

May 12, 2023

To Managing Director
The Stock Exchange of Thailand

Subject : Management Discussion and Analysis of the three-months period ended on 31 March 2023

On behalf of Chiang Mai Ram Medical Business Public Company Limited, the operation of the company and its subsidiaries for the quarter ended March 31, 2023 compared to the same period in 2022 would be clarified as follows.

1. Operating results

The details are as follows.

(Thousand baht)	March 31, 2023	March 31, 2022	Increase(decrease)
Revenue from medical treatment	1,225,626	1,257,644	(32,018)
Other income	71,969	50,862	21,107
Total Revenue	1,297,595	1,308,506	(10,911)
Share of profit of associates	3,726	4,630	(904)

1. The total revenue in the amount of, which consisted of medical income of 1,225.63 million baht, compared with revenue in 2022 of 1,257.64 million baht, a decrease of 32.02 million baht or 2.55%. This was due to the decrease revenue to medical treatment of the company 74.57 million baht, due to a decrease in revenues from hospital operations provided to patients with Coronavirus disease 2019, The Other income increased by 21.11 million baht. Total operating income decreased 10.91 million baht or 1%.

2. Share of profits from investments in associates decreased by 0.90 million Baht which belongs to Khelang Nakorn Ram Hospital Co., Ltd. an increase of 4.97 million baht, and by Pawo Hospital Co., Ltd. an decrease of 3.55 million baht. And Watcharasirivej Co., Ltd. decreased by 2.33 million baht.

(Thousand baht)	March 31, 2023	March 31, 2022	Increase(decrease)
Cost of medical treatment	956,826	923,205	33,621
Administrative expenses	159,159	153,991	5,168
Financial cost	32,495	28,566	3,929
Total expenses	1,148,480	1,105,762	42,718

The total expenses increased by 42.72 million baht or 3.86% due to the increasing of medical treatment costs as 33.62 million baht or 3.64%, administrative expenses increased by 5.17 million baht or 3.36%, and financial cost increased by 3.93 million baht or 13.75%. The reason for the increase in operating expenses is due to the expansion of services to more social security patients. Resulting in increased medical costs In terms of medical personnel, medical equipment and devices, drugs and medical supplies, compensation for employees in the support department to support the increasing number of social security patients.

For the first quarter ended March 31, 2023, The Company and its subsidiaries had net income of 122.32 million baht which decrease 45.04 million baht, comparing to the same period in 2022 with net profit of 167.36 million baht or 26.91%.

2. Financial position as of 31 March 2023

(Baht Thousand)	March 31, 2023	December 31, 2022	Increase(decrease)
Total assets	13,967,744	14,113,358	(145,614)
Total liabilities	6,304,438	6,252,830	51,608
Total shareholder's equity	7,663,306	7,860,528	(197,222)

The Company and its subsidiaries have total assets of 13,967.74 million baht, decreasing by the end of 2022, amounting to 145.62 million baht, or 1.03%. The mainly due to the decrease of Accrued revenues from hospital operations the amount of 129.10 million baht, Other non-current financial assets decreased by 65.45 million baht, Accrued dividend income increased by 26.06 million baht.

The Company and its subsidiaries had total liabilities of 6,304.44 million baht increasing 51.61 million baht. Due to the increase Dividend payable increase by 265.40 million baht, Income tax payable increase by 25.07 million baht, Long-term loan from financial decreased by 81.39 million bah.

Please contact me know if you need further information.

Sincerely yours,

(Dr. Dusit Srisakul)
Managing Director

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