



May 10, 2024

Ref: SET-2024-009

Re: Management Discussion and Analysis for the Quarter 1'2024

Attn. to: President

The Stock Exchange of Thailand

KT Medical Service Public Company Limited and its subsidiaries (Hereinafter called "The Group") would like to submit Management Discussion and Analysis for the Quarter 1'2024 with the summary as follows:-

1. Nature of operations of the Company and its subsidiaries

1) KT Medical Service Public Company Limited ("KTMS") operates the business of providing hemodialysis services. (Hemodialysis) both in the form of hemodialysis clinic (Stand-Alone) and hemodialysis units in hospitals (Outsource). Currently, there are 28 branches (352 Hemodialysis Machines) 1 branch in Bangkok, 14 branches in northeastern provinces, 2 branches in western provinces, 5 branches in northern provinces, 2 branches in central provinces, 2 branches in eastern provinces and 2 branches in southern provinces.

2) Nephro Vision Co., Ltd. ("NEP") operates the business of providing hemodialysis services with hemodialysis machines in the form of hemodialysis clinic (Stand-Alone). Currently, there are 2 branches (12 Hemodialysis Machines) 1 branch in northern province and 1 branch in western province.

3) Irving Corporation Limited ("IRV") operates 4 main businesses as follows: 3.1) Design, installation of water purification system for hemodialysis and system maintenance 3.2) Production and distribution of hemodialysis concentrate 3.3) Designing and decorating the hemodialysis centers 3.4) Designing, assembling and distributing medical equipment for hemodialysis.

4) Medical Vision Co., Ltd. ("MV") operates the business of design and installation of pneumatic tube system including system maintenance services.

2. Analysis of Operating Results

Statements of Comprehensive Income - Consolidated (Million Baht)	For 3-month period ended March 31,		Increase (Decrease)	%
	2024	2023		
Revenues from sales and services	125.95	103.25	22.70	21.99%
Cost of sales and services	104.17	84.86	19.31	22.76%
Gross profit	21.78	18.39	3.39	18.43%
Other income	0.97	2.51	(1.54)	(61.35%)
Selling and distribution expenses	1.93	1.48	0.45	30.41%
Administrative expenses	18.14	14.78	3.36	22.73%
Operating profit	2.68	4.64	(1.96)	(42.24%)
Finance cost	0.55	0.99	(0.44)	(44.44%)
Income tax expense	0.49	0.82	(0.33)	(40.24%)
Profit for the period	1.64	2.83	(1.19)	(42.05%)
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive income for the period	1.64	2.83	(1.19)	(42.05%)
Profit Sharing				
- Equity holders of the Company	1.82	2.88	(1.06)	(36.81%)
- Non-controlling interests of the subsidiaries	(0.18)	(0.05)	(0.13)	(260.00%)

2.1 Revenues from sales and services

Revenues from sales and services was increased from the same period of the year 2023 in an amounting of Baht 22.70 million or 21.99 percent which can be divided into business segments as per information in the following table.

Revenue by Business Segments	For 3-month period ended March 31,					
	2024		2023		Change	
	Million Baht	(%)	Million Baht	(%)	Million Baht	(%)
1. Hemodialysis ¹	100.24	79.59%	80.83	78.29%	19.41	24.01%
2. Design and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service ²	20.61	16.36%	19.69	19.07%	0.92	4.67%
3. Design and installation of pneumatic tube system of equipment for medical service ³	5.10	4.05%	2.73	2.64%	2.37	86.81%
Total revenues from sales and services	125.95	100.00%	103.25	100.00%	22.70	21.99%

¹ KT Medical Service Public Company Limited (Herein after “**The Company**”) and Nephro Vision Co., Ltd. (Herein after “**The Subsidiaries**”).

² Irving Corporation Limited (Herein after “**The Subsidiaries**”).

³ Medical Vision Co., Ltd. (Herein after “**The Subsidiaries**”).

Hemodialysis

The revenue of hemodialysis was increased from the same period of the year 2023 in an amounting of Baht 19.41 million or 24.01 percent. Mainly came from increase in the quantity of patients and branches expansion were continuous increasing.

Design and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service

The revenue of design and installation of pure water treatment system and service preventive maintenance of pure water treatment system for medical service was increased from the same period of the year 2023 in an amounting of Baht 0.92 million or 4.67 percent. Mainly came from

- Revenue from production and distribution of hemodialysis concentrate was increased from the same period of the year 2023 in an amounting of Baht 2.71 million or 29.05 percent. Due to purchase orders from customer were continuous increasing.
- Revenue from design and hemodialysis center decoration was increased from the same period of the year 2023 in an amounting of Baht 0.69 million or 100.00 percent. Due to get a project of hemodialysis center decoration in 2024.

- Revenue from design services, installation of water purification system for hemodialysis and service preventive maintenance was decreased from the same period of the year 2023 in an amounting of Baht (2.30) million or (26.26) percent. Due to projects quantity of water purification system was decreased from previous year.
- Revenue from distributing medical equipment for hemodialysis center was decreased from the same period of the year 2023 in an amounting of Baht (0.18) million or (11.25) percent. Due to sales of medical equipment was decreased from previous year.

Design and installation of pneumatic tube system of equipment for medical service

Revenue from design and installation of pneumatic tube system of equipment for medical service was increased from the same period of the year 2023 in an amounting of Baht 2.37 million or 86.81 percent. Due to projects quantity was increased from the year 2023.

2.2 Administration expenses

The Group administrative expense was increased from the same period of the year 2023 in an amounting of Baht 3.36 million or 22.73 percent. Mainly came from employee expenses was increased from got new employees during 2023 - 2024 and annual salary increased including financial advisory expense etc.

2.3 Operating results

The Group net profit was decreased from the same period of the year 2023 in an amounting of Baht (1.19) million or (42.05) percent. Mainly came from increasing of administration expenses according to the reason which mentioned above.

3. Financial position

Statement of Financial Position - Consolidated (Million Baht)	As at,		Increase (Decrease)	%
	31 March 2024	31 December 2023		
Assets	680.36	661.62	18.74	2.83%
Liabilities	185.04	167.94	17.10	10.18%
Shareholders' equity	495.32	493.68	1.64	0.33%

3.1 Assets

The total asset as at 31 March 2024 was increased from the end of the year 2023 in an amounting of Baht 18.74 million or 2.83 percent. Significant changes was included.

Cash and cash equivalents was increased in an amounting of Baht 15.74 million. Mainly came from KTMS selling trading securities in 2024 while cash and cash equivalents some decreased from paid for annual bonus 2023 of the Group.

Trade and other receivables was decreased in an amounting of Baht (11.70) million. Came from receive payments in 2024 from trade receivables of KTMS and its subsidiary.

Inventories was increased in an amounting of Baht 6.22 million. Came from purchase materials and stock of its subsidiaries to support project in 2024.

Other current financial assets was decreased in an amounting of Baht (19.68) million. Came from selling trading securities in 2024.

Property, buildings and equipment was increased in an amounting of Baht 28.31 million. Came from building construction, hemodialysis center decoration including hemodialysis machines, medical tools and equipment for new branches of KTMS and its subsidiary.

3.2 Liabilities

The overall liability as at 31 March 2024 was increased from the end of the year 2023 in an amounting of Baht 17.10 million or 10.18 percent. Significant changes was included.

Trade and other payables was increased in an amounting of Baht 21.80 million. Came from other payables of hemodialysis machine from KTMS and its subsidiary

Long-term loans was decreased in an amounting of Baht (3.94) million. Came from repayments of long-term loans to banks in 2024.

3.3 Shareholders' equity

The overall shareholders' equity as at 31 March 2024 was increased from the end of the year 2023 in an amounting of Baht 1.64 million or 0.33 percent. Due to the Group operating profit.

4. Company's direction in the year 2024

4.1 KT Medical Service Public Company Limited. Currently, we have plans to expand branches and Hemodialysis machines. In second quarter of 2024, we expected to expand branches about 2 - 3 branches and increases about 42 - 76 Hemodialysis machines according to economic environment, marketing and supply chain.

4.2 Nephro Vision Co., Ltd. Currently, we have plans to expand branches and Hemodialysis machines in second quarter of 2024 for 1 branch and increase about 4 Hemodialysis machines.

4.3 Irving Corporation Limited. Currently, we received purchase orders of water purification system from customers by 4 projects in an amounting of Baht 3.95 million, hemodialysis center decoration by 1 project in an amounting of Baht 1.86 million and mobile water purification machine by 4 projects in an amounting of Baht 1.08 million which expected to be completed in second quarter of 2024.

4.4 Medical Vision Co., Ltd. Currently, we received purchase orders of installation of pneumatic tube system of equipment for medical service from customers by 3 projects in a total amounting of Baht 3.77 million, which under installation and expected to be completed in second quarter of 2024.

Sincerely Yours,

Kanjana Pongpattanadecha
(Ms.Kanjana Pongpattanadecha)
Chief Executive Officer