



**No. GFC-009/2567**

**13 May 2024**

**Subject Management Discussion and Analysis for the three months ended 31 March 2024**

**Attention Director and Management  
Stock Exchange of Thailand**

Genesis Fertility Center Public Company Limited (collectively called “ the Company”) would like to submit to financial statement for the three months ended 31 March 2024, which has been reviewed by Certified Public Account, to the Stock Exchange of Thailand.

Please see further details in the Management’s discussion and Analysis of the Financial Statement as attached.

Please be informed accordingly,

Sincerely yours,

**(Mr. Amorn Triratassawa)**

**Chief Financial Officer**

**Secretary Office**

**Tel. 0-2108-6413 Ext. 202**

**Email : SECRETARY@GFC.CO.TH**

**Genesis Fertility Center Public Company Limited**
**Management Discussion and Analysis for the three months ended 31 March 2024**
**Statement of income for the three months ended 31 March, 2024**

(Unit: THB Million)	Three months of the 2023		Three months of the 2024		Change Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Revenue from Services	86.11	100.00	108.84	100.00	22.73	26.39
Cost of Services	44.15	51.27	54.35	49.94	10.20	23.10
Gross Profit	41.96	48.73	54.49	50.06	12.53	29.85
Other Income	0.22	0.26	-	-	(0.22)	(99.67)
Service Expenses	5.20	6.04	6.22	5.71	1.02	19.50
Administrative Expenses	10.31	11.98	11.82	10.86	1.51	14.60
Profit from operating activities	26.67	30.97	36.45	33.49	9.78	36.69
Financial Costs	2.80	3.25	0.35	0.33	(2.45)	(87.37)
Profit before income tax expense	23.87	27.72	36.10	33.17	12.23	51.25
Tax Expense	4.93	5.73	7.39	6.79	2.46	49.81
Profit for the period	18.94	21.99	28.71	26.38	9.77	51.62

**Revenue Structure**

Revenue (Unit : THB Million)	Three months of 2023		Three months of 2024		Change Increase / (Decrease)	
	Amount	%	Amount	%	Amount	%
Revenue from Intracytoplasmic Sperm Injection ICSI <sup>(1)</sup>	60.75	70.36	71.79	65.96	11.04	18.17
Revenue from Next Generation Sequencing (NGS)	15.24	17.65	22.25	20.44	7.01	46.00
Revenue from reliminary examination before counselling or treatment <sup>(2)</sup>	7.00	8.11	10.25	9.41	3.25	46.30
Revenue from Oocyte Freezing Service	2.92	3.38	4.03	3.70	1.11	38.31
Revenue from Intra-Uterine Insemination (IUI)	0.20	0.24	0.52	0.48	0.32	156.86
Revenue from services	86.11	99.74	108.84	100.00	22.73	26.39
Other income	0.22	0.26	-	-	-	-
Total Revenue	86.33	100.00	108.84	100.00	22.73	26.39

Remark: <sup>(1)</sup> Revenue from ICSI service and other services, including Testicular Sperm Extraction (TESE), Eggs/Sperm/Embryo Freezing, Endometrial Receptivity Analysis (ERA TEST), and Blastocyst culture (Closed system) through Geri plus.

<sup>(2)</sup> Revenue from preliminary examination before counseling or treatment includes consultation fee, laboratory examination fee, and Ultrasound and Endoscopy fee. <sup>(3)</sup> Other revenue includes interest revenue.

### Revenue from services

For the three months period ended 31 March 2024, the Company's Revenue from services was THB 108.84 million, increasing by THB 22.73 million or equivalent to a growth of 26.39 percent compared to previous year, mainly due to the increase in the number of customers compared to the previous year. Which was caused by the continuous marketing and promotional activities. Moreover, this year is the year of the dragon according to Chinese traditional effected to more patients who want to have children in this year.

### Cost of services

For the three months period ended 31 March 2024, the Company's cost of services was THB 54.35 million, increasing by THB 10.20 million or equivalent to a growth of 23.10 percent compared to previous year, mainly due to the cost of medicines and medical supplies of 6.00 million baht and medical professional fees which increased by 2.43 million baht, corresponding to the increase in the number of infertile people who come to receive treatment services with the Company. In addition, the number of doctors, nurses and embryologists increased to 25 persons and 19 persons respectively, (from 19 persons and 17 persons during in the previous year) to support the expansion of the business.

### Gross profit and Gross profit margin

For the three months period ended 31 March 2024, the Company's gross profit was THB 54.49 million increasing by THB 12.53 million or equivalent to a growth of 29.85 percent compared to previous year, mainly due to the increase in service income of the Companies, especially, Revenue from Intracytoplasmic Sperm Injection (ICSI), Revenue from Next Generation Sequencing (NGS) and Revenue from Oocyte Freezing Service which increased by THB 11.04 million, THB 7.01 million and THB 1.11 million, respectively. This was a result of a rise in the number of infertile people coming to receive treatment services from the Company. Meanwhile, the gross profit margin increased to 50.06 percent, resulting from the Company's increase in Revenue from Oocyte Freezing service and the higher growth rate of an increase of Revenue from services than an increase of cost of service compared to the previous year.

### Service expenses

For the three months period ended 31 March 2024, the Company's service expenses was THB 6.22 million increasing by THB 1.02 million or equivalent to a growth of 19.50 percent compared to the previous year. There are 2 main reasons: 1) Increase in employee expenses of sales and marketing division by THB 0.88 million compared to the previous year, for expanding business operation. 2) Increase in credit card fees by THB 0.45 million due to the Company's responsible for credit card fee on behalf of customers who pay via credit card.



### Administrative expenses

For the three months period ended 31 March 2024, the Company's administrative expenses was equal to THB 1.51 million or equivalent to a growth of 14.60 percent compared to the previous year, mainly due to 1) the increase in management and employee expenses by THB 1.57 million due to a rise in number of employees compared to the previous year. 2) Utilities expenses increase by THB 0.13 million due to increase in electricity cost, and, 3) consultant and fee decrease by 0.42 million because of the Company's has already been traded on the stock exchange of Thailand.

### Financial costs

For the three months period ended 31 March 2024, the Company's financial cost was THB 0.35 million, decreasing by THB 2.45 million or equivalent to a decreasing of 87.37 percent compared to the previous year, mainly due to the Company has repayment and closed the loan from financial institution in October 2023.

### Net profit

For the three months period ended 31 March 2024, the Company's net profit was THB 28.71 million or equivalent to 26.38 percent of Revenue from services, increasing by THB 9.77 million or equivalent to growth of 51.62 percent compared to the previous year, mainly due to an increase in gross profit which related to the increase in number of customers compared to the previous year, and decrease in financial cost due to the Company's has repayment and closed the loan from financial institution.

## Summary of Financial information

Financial area	As at		As at		Change	
	31 December 2023		31 March 2024		Increase (Decrease)	
	THB (Million)	%	THB (Million)	%	THB (Million)	%
Current Assets	339.01	52.90	310.42	47.79	(28.59)	(8.43)
Non-Current Assets	301.84	47.10	339.13	52.21	37.29	12.36
Total Assets	640.85	100.00	649.55	100.00	8.70	1.36
Current Liabilities	55.42	8.65	65.22	10.04	9.80	17.69
Non-Current Liabilities	19.11	2.98	17.90	2.76	(1.21)	(6.35)
Total Liabilities	74.53	11.63	83.12	12.80	8.59	11.52
Shareholder's Equity	566.32	88.37	566.43	87.20	0.11	0.02

As at 31 March 2024 and as at 31 December 2023, the Company's had total assets equal to THB 649.55 million and THB 640.85 million, respectively, increasing from the end of 2023 by THB 8.70 million or 1.36 percent, mainly due to the increase in property plant and equipment, and deposit for purchase of equipment based on building improvements for Rama 9 International branch.

As at 31 March 2024 and as at 31 December 2023, the Company's had total liabilities equal to THB 83.12 million and THB 74.53 million, respectively, increasing from the end of 2023 by THB 8.59 million or 11.52 percent mainly due to the increase in income tax payable for the three months period equal to THB 7.39 million.

As at 31 March 2024 and as at 31 March 2023, the Company's had shareholder's equity equal to THB 566.53 million and THB 566.32 million, respectively, increasing from the end of 2023 by THB 0.11 million or 0.02 percent mainly due to the increase from net profit for the three months period and decrease from dividend payment in March 2024.

### Current ratio

As at 31 March 2024, the Company's current ratio was 4.76 times, decreasing from the end of 2023 at 6.12 times mainly due to the decrease in cash and cash equivalent from cash payment for invest in building improvement for Rama 9 International branch.

### Debt to equity ratio

As at 31 March 2024, the Company's debt to equity ratio was 0.15 times, increasing from the end of 2022 at 1.13 times mainly due to the increase in income tax payable for the three months period ended 31 March 2024.