



**Intermedical Care and Lab Hospital Public Company Limited**

**442 Bangwaek Road, Bang Waek Subdistrict, Phasi Charoen District, Bangkok 10160**

**Tax ID : 0107561000269**

Ref. IMH 010/2023

28 February 2023

Sub : Management Discussion and Analysis Yearly Ending 31 Dec 2022

To : The President of  
The Stock Exchange of Thailand

Intermedical Care and Lab Hospital Public Company Limited (“the Company”) would like to inform the performance and analysis of change in operating results from the consolidated financial statements of 2022 as follows:

1. Consolidated Statements of Profit or Loss and Other Comprehensive Income

Unit : Million Baht

Consolidated Financial Statements	For Year			
	2022		2021	
	Million Baht	%	Million Baht	%
<b>Revenue</b>				
Revenue from operations	188.72	28.98	319.64	33.54
Revenue from hospital operations	451.11	69.27	623.00	65.38
Other income	11.37	1.75	10.25	1.08
<b>TOTAL REVENUES</b>	<b>651.20</b>	<b>100.00</b>	<b>952.88</b>	<b>100.00</b>
<b>EXPENSES</b>				
Cost of service	119.83	18.40	198.62	20.84
Cost of hospital operations	185.01	28.41	116.93	12.27
Distribution cost	20.33	3.12	19.78	2.08
Administrative expenses	103.98	15.97	86.00	9.03
<b>TOTAL EXPENSES</b>	<b>429.15</b>	<b>65.90</b>	<b>421.33</b>	<b>44.22</b>
<b>PROFIT (LOSS) FROM OPERATING ACTIVITIES</b>	<b>222.05</b>	<b>34.10</b>	<b>531.56</b>	<b>55.78</b>
Financial costs	10.82	1.66	8.75	0.92
Profit (loss) before income tax expenses	211.23	32.44	522.80	54.87
Tax expenses (Tax income)	38.12	5.85	100.10	10.51
Profit (loss) for the period	173.10	26.58	422.70	44.36
Equity holders of the parent (Baht)	0.81		1.97	
Number of weighted average ordinary share (shares)	214,000,000		214,735,149	



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➤ Revenue

Service Income

In the year of 2022, Total service income was THB 639.83 million (net from deduct related transaction), which consisted of THB 188.72 million from the income from medical services, THB 451.11 million from the income from hospital operations.

Income from medical services

In the year of 2022, Total income from medical service was THB 188.72 million which decreased 40.96% by THB 319.64 million from last year. The decrease in revenue in 2022 was covid-19-related income. For example, service for COVID-19 testing, etc.

Revenue from hospital operations

In the year of 2022, Total income from hospital operation THB 451.11 million which decreased 27.59% by THB 623.00 million. During 2022, the situation of the COVID-19 pandemic improved. Hospitals are starting to return to normal. There was an increase in the treatment of patients with general diseases, and during the 4th quarter, the business structure was adjusted to comply with government policies.

Income from environmental quality inspection services

In 2022, the business of environmental quality inspection will be adjusted to provide laboratory or lab services.

➤ Other income

In the year of 2022, the Group had other income equal to THB 11.37 million, an increase of 10.95% from THB 10.25 million, consisting of interest income, profit from selling investment units. rental income health supplement income and income from receiving donated assets, etc.

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➤ **Cost of service**

In the year of 2022, the Company has cost of sales and services equal to THB 304.85 million (net after deducting inter-company items), comprising

Cost of medical services

In the year of 2022, the Company has cost THB 119.83 million which decreased 39.67% by THB 198.62 million. The decrease in costs corresponds to lower revenues.

Cost of hospital operation

In the year of 2022, the Company has cost THB 185.01 million which increased 58.22% by THB 116.93 million. The increase in costs is due to adjustments in treatment methods in COVID-19 patients, reducing hospitalizations. Although the margin in this segment is small, it is part of increasing the choice of patients to receive treatment with the hospital.

➤ **Distribution costs and administrative expenses**

In the year of 2022, the Company has distribution costs were THB 20.33 million, which increased 2.77% by THB 19.78 million, and administrative expenses were THB 103.98 million, which increased 20.91% by THB 86 million. This is largely due to the provision of uncertainty that will arise in the future from government debt repayment. Evaluation of expected credit losses, including the hiring of financial advisors to restructure the Group in accordance with future business strategies.

➤ **Cost of Finance**

In the year of 2022, the Company has financial cost was THB 10.82 million, which increased 23.61% by THB 8.75 million because the company's increased financial leases.

➤ **Net profit (loss)**

In the year of 2022, the Company has net profit was THB 173.10 million, representing a net profit margin of 26.58%



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**2. Statement of financial position**

Unit : Million Baht

STATEMENTS OF FINANCIAL POSITION	Consolidated Financial Statements				Separate Financial Statements			
	2022		Change		2021		Change	
	31/12/2022	31/12/2021	Amount	%	31/12/2022	31/12/2021	Amount	%
<b>ASSETS</b>								
Total Current Assets	580.04	668.16	- 88.12	-13.19	180.66	381.05	- 200.38	-52.59
Total Non-Current Assets	514.43	507.93	6.49	1.28	317.75	330.40	- 12.65	-3.83
<b>TOTAL ASSETS</b>	<b>1,094.47</b>	<b>1,176.09</b>	<b>- 81.62</b>	<b>-6.94</b>	<b>498.41</b>	<b>711.45</b>	<b>- 213.04</b>	<b>-29.94</b>
<b>LIABILITIES</b>								
Total current liabilities	83.60	147.41	- 63.82	-43.29	22.68	44.56	- 21.89	-49.12
Total non-current liabilities	180.69	184.28	- 3.59	-1.95	10.74	18.42	- 7.68	-41.70
<b>Total Liabilities</b>	<b>264.29</b>	<b>331.69</b>	<b>- 67.40</b>	<b>-20.32</b>	<b>33.41</b>	<b>62.98</b>	<b>- 29.57</b>	<b>-46.95</b>

As of December 31, 2022, the consolidated financial statements have total assets of THB 1,094.47 million, which decreased by THB 81.62 million from the previous year and total liabilities of THB 264.29 million, which decreased by THB 67.40 million from the previous year. The main changes in assets and liabilities are cash and cash equivalents, assets arising from contracts – current, accounts receivable – net and accrued income tax.

Cash and cash equivalents was THB 153.22 million, which decreased by THB 176.90 million from the previous year, Due to dividend payments and accounts receivable – net was THB 26.61 million, which decreased by THB 10.44 million.

Assets arising from contracts – current was THB 375.30 million, which increased by THB 104.76 million from the previous year, Because the subsidiary has a waiting list for payment from the government. Most of these are shows during COVID-19.

Accrued income tax was THB 25.77 million, which decreased by THB 48.40 million from the previous year. This is calculated from the Group's company profit.



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➤ Shareholders' equity

As of December 31, 2022, the consolidated financial statements have shareholders' equity equal to THB 830.18 million, details of which are shown in the table below:

Unit : Million Baht

SHAREHOLDER'S EQUITY	Consolidated Financial Statements		Separate Financial Statements	
	31-12-22	31-12-21	31-12-22	31-12-21
Authorized Share Capital - par value Baht 0.50 each				
Register share capital - Ordinary share 215,000,000 shares	107.50	107.50	107.50	107.50
Issued and paid-up share capital - Ordinary share 215,000,000 shares	107.50	107.50	107.50	107.50
Share premium on ordinary share	262.69	262.69	262.69	262.69
Retained earnings:		-	-	-
Appropriated - Legal reserve	10.75	10.75	10.75	10.75
Appropriated - Treasury shares reserve	13.29	13.29	13.29	13.29
Unappropriated	449.04	463.45	84.06	267.53
Treasury shares	(13.29) -	13.29	(13.29) -	13.29
Non-controlling interests	0.19	-	0.00	-
<b>Total Shareholder's Equity</b>	<b>830.18</b>	<b>844.40</b>	<b>465.00</b>	<b>648.47</b>

As of December 31, 2022, the Group's consolidated financial statements Have a non-controlling interest equal to THB 0.19 million since the company was established. hospital IMH Bearings Limited, a subsidiary company, incorporated as a limited company. On August 11, 2022, registration no. 0105565130203 has the main business of operating hospitals.

➤ Highlight of Financial Ratio

Description	Consolidated Financial Statements	
	31-12-22	31-12-21
Gross profit margin (%)	52.36	66.53
Net profit margin (%)	26.58	44.35
Debt to equity ratio (times)	0.32	0.40
Return on equity (%)	20.67	66.08

Since in early 2021, the Company acquired Prachapat Hospital as a subsidiary, resulting in a significant increase in the Group's revenue and assets from the hospital business. Revenue from the hospital business increased by THB 623 million, or 65% of the total revenue in 2021, and the company turned from a loss in



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2020 of THB 16 million. Return to profit of THB 423 million. In addition, in during the year 2022, the Company was approved for investment in the IMH Bearing Hospital project. The relevant criteria will continue to be followed.

Risks of Hospital Business

This is because most of the hospital's revenue has to be billed by the government. If the guidelines are adjusted The company's disbursement policy must comply with and delayed debt repayment. At present, the amount owed will be due to the COVID-19 pandemic. Because it requires approval to allocate additional budgets. The Company needs to adjust its business strategy to reflect the changing circumstances. The company has set aside 56 million baht for COVID-19. Such provisions do not affect normal hospital transactions.

Please be informed accordingly.

Yours Sincerely,

(Dr. Sittiwat Kamkatwong)

Chief Executive Officer

Authorized Person to Disclose Information