



บริษัท เดนทัล คอร์ปอเรชั่น จำกัด (มหาชน)

DENTAL CORPORATION PUBLIC COMPANY LIMITED

สำนักงานใหญ่ 157 ชั้น 2 ถนนรัชดาภิเษก แขวงดินแดง เขตดินแดง กรุงเทพมหานคร 10400 โทร.(66) 2 245 7197-98

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เลขทะเบียนบริษัท 0107559000281 Company Registration No. 0107559000281

May 9, 2024

Subject Management's Discussion and Analysis for the three-month period ended March 31th, 2024.

To The President
The Stock Exchange of Thailand

The Company and its subsidiaries ("the Group") would like to report factors that affect the financial performance for the consolidated financial statements for the three-month period ended March 31th, 2024 as follows;

- **Net profit (loss)**

	Q1 (3M) 2024	Q1 (3M) 2023	Increase (Decrease)	
			Million	Baht
Profit (loss)	18.5	27.2	(8.7)	(32)

The Group has a net profit for the first quarter of 2024 of 18.5 million baht, a decrease of 8.7 million baht or a decrease of 32 percent from the same period last year. The causes were 1. A decrease in total income of approximately 14.4 million baht, or 6%, due to a decrease in Thai customers revenue which resulting from decreasing in domestic purchasing power and decrease in trading revenue resulting from a slowdown in investment budgets in public hospitals from government and, 2. An increase in the company's selling expense was caused by increasing online marketing and organizing booth events in order to create awareness of the service and products.

The company earns 63% of its income from foreign customers, most of whom are tourists from Europe, Australia, and America because Thailand is famous for health tourism and the first quarter is the high season resulting in continuous travel from foreign countries and coming to use dental services with the group of companies.

- **Revenue from sales and services**

	Q1 (3M) 2024	Q1 (3M) 2023	Increase (Decrease)	
			Million Baht	%
Revenue from rendering of service	169.3	180.1	(10.8)	(6%)
Revenue from sales of goods	58.0	61.6	(3.6)	(6%)
Total revenue	227.3	241.7	(14.4)	(6%)



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Dental services segment

In the first quarter of 2024, the income of the dental service business increased for both Thai and foreign customers. The dental services has opened as usual with cleanliness and safety standards to create confidence for users, in the first quarter of 2024, customers had an average of 22,290 visit volume (22,842 times in the first quarter of 2023), and the Group had revenue from Thai customers in the first quarter of 2024 amounted to 64.3 million baht, a decrease of 9 million baht of 12% from the previous year (Q1 of 2023 amounted to 73.2 million baht) as a result of decrease in purchasing power in the country. Revenue from foreign customers in the first quarter of 2024 amounted to 105 million baht, no significant change from the previous year. (Q1 of 2023, amounting to 107 million baht), most foreign customers are tourists who come to Thailand for wellness tourism, believing in the standard of service and dental treatment of the group company. Most of them are tourists from Europe, Australia and America.

In addition, the opening of the Bangkok International Dental Hospital (BIDH) focuses on high-income Thai customers, foreign executives living in Thailand (Expat), and tourists (Tourist) who are customers with high purchasing power. BIDH generated income for the Group in the first quarter of 2024 amounted to 39.0 million baht (Q1 of 2023 amounted to 41.0 million baht), and BIDH accounts for 74% of revenue from foreign customers.

Distribution of dental supplies and equipment segment

In the first quarter of 2024, the Group had revenue from sales of dental materials and equipment in the amount of 58 million baht, a decrease of 3.6 million baht or 6% from the first quarter of 2023 resulting from a slowdown in investment budgets in public hospitals from government. Dental Vision Company Limited (a subsidiary) sells materials and dental equipment such as milling heads, implants, dental chairs, x-ray machines to dental laboratories and dental clinic including bids for projects from Faculty of Dentistry of both public and private universities.

Cost of sales and rendering of services

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2024	2023	Million Baht	%
Cost - Dental services segment	102.5	109.6	(7.1)	(6%)
Gross profit margin	39%	39%		
Cost - Distribution of dental supplies and equipment	42.4	44.0	(1.67)	(4%)
Gross profit margin	27%	28%		

The dental services segment reported gross margins 39%, no significant change from prior year. The company has fixed costs such as rent, depreciation of assets and right to use assets. and staff costs.

The distribution of dental supplies and equipment segment reported gross margin had no significant change from prior year.

- **Expenses**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2024	2023	Million	Baht
Distribution costs	19.1	17.5	1.6	9%
Administrative expenses	38.1	37.1	1.0	3%
Finance costs	4.4	4.3	0.1	2%

Distribution costs

Distribution costs increased by 1.6 million baht, an increase from the clinic division by approximately 0.6 million baht from online advertising costs through Google and Facebook, as the company focuses on marketing through online media, focusing on visibility and target groups. And from the trading section approximately 1 million baht from the increase in sales staff in the trading business and expenses for organizing various events increased and setting up booths at various academic events This is to make the product well known among dentists.

Administrative expenses

Administrative expenses increased by 1.0 million baht, an increase mainly from annual salary adjustment by 3%.

Finance cost

Finance costs had no significant change from last year.

- **Others**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2024	2023	Million	Baht
Other income	2.7	3.2	(0.5)	(16%)
Tax revenue (expenses)	(5.1)	(5.8)	0.7	13%



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Other income

Other income has no significant changes from prior year.

Tax revenue (expenses)

Tax expenses decreased from the calculation of corporate income tax according to tax law caused by the company has lower profit.

Sincerely yours,

-Mr. Nattasit Surapanpairoj-

Authorized to sign on behalf of the Company