreased by 1.83 million baht.

3. The Share of profit associated sharing increase 6.31 million baht. Which was a increase of baht 8.48 million baht from Pawo Hospital Co., Ltd.. The decrease of baht 2.16 million baht was contributed by Khelang Nakorn Hospital Co., Ltd..

(In Thousand)	September 30, 2021	September 30, 2020	Increase(decrease)
Cost of medical treatment	770,960	715,303	55,657
Administrative expenses	128,170	125,135	3,035
Financial cost	22,198	17,805	4,393
<b>Total expenses</b>	<b>921,328</b>	<b>858,243</b>	<b>63,085</b>

The total expenses increased by 63.09 million baht or 7.35% due to the increasing of medical treatment costs as 55.66 million baht or 7.78%, administrative expenses increased by 3.04 million baht or 2.43% and financial cost increased by 4.39 million baht or 24.67%.

The Company and its subsidiaries had 111.15 million Baht of net income that increases 60.54 million baht comparing to the same period in 2020 with the net profit of 50.61 million baht, which is equivalent to 119.62%.

For the nine-month period ended 30<sup>th</sup> September 2021

(In Thousand)	September 30, 2021	September 30, 2020	Increase(decrease)
Revenue from medical treatment	2,836,082	2,693,605	142,477
Other income	83,248	87,209	(3,961)
<b>Total Revenue</b>	<b>2,919,330</b>	<b>2,780,814</b>	<b>138,516</b>
Share of profit of associates	14,064	(595)	13,469

1. Total Revenue in the amount of 2,919.33 million baht increased 138.52 million baht comparing to the same quarter in 2020 with the amount of 2,780.81 million baht. Due to the increase revenue to medical treatment of the Company and its subsidiaries 142.48 million baht or 5.29%.

2. The Other income decreased by 3.96 million baht.

3. The Share of profit of associates increase 14.66 million baht which was a increase of baht 15.15 million baht from Pawo Hospital Co., Ltd.. The decrease of baht 0.49 million baht was contributed by Khelang Nakorn Hospital Co., Ltd..

(In Thousand)	September 30, 2021	September 30, 2020	Increase(decrease)
Cost of medical treatment	2,186,105	2,083,595	102,510
Administrative expenses	391,327	405,869	(14,542)
Financial cost	57,436	59,767	(2,331)
<b>Total expenses</b>	<b>2,634,868</b>	<b>2,549,231</b>	<b>85,637</b>

The Cost of medical treatment of the Company and its subsidiaries increased by 102.51 million baht or 4.92%, while administrative expenses decreased by 14.54 million baht or 3.58% and financial cost decreased by 2.33 million baht or 3.90% comparing to the same quarter in 2020.

The Company and its subsidiaries had net income of 245.26 million baht which increases 67.56 million baht, comparing to the same period in 2020 with net profit of 177.70 million baht or equivalent to 38.02%.

## 2. Financial status as of 30<sup>th</sup> September 2020

(In Thousand)	September 30, 2021	December 31, 2020	Increase(decrease)
Total assets	11,603,189	10,825,457	777,732
Total liabilities	5,980,930	5,333,604	647,326
Total shareholder's equity	5,622,259	5,491,853	130,406

The Company and its subsidiaries had total assets of 11,603 million baht, a increase of 777.73 million baht from the end of 2020. The mainly due to the increase of Property, plant and equipment in the amount of

477.21 million baht, Advance payment for vaccine increased by 92.20 million baht and Other non-current financial assets increased by 161.62 million baht.

The Company and its subsidiaries had total liabilities of 5,980.93 million baht, an increase of 647.33 million baht. Due to the increase Bank overdrafts and short-term loans from financial institutions of 275.29 million baht, Advance receive for vaccine increased by 84.56 million baht. Long-term loan from financial institutions increased by 221.17 million baht and Advance received from Social Security Office in increased by 44.85 million baht.

Please contact me know if you need further information.

Sincerely yours,

(Dr. Dusit Srisakul)

Managing Director

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