

Ref. No. Chor Por.(2) 927/2024

February 29, 2024

To Managing Director
The Stock Exchange of Thailand

Subject : Management Discussion and Analysis of the years ended on December 31, 2023

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, 2023 comparing to the same period in 2022.

1. Operating results

(In Thousand)	2566	2565	Increase(decrease)
Revenue from medical treatment	5,065,697	5,204,860	(139,163)
Other income	178,619	181,771	(3,152)
Total Revenue	5,244,316	5,386,631	(142,315)
Share of profit of associates	15,131	18,036	(2,905)

1. Income from operations for the year ended December 31, 2023 amounted to 5,244.32 million baht, an decrease of 142.32 million baht compared to the year 2022 revenue of 5,386.63 million baht due to the decrease revenue to medical treatment of the Company and its subsidiaries amount of 139.16 million baht or 2.67%.

2. The Other income decreased by 3.15 million baht or 1.73%.

3. The Share of profit associated sharing decrease 2.91 million baht belonging to Pawo Hospital Co., Ltd. decrease of 8.45 million baht and by Watcharasirivej Co., Ltd. decreased by 1.59 million baht. Khelang Nakorn Ram Hospital Co., Ltd. increase of 7.13 million baht.

(In Thousand)	2566	2565	Increase(decrease)
Cost of medical treatment	3,913,945	3,792,234	121,711
Administrative expenses	712,341	657,842	54,499
Financial cost	148,166	119,120	29,046
Total expenses	4,774,452	4,569,196	205,256

The total expenses increased by 205.26 million baht or 4.49% due to the increasing of medical treatment costs as 121.71 million baht or 3.21%, administrative expenses increased by 54.50 million baht or 8.28% and financial cost increased by 29.05 million baht or 24.39%. 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 year ended 31 December 2023, The Company and its subsidiaries had net income of 382.86 million baht which decrease 301.31 million baht, comparing to the same period in 2022 with net profit of 684.16 million baht or 44.04%.

2. Financial status on December 31, 2023

(In Thousand)	2566	2565	Increase(decrease)
Total assets	12,382,750	14,193,598	(1,810,848)
Total liabilities	5,548,228	6,266,559	(718,331)
Total shareholder's equity	6,834,522	7,927,039	(1,092,517)

The Company and its subsidiaries had total assets of 12,382.75 million baht, a decrease of 1,810.85 million baht or 12.76% from the end of 2022. The mainly due to the decrease of Accrued revenues from hospital operations the amount of 192.82 million baht, Other non-current financial assets decreased by 1,536.43 million baht, Property, plant and equipment decreased by 211.22 million baht, Cash and cash equivalents increased by 57.54 million baht.

The Company and its subsidiaries had total liabilities of 5,548.23 million baht, an decrease of 718.33 million baht, due to Long-term loan from financial institutions decreased by 358.77 million baht, Deferred tax liabilities decreased by 322.06 million baht, Accounts payable for assets decreased by 91.86 million baht, Short-term loan from related parties increased by 60.0 million baht.

Please contact me know if you need further information.

Sincerely yours,

(Dr. Dusit Srisakul)
Managing Director

Administrative Office

Tel. 052-134701

Fax. 052-134799