

February 27, 2023

To Managing Director  
The Stock Exchange of Thailand

**Subject : Management Discussion and Analysis of the years ended on December 31,2022**

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 year ended on December 31, 2022 comparing to the same period in 2021.

**1. Operating results**

(In Thousand)	2022	2021	Increase(decrease)
Revenue from medical treatment	5,204,860	4,192,650	1,012,210
Other income	146,525	119,137	27,388
<b>Total Revenue</b>	<b>5,351,385</b>	<b>4,311,787</b>	<b>1,039,598</b>
Share of profit of associates	18,036	11,950	6,086

1. Income from operations for the year ended December 31, 2022 amounted to 5,351.39 million baht, an increase of 1,039.60 million baht compared to the year 2021 revenue of 4,311.79 million baht due to the increase revenue to medical treatment of the Company and its subsidiaries amount of 1,012.21 million baht or 19.45%.

2. The Other income increased by 27.39 million baht or 18.69%.

3. The Share of profit associated sharing increase 6.09 million baht belonging to Khelang Nakorn Hospital Co., Ltd. an increase of 10.97 million baht and by Pawo Hospital Co., Ltd. an decrease of 0.09 million baht and Watcharasirivej Co., Ltd. decreased by 4.79 million baht.

(In Thousand)	2022	2021	Increase(decrease)
Cost of medical treatment	3,792,685	3,255,076	537,609
Administrative expenses	657,841	528,556	129,285
Financial cost	119,120	86,037	33,083
<b>Total expenses</b>	<b>4,569,646</b>	<b>3,869,669</b>	<b>699,977</b>

The total expenses increased by 699.98 million baht or 15.32% due to the increasing of medical treatment costs as 537.61 million baht or 14.17%, administrative expenses increased by 129.29 million baht or 19.65% and financial cost increased by 33.08 million baht or 27.77%.

For the year ended 31 December 2022, The Company and its subsidiaries had net income of 648.56 million baht which increase 272.38 million baht, comparing to the same period in 2021 with net profit of 376.18 million baht or 42.0%.

## 2. Financial status on December 31, 2022

(In Thousand)	2022	2021	Increase(decrease)
Total assets	14,113,358	12,832,481	1,280,877
Total liabilities	6,252,830	6,375,482	(122,652)
<b>Total shareholder's equity</b>	<b>7,860,528</b>	<b>6,456,999</b>	<b>1,403,529</b>

The Company and its subsidiaries had total assets of 14,113.36 million baht an increase of 1,280.88 million bath or 9.08% from the end of 2021. The mainly due to the increase of Other non-current financial assets increased by 1,283.60 million baht, Accrued revenues from hospital operations increased by 81.58 million baht, Property plant and equipment decreased by 90.21 million baht, Cash and cash equivalents decreased by 170.66 million baht.

The Company and its subsidiaries had total liabilities of 6,252.83 million baht decreasing by 122.65 million baht. Due to the decrease Long-term loan from financial institutions of 454.25 million baht, Bank overdrafts and short-term loans from financial institutions increased by 153.09 million baht, Short-term loan from related parties decreased by 51.50 million baht and Deferred tax assets increased by 248.98 million baht.

Please contact me know if you need further information.

Sincerely yours,

(Dr. Dusit Srisakul)  
Managing Director

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