



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

Head Office 157, 2nd Floor, Ratchadaphisek Rd., Din Daeng, Din Daeng, Bangkok 10400 Tel. (66) 2 245 7197-98

เลขทะเบียนบริษัท 0107559000281 Company Registration No. 0107559000281

No. D-IR 012/2021

August 10, 2021

Subject Management's Discussion and Analysis for the period ended June 30th, 2021.

To The President
The Stock Exchange of Thailand

According to the resolution of the meeting of the Board of Directors No.3/2021 of Dental Corporation Public Company Limited (“the Company”) held on August 10th, 2021, approving the consolidated financial statements for the period ended August 30th, 2021. The Company and its subsidiaries (“the Group”) would like to report factors that affect the financial performance as follows;

Unit: Thousand Baht

Consolidated Statements of comprehensive income	For the 3-month periods ended June 30,				For the 6-month period ended June 30,			
	2021	2020	Changes		2021	2020	Changes	
	Amount	Amount	Amount	%	Amount	Amount	Amount	%
Revenue from sales of goods	61,413	46,101	15,312	33%	113,957	94,556	19,401	21%
Revenue from rendering of service	59,056	43,462	15,594	36%	149,387	147,323	2,064	1%
Revenue	120,469	89,563	30,906	35%	263,344	241,879	21,465	9%
Cost of sales of goods and rendering of services	93,279	66,355	26,924	41%	194,959	174,470	20,489	12%
Gross Profit	27,190	23,208	3,982	17%	68,385	67,409	976	1%
Other income	1,074	2,477	(1,403)	-57%	2,346	3,971	(1,625)	-41%
Profit before expenses	28,264	25,685	2,579	10%	70,731	71,380	(649)	-1%
Distribution costs	10,545	7,283	3,262	45%	23,819	25,657	(1,838)	-7%
Administrative expenses	24,766	24,765	1	0%	52,311	59,836	(7,525)	-13%
Finance costs	3,907	4,307	(400)	-9%	7,767	9,700	(1,933)	-20%
Total expense	39,218	36,355	2,863	8%	83,897	95,193	(11,296)	-12%
Profit (loss) before income tax expense	(10,954)	(10,670)	(284)	3%	(13,166)	(23,813)	10,647	-45%
Tax (expense) income	(242)	2,471	(2,713)	-110%	120	3,857	(3,737)	-97%
Profit (loss) for the period	(11,196)	(8,199)	(2,997)	37%	(13,046)	(19,956)	6,910	-35%
Total comprehensive income (expense)	(11,196)	(8,199)	(2,997)	37%	(13,046)	(19,956)	6,910	-35%

- **Revenue from sales and services**

	Q2 (3M)	Q2 (3M)	Increase (Decrease)	
	2021	2021	Million Baht	%
Revenue from rendering of service	61.4	46.1	15.3	33
Revenue from sales of goods	59.1	43.4	15.7	36
Total revenue	120.5	89.5	31.0	35

	Q2 (6M)	Q2 (6M)	Increase (Decrease)	
	2021	2021	Million Baht	%
Revenue from rendering of service	149.4	147.3	2.1	1
Revenue from sales of goods	113.9	94.6	19.3	20
Total revenue	263.3	241.9	21.4	9

Dental services segment

The Group have revenue from dental service in the amount of Baht 149.4 million which increased by Baht 2.1 million or 1% comparing to prior period because in 2020, the Company has temporarily suspended its operations according to the order of government agencies for a period of 1.5 months as a result of the COVID-19 epidemic, but in 2021 the Company was able to resume operations as usual but it was partially affected by the government's travel restriction policy.

Distribution of dental supplies and equipment segment

The Group have revenue from sales of dental supplies and equipment in the amount of Baht 54.9 million which increased by Baht 19.3 million or 20% comparing to prior period primarily due to the recognition of revenue from government projects and the sale of dental equipment products to the public and private sectors has increased.

- **Cost of sales and rendering of services**

	Q2 (3M)	Q2 (3M)	Increase (Decrease)	
	2021	2021	Million Baht	%
Cost - Dental services segment	46.6	33.2	13.4	40
Gross profit margin	24	28		
Cost - Distribution of dental supplies and equipment segment	59.1	43.5	13.5	41
Gross profit margin	21	24		

	Q2 (6M)	Q2 (6M)	Increase (Decrease)	
	2021	2021	Million Baht	%
Cost - Dental services segment	107.3	103.2	41.1	4
Gross profit margin	28	30		
Cost - Distribution of dental supplies and equipment segment	87.7	71.3	16.4	23
Gross profit margin	23	25		

The dental services segment had gross margins decreased from the previous year mainly due to the rental and service expense and employee benefit expense comparatively increased as the Company has more opening dates in 2021.

The distribution of dental supplies and equipment segment had a lower gross profit margin from the previous year mainly due to lower gross margins of government projects. This is because projects that are delivered in 2021 are projects that require hiring and using equipment from other companies. While, the project in 2020 were dental equipment imported by the Company.

- **Expenses**

	Q2 (6M)	Q2 (6M)	Increase (Decrease)		Q2 (3M)	Q2 (3M)	Increase (Decrease)	
	2021	2020	Million Baht	%	2021	2020	Million	Baht
Distribution costs	23.8	25.7	(1.8)	(7)	10.5	7.3	3.0	45
Administrative expenses	52.3	59.8	(7.5)	(13)	24.8	24.8	-	-
Finance costs	7.8	9.7	(1.9)	(20)	3.9	4.3	(0.4)	(9)

Distribution costs

Distribution costs decreased by Baht 1.8 million for the sixth-month period but increased by Baht 3.0 million for the three-month period ended 30 June 2021 because in 2020, the Company has temporarily suspended its operations according to the order of government agencies for a period of 1.5 months, resulting in a reduction in employee benefits expenses. The cost of advertising and promotion has also decreased as well. However, the Group will be able to operate normally in 2021, resulting in higher expenses.

Administrative expenses

Administrative expenses decreased by Baht 7.5 million for the sixth-month period and have no changes for the three-month period ended 30 June 2021 mainly came from the reduction of rental and service fees including the co-operation of employees with expense reduction policies.

Finance costs

Finance costs decreased by Baht 1.9 million for the sixth-month period and decreased by Baht 0.4 million for the three-month period ended 30 June 2021 mainly came from the decreases in principal and the decreases in interest rates of loans.

- **Net profit (loss)**

	Q2 (6M)	Q2 (6M)	Increase (Decrease)		Q2 (3M)	Q2 (3M)	Increase (Decrease)	
	2021	2020	Million Baht	%	2021	2020	Million	Baht
Profit (loss)	(13.0)	(20.0)	7	35	(11.2)	(8.2)	(3)	37

The Group has net loss amounting to Baht 13.5 and 11.2 million for the six-month and three-month periods ended June 30, 2021, respectively. In the second quarter of 2021, the net loss increased when compared to the same period of the previous year as the Company was affected by the severe outbreak of the COVID-19 epidemic between April and June. Although the Group was able to resume operations as usual but the number of customers who come to use the service has decreased due to the restriction measures.



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

Head Office 157, 2nd Floor, Ratchadaphisek Rd., Din Daeng, Din Daeng, Bangkok 10400 Tel. (66) 2 245 7197-98

เลขทะเบียนบริษัท 0107559000281 Company Registration No. 0107559000281

- **Summary of consolidated statements of financial position**

	As at June 30, 2021	As at December 31, 2020	Increase (Decrease)	
			Million Baht	%
Total assets	1,130.8	1,122.1	8.7	1
Total liabilities	668.2	643.8	24.4	4
Total Shareholders' equity	462.6	478.3	(15.7)	(3)

- **Total Assets**

The total assets increased by Baht 8.7 million or 1%. The increase was mainly due to the increase of trade accounts receivable which in line with higher product sales in 2nd quarter and the inventories that the Company purchased for preparing of delivery to customers in government projects in the 3rd quarter.

- **Total Liabilities**

The total liabilities decreased by Baht 24.4 million or 4%. The increase was mainly due to the increase in in short-term borrowings from financial institutions that are import credit which corresponds to an increase in inventories.

- **Total Shareholders' equity**

Total shareholders' equity decreased by Baht 15.7 million due to loss from operation and cash dividend payment.

Please be informed accordingly.

Sincerely yours,

Touchanon P.

(Mr. Touchanon Phongkunawut)

Authorized to sign on behalf of the Company