

EKH/CS/2566/059

November 14, 2023

Subject Management Discussion and Analysis for Q3/2023

To Directors and Manager  
The Stock Exchange of Thailand

Ekachai Medical Care Public Company Limited and its subsidiaries (the “Company”) would like to clarify on the operating results for Q3/2023 as follows.

### Summary

The Company had a total revenues of THB 348.71 million in Q3/2023 or representing an increase 17.57 percent from THB 296.59 million in Q3/2022 due to an increase in the number of patients in both outpatients and inpatients, resulting in a net profit in Q3/2023 in the amount of THB 93.16 million, an increase of 22.51 percent from THB 76.04 million in Q3/2022.

For 9M23, the Company reported total revenue of THB 919.32 million, or 11.93 percent increase from THB 821.37 million compare to the same period of the previous year, due to an increase in number of patients visiting at Ekachai Hospital, Fertility & Genetic Center's (EKI-IVF) and Koon Hospital. resulted in a net profit for the 9M23 in the amount of THB 197.60 million, a decrease of 0.82 percent from the amount of THB 199.24 million in 9M22.

The Company's operating results in Q3/2023 can be summarized as follows:

### Operating Results

(Unit : Million Baht)	Q3/66	Q3/65	Change +/( -)	9M/66	9M/65	Change +/( -)
Revenues from Hospital Operations	332.73	280.51	18.62%	892.48	797.70	11.88%
Cost of Hospital Operations	177.65	155.76	14.05%	494.37	447.24	10.54%
Gross Profit	155.08	124.75	24.31%	398.11	350.46	13.60%
Other income	15.97	16.08	(0.65%)	26.84	23.67	13.39%
Administrative Expenses	57.22	47.82	19.66%	182.16	127.96	42.36%
Profit (Loss) before Income Tax Expenses	115.93	93.31	24.25%	247.80	(246.43)	0.56%
Tax Expenses	21.08	17.46	20.71%	46.10	47.53	3.01%
Net Profit (Loss) for the Company	93.16	76.04	22.51%	197.60	199.24	(0.82%)

### Analysis of Statement of Income

(Unit : Million Baht)	Q3/66	Q3/65	Change +/( -)	9M/66	9M65	Change +/( -)
Revenues from Hospital Operations	332.73	280.51	18.62%	892.48	797.70	11.88%
Cost of Hospital Operations	177.65	155.76	14.05%	494.37	447.24	10.54%
Gross Profit	155.08	124.75	24.31%	398.11	350.46	13.60%
Net Profit (Loss) for the Company	93.16	76.04	22.53%	197.60	199.24	(0.82%)
Gross Profit Margin (%)	46.61%	44.47%	4.82%	44.61%	43.93%	1.53%
Net Profit (Loss) Margin <sup>1</sup> (%)	26.72%	25.64%	4.21%	21.49%	24.26%	(11.39%)

### Revenue

- In Q3/2023, revenue from hospital operations was THB 332.73 million, an increase from the Q3/2022, which amounted to THB 280.51 million, or an increase of 18.62 percent, due to an increase in inpatient and outpatient services brought on by the shifting weather. Consequently, the quantity of patients with respiratory illnesses. In particular, the number of pediatric patients is rising.
- For 9M23, revenue from hospital operations was THB 892.48 million, an increase from the 9M2022, which amounted to THB 797.70 million, or an increase of 11.88 percent, due to the increase in both the outpatient and the inpatient from season change.

(Unit : Million Baht)	Q3/66	Q3/65	Change + / (-)	9M/66	9M/65	Change + / (-)
Revenue from Inpatient (IPD)	175.83	153.70	14.40%	471.86	410.92	14.83%
Revenue from Outpatient (OPD)	156.90	126.81	23.73%	420.62	386.78	8.75%
Revenues from Hospital Operations	332.73	280.51	18.62%	892.48	797.70	11.88%
Other Income	15.97	16.10	(0.81%)	26.84	23.67	13.40%
<b>Total Revenue</b>	<b>348.71</b>	<b>296.59</b>	<b>17.57%</b>	<b>919.32</b>	<b>821.37</b>	<b>11.93%</b>

- Revenue from Inpatient (IPD) in the Q3/2023 was THB 175.83 million, an increase from the Q3/2022, which was THB 153.70 million, or an increase 14.40 percent, due to the increase in hospitalizations from respiratory disease and outpatient revenue. In Q3/2023 was THB 156.90 million, an increase from the Q3/2022 which had THB 126.81 million or an increase of 23.73 percent.
- For 9M23 was THB 471.86 million, an increase from the same period of the previous year, which was THB 410.92 million, or increase 14.83 percent due to the increase in hospitalizations from respiratory disease and outpatient revenue. The 9M23 amount to THB 420.62 million, an increase from the same period of the previous year, which was THB 386.78 million or representing a decrease 8.75 percent.

#### Gross Profit and Gross Profit Margin

- Gross profit in Q3/2023 was THB 155.10 million, an increase from the Q3/2022, which was THB 124.75 million, or an increase of 24.33 percent, in line with an increase in revenue from hospital operations. and Gross profit margin in the Q3/2023 at 46.61 percent, improving from 44.47 percent in the Q3/2022.
- Gross profit for 9M23 was THB 398.11 million, an increase from the same period of the previous year, which was THB 350.46 million, or an increase of 13.60 percent, in line with an increase in revenue from hospital operations and Gross profit margin for 9M23 was 44.61 percent, improve from 43.93 percent in the same period of the previous year.

#### Net Profit and Net Profit Margin

- The company had a net profit in Q3/2023 at of THB 93.17 million, an increase from Q3/2022 in the amount of THB 76.04 million or representing an increase of 22.53 percent with a net profit margin in the Q3/2023 at 26.72 percent, slightly improve from 25.64 percent in Q3/2022.
- 9M23 The company had a net profit amount of THB 197.60 million, a decrease from the same period of the previous year. in the amount of THB 199.24 million or representing a decrease of 0.82 percent, due to of the THB 16 million loss record in The Klinique Medical Clinic PCL ("KLINIQ"), net profit margin for 9M23 at 21.49 percent, which is decrease from 9M22 at 24.26 percent.

### Selling, General & Administrative Expense

(Unit : Million Baht)	Q3/66	Q3/65	Change +/( -)	9M/66	9M/65	Change +/( -)
Selling, General & Administrative Expense	57.22	47.82	19.66%	182.16	127.96	42.36%
Selling, General & Administrative Expense to total revenue (%)	16.41%	16.12%	1.77%	19.81%	15.58%	21.18%

- Selling, General & Administrative Expense in the Q3/2023 amounted to THB 57.22 million, an increase from the Q3/2022, which amount to THB 47.82 million, or representing an increase of 19.66 percent due to an increase in sale commission expenses from Fertility & Genetic Center's (EKI-IVF).
- Selling, General & Administrative Expense in for 9M23 amounted to THB 182.16 million, an increase from the same period of the previous year, which amount to THB 127.96 million, or representing an increase of 42.36 percent, due to of the THB 56 million loss recorded in Selling, General & Administrative Expense form an investment in the Klinique Medical Clinic PCL ("KLINIQ")
- **Analysis of the Company's financial statement**

(Unit : Million Baht)	9M23	2022	Change +/( -)
Cash and cash equivalents	470.70	776.10	(39.35%)
Other current financial assets	310.88	19.01	1535.35%
<b>Total current assets</b>	<b>936.11</b>	<b>931.83</b>	<b>0.46%</b>
Other non-current financial assets	634.00	620.00	2.26%
Property, plant and equipment	663.85	656.81	1.07%
<b>Total non-current assets</b>	<b>1,328.23</b>	<b>1,316.68</b>	<b>0.88%</b>
<b>Total assets</b>	<b>2,264.33</b>	<b>2,248.50</b>	<b>0.70%</b>
Total current liabilities	187.87	201.15	(6.60%)
Total non-current liabilities	112.10	114.45	(2.05%)
<b>Total liabilities</b>	<b>299.95</b>	<b>315.60</b>	<b>(4.96%)</b>
Total shareholders' equity	1,964.38	1,932.90	1.63%
<b>Total liabilities and shareholders' equity</b>	<b>2,264.33</b>	<b>2,248.50</b>	<b>0.70%</b>

### Asset

As of September 30, 2023, the company had total assets of THB 2,264.34 million, slightly increase from THB 2,248.50 million as or year end 2022:

- Cash and cash equivalents in the amount of THB 470.70 million, a decrease from the year 2022, which was in the amount of THB 776.10 million or decrease 39.35 percent.
- Other current financial assets amounted to THB 310.88 million, an increase from year 2022 which had THB 19.01 million, representing an increase of 1,535.35 percent and Other non-current financial assets amounted to THB 634.00 million increase from year 2022 which had THB 620.00 million, representing an increase of 2.26 percent,
- Property, plant and equipment amounted to THB 663.85 million, an increase from year 2022 which amount to THB 656.81 million, or an increase of 1.07 percent.

#### **Liabilities**

As of September 30, 2023, the Company had total liabilities of THB 299.95 million, a decrease from the year 2022, which was THB 315.60 million, or representing a decrease 4.96 percent. The details of the decrease are as follows:

- Current liabilities amount to THB 187.87 million, decrease from 2022 which amount to THB 201.15 million or decrease of 6.60 percent, mainly from trade and other payables.
- Non-current liabilities amount to THB 112.10 million, a decrease from year 2022 which amount to THB 114.45 million, or a decrease of 2.05 percent.

#### **Shareholders' equity**

As of September 30, 2023, the Company had total shareholders' equity THB 1,964.38 million, an increase from the year 2022, which was THB 1,932.90 million

Yours faithfully,  
Ekachai Medical Care PCL.

Dr. Amnaj Eur-Areemitr  
Director