

August 14, 2024

To Managing Director
The Stock Exchange of Thailand

Subject : Management Discussion and Analysis of the six-months period ended on 30th June 2024.

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 quarter ended on June 30, 2024 comparing to the same period in 2023.

1. Operating results

The quarter ended on 30th June 2024

The detail is as following;

(In Thousand)	June 30, 2024	June 30, 2023	Increase(decrease)
Revenue from medical treatment	1,279,102	1,174,757	104,345
Other income	22,901	22,823	78
Total Revenue	1,302,003	1,197,580	104,423
Share of profit of associates	(2,304)	1,251	(3,555)

1. Total revenue with the amount of 1,302.00 million baht is increased 104.42 million baht comparing to the same quarter in 2023 with the amount of 1,197.58 million baht or 8.72%. Due to the increase revenue to medical treatment of the Company and its subsidiaries amount 104.35 million baht or 8.88%.

2. The other income increased by 0.08 million baht.

3. Share of profit of associates decreased by 3.56 million baht which belongs to Khelang Nakorn Ram Hospital Co., Ltd. a decrease of 4.44 million baht, and Watcharasirivej Co., Ltd. increased by 0.88 million baht.

(In Thousand)	June 30, 2024	June 30, 2023	Increase(decrease)
Cost of medical treatment	1,016,875	950,379	66,496
Administrative expenses	183,351	188,486	(5,135)
Financial cost	38,079	36,161	1,918
Total expenses	1,238,305	1,175,026	63,279

The total expenses increased by 63.28 million baht or 5.39% due which was an increase in the cost of medical treatment of the Company and its subsidiaries the amount of 66.50 million baht or 7.0% and financial cost increased by 1.92 million baht or 5.30%.

For the 3-month period ended June 30, 2024, The Company and its subsidiaries had a net profit of 42.65 million baht, an increase of 32.13 million baht, comparing to the same period in 2023 with a net profit of 10.52 million baht or 305.54%.

For the six-month period ended 30th June 2024

The detail is as following;

(In Thousand)	June 30, 2024	June 30, 2023	Increase(decrease)
Revenue from medical treatment	2,605,465	2,400,383	205,082
Other income	75,384	94,792	(19,408)
Total Revenue	2,680,849	2,495,175	185,674
Share of profit of associates	68	4,977	(4,909)

1. Total revenue with the amount of 2,680.85 million baht is increased 185.67 million baht comparing to the same quarter in 2023 with the amount of 2,495.18 million baht. Due to the increase revenue to medical treatment of the Company and its subsidiaries amount 205.08 million baht or 8.54%.

2. The Other income is decreased by 19.41 million baht.

3. Share of profit of associates decreased by 4.91 million baht which belongs to Khelang Nakorn Ram Hospital Co., Ltd. a decrease of 7.35 million baht, and by Watcharasirivej Co., Ltd. an increase of 2.44 million baht.

(In Thousand)	June 30, 2024	June 30, 2023	Increase(decrease)
Cost of medical treatment	2,014,228	1,907,205	107,023
Administrative expenses	361,398	347,645	13,753
Financial cost	76,365	68,656	7,709
Total expenses	2,451,991	2,323,506	128,485

The total expenses increased by 128.49 million baht or 5.53% due to the increasing of medical treatment costs as 107.02 million baht or 5.61%, administrative expenses increased by 13.75 million baht or 3.96% and financial cost increased by 7.71 million baht or 11.23 %. 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.

The Company and its subsidiaries had net income of 175.80 million baht which increases 42.96 million baht comparing to the same period in 2023 with net profit of 132.84 million baht or 32.34%.

2. Financial status as of 30th June 2024

(In Thousand)	June 30, 2024	December 31, 2023	Increase(decrease)
Total assets	11,775,170	12,382,750	(607,580)
Total liabilities	5,474,687	5,548,228	(73,541)
Total shareholder's equity	6,300,483	6,834,522	(534,039)

The Company and its subsidiaries had total assets of 11,775.17 million baht a decrease of baht 607.58 million baht from the end of 2023, a decrease in the mainly due to the decrease other non-current financial assets amount of 496.21 million baht, The property, Plant and equipment decreased by 121.03 million baht, Accrued revenues from hospital operations increased by 62.09 million baht, Cash and cash equivalents increased by 44.36 million baht.

The Company and its subsidiaries had total liabilities of 5,474.69 million baht, a decrease of 73.54 million baht, due to Bank overdrafts and short-term loans from financial institutions decreased by 64.38 million baht, Long-term loan from financial institutions increased by 59.45 million baht, Deferred tax assets decreased by 103.23 million baht.

Please contact me know if you need further information.

Sincerely yours,

(Dr. Dusit Srisakul)
Managing Director

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