



Intermedical Care and Lab Hospital Public Company Limited

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

Tax ID : 0107561000269

Ref. IMH 010/2024

27 February 2024

Sub : Management Discussion and Analysis Yearly Ending 31 Dec 2023

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 2023 as follows:

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

Consolidated Financial Statements	For Year					
	2022		2021		Change	
	Million Baht	%	Million Baht	%	Amount	%
Revenue						
Revenue from operations	183.60	27.13	188.72	28.98	(5.13)	(2.72)
Revenue from hospital operations	486.02	71.83	451.11	69.27	34.91	7.74
Others	7.04	1.04	11.37	1.75	(4.33)	(38.08)
TOTAL REVENUES	676.65	100.00	651.20	100.00	25.45	3.91
EXPENSES						
Cost of service	114.60	16.94	119.83	18.40	(5.24)	(4.37)
Cost of hospital operations	312.34	46.16	185.01	28.41	127.33	68.82
Distribution cost	17.10	2.53	20.33	3.12	(3.23)	(15.88)
Administrative expenses	161.65	23.89	103.98	15.97	57.67	55.47
TOTAL EXPENSES	605.68	89.51	429.15	65.90	176.53	41.13
PROFIT (LOSS) FROM OPERATING ACTIVITIES	70.97	10.49	222.05	34.10	(151.08)	(68.04)
Financial costs	36.49	5.39	10.82	1.66	25.67	237.18
Profit (loss) before income tax expenses	34.48	5.10	211.23	32.44	(176.75)	(83.68)
Tax expenses (Tax income)	12.73	1.88	38.12	5.85	(25.40)	(66.62)
Profit (loss) for the period	21.75	3.21	173.10	26.58	(151.35)	(87.43)

➤ Revenue

Service Income

In the year of 2023, Total service income was THB 669.61 million (net from deduct related transaction), which consisted of THB 183.60 million from the income from medical services, THB 486.02 million from the income from hospital operations.

Income from medical services

In the year of 2023, Total income from medical service was THB 183.60 million which decreased 2.72% by THB 188.72 million from last year. The decrease in revenue in 2023 was covid-19-related income. For example, service for COVID-19 testing, etc.

Revenue from hospital operations

In the year of 2023, Total income from hospital operation THB 486.02 million which increased 7.74 by THB 451.11 million. During 2023, there is investment in a new hospital project. By purchasing the company's common shares Mahaesak Hospital Company Limited which completed on May 31, 2023. The Company has brought the financial statements of the subsidiary to prepare the consolidated financial statements from May 31, 2023 onwards.

➤ Other income

In the year of 2023, the Group had other income equal to THB 7.04 million, decreased of 38.08% from THB 11.37 million, consisting of interest income, profit from selling investment units, etc.

➤ Cost of service

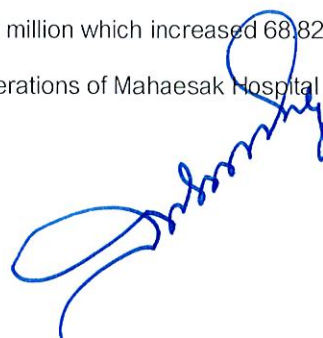
In the year of 2023, the Company has cost of sales and services equal to THB 426.93 million (net after deducting inter-company items), comprising

Cost of medical services

In the year of 2023, the Company has cost THB 114.60 million which decreased 4.37% by THB 119.83 million. The decrease in costs corresponds to lower revenues.

Cost of hospital operation

In the year of 2023, the Company has cost THB 312.34 million which increased 68.82% by THB 185.01 million. Most of the increased costs It is the cost of hospital operations of Mahaesak Hospital Company Limited.



➤ Distribution costs and administrative expenses

In the year of 2023, the Company has distribution costs were THB 17.10 million, which decreased 15.88% by THB 20.33 million, and administrative expenses were THB 161.65 million, which increased 55.47% by THB 103.98 million. Due to the purchase of shares in Mahaesak Hospital Company Limited which has various operating expenses. such as assessment costs Legal advisory fees, etc. Including setting up allowance for debt. According to the principle of caution from receiving future debts for the cost of COVID-19 disease diagnosis and treatment in 2021 - 2022, which the company always followed up regularly.

➤ Cost of Finance

In the year of 2023, the Company has financial cost was THB 36.49 million, which increased 237.18% by THB 10.82 million. During the year 2023 there was a loan from a financial institution in the amount of 800 million baht to purchase common shares of the company. Mahaesak Hospital Company Limited.

2. Statement of financial position

Unit : Million Baht

STATEMENTS OF FINANCIAL POSITION	Consolidated Financial Statements				Separate Financial Statements			
	2023		Change		2022		Change	
	31-12-23	31-12-22	Amount	%	31-12-23	31-12-22	Amount	%
<b>ASSETS</b>								
Total Current Assets	541.23	574.19	(32.95)	(5.74)	159.16	176.18	(17.01)	(9.66)
Total Non-Current Assets	1,493.30	520.28	973.03	187.02	1,118.21	322.24	795.97	247.01
<b>TOTAL ASSETS</b>	<b>2,034.54</b>	<b>1,094.47</b>	<b>940.07</b>	<b>85.89</b>	<b>1,277.37</b>	<b>498.41</b>	<b>778.96</b>	<b>156.29</b>
<b>LIABILITIES</b>								
Total current liabilities	324.31	83.60	240.71	287.94	202.26	22.68	179.58	791.97
Total non-current liabilities	880.13	180.69	699.43	387.08	669.43	10.74	658.69	6,134.62
<b>Total Liabilities</b>	<b>1,204.43</b>	<b>264.29</b>	<b>940.14</b>	<b>355.72</b>	<b>871.69</b>	<b>33.41</b>	<b>838.27</b>	<b>2,508.87</b>

As of December 31, 2023, the consolidated financial statements have total assets of THB 2,034.54 million, which increased by THB 940.07 million from the previous year and total liabilities of THB 1,204.43 million, which increased by THB 940.14 million from the previous year. The main changes in assets and liabilities are cash and cash equivalents, goodwill, long-term loans from financial institutions and Other non-current provisions.

The reason is that the group's cash and cash equivalents were 73.60 million baht, a decrease from 79.62 million baht from the previous year, goodwill of the group was 966.56 million baht, an increase from 850.30 million baht from the previous year, and long-term loans. Financial institutions of the group were 787.50 million baht (the portion of long-term loans due within one year were 126 million baht). During the year 2023 there was an investment



in purchasing shares of Mahaesak Hospital Company Limited 3.2 million shares or 79.97 %, amounting to THB 879.62 million, with part of the source of funds coming from borrowing money from a financial institution in the amount of THB 800 million, including investment in construction projects IMH Bearing Hospital by paying for the land surface. and construction design costs totaling approximately THB 52 million.

Other non-current provisions of THB 36.80 million because the subsidiary Mahaesak Hospital Company Limited had been notified the results of the examination of the use of medical services in the case of high-cost diseases in 2015 and 2022 by the random data checking for medical services from the Social Security Office. The Social Security Office had found the incorrect percentage of AdjRW from the amount that the hospital should receive. But the subsidiaries were able to proceed with the dispute according to the period specified by the Social Security Office.

➤ Shareholders' equity

As of December 31, 2023, the consolidated financial statements have shareholders' equity equal to THB 830.10 million, details of which are shown in the table below:

Unit : Million Baht

SHAREHOLDER'S EQUITY	Consolidated Financial Statements		Separate Financial Statements	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
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	107.50	107.50	107.50	107.50
Share premium on ordinary share	262.69	262.69	262.69	262.69
Premium on treasury shares	0.00		0.00	
Retained earnings:				
Appropriated - Legal reserve	10.75	10.75	10.75	10.75
Appropriated - Treasury shares reserve	13.26	13.29	13.26	13.29
Unappropriated	440.69	449.04	24.74	84.06
Treasury shares	(13.26)	(13.29)	(13.26)	(13.29)
Total attributable to company's shareholders	821.63	829.98	405.69	465.00
Non-controlling interests	8.48	0.19	-	-
Total Shareholder's Equity	830.10	830.18	405.69	465.00

As of December 31, 2023, the Group's consolidated financial statements Have a non-controlling interest equal to THB 8.48 million.

➤ Highlight of Financial Ratio

Description	Consolidated Financial Statements	
	31-12-23	31-12-22
Gross profit margin (%)	36.24	52.36
Ebitda margin (%)	15.00	39.60
Net profit margin (%)	3.21	26.58
Debt to equity ratio (times)	1.47	0.32
Return on equity (%)	2.63	20.67

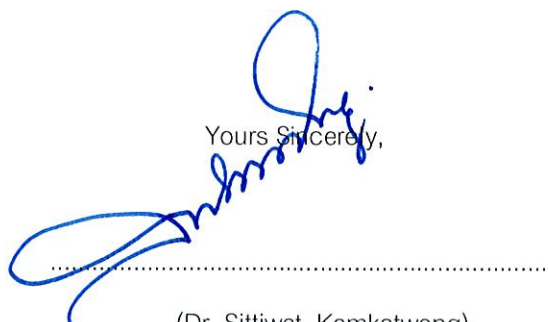
In the beginning of 2023 the company entered into an agreement to purchase the company's shares. Mahaesak Hospital Company Limited. The purchase was completed on May 31, 2023 and became a subsidiary. As a result, the group's assets and liabilities increased significantly from the hospital business in terms of income, costs, and selling and administrative expenses. There was a restructuring within the company, changing from "Mahaesak Hospital" to "IMH Silom Hospital". Which is currently a secondary patient referral service unit in the National Health Security Office and the Social Security Office which has a main customer base It also provides services to general patients. Users of health and accident insurance rights, including traffic accident patients. disbursed according to the Central Act according to the business growth plan Will advance to a hospital that takes care of NHSO patients and has social security rights. Most are in the southern Bangkok area. Providing services in hospitals and primary care clinics in the network. It is expected that in 2024 it will significantly increase the profits of the group.

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 31.43 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