

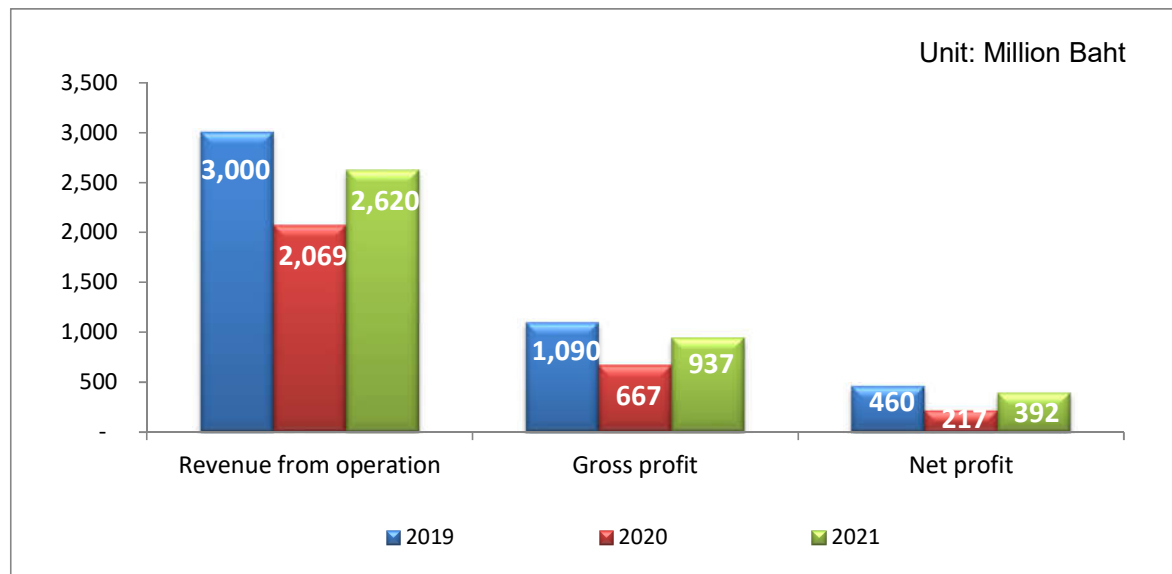
**Samitivej Public Company Limited**  
**Management Discussion and Analysis**  
**For 2<sup>nd</sup> Quarter ended 30 June 2021**

Samitivej Public Company Limited (“The Company”) has submitted the financial statements for the 2<sup>nd</sup> Quarter ended 30 June 2021 and 2020 which was reviewed by the Company’s Auditor and the Audit Committee. Due to the impact of the COVID-19 Pandemic in the second half of the first quarter of 2020 to the present have had a huge impact on business operations including the national lockdown in Thailand and travel restriction from all international countries. However, the company has adjusted its business strategy to be in line with various risks and limitations. The consolidated financial statements for the three-month period of June 30, 2021 presented operating result with net profit Baht 392 million and Baht 217 million increased 81% and decreased 53% respectively, comparing to the same period of 2020. The separate financial statements resulted with net profit were Baht 388 million and Baht 333 million increased 17% and decreased 34% respectively, comparing to the same period of 2020.

The operating results are as follow: -

**The Consolidated Financial Statements**

The operating result for the three – month period



- **Revenue**

Q2/2021 Samitivej Sukhumvit and Samitivej Srinakarin customer mainly are Thai. Samitivej Sukhumvit has foreign patients approximately 40% while Samitivej Srinakarin has foreign patients approximately 7%. The revenue mainly came from medicines, medical supplies, lab services and doctor's fee.

Revenue from hospital operations for the three-month period of Q2/2021 was Baht 2,620 million, increased by Baht 551 million or 27% comparing to the same period of 2020.

This was mostly due to increase in IPD revenues from Thai patients and non-Thai patients by 28% and 27%, respectively due to the impact of the COVID-19 Pandemic of the third wave in April 2021.

- **Expenses**

Total expense for Q2/2021 was Baht 2,146 million, increased by Baht 333 million or 18% from the same period of 2020 divided into cost of hospital operations, sales and services, an increased by Baht 281 million or 20% and administrative expenses increased by Baht 51 million or 12%, mainly from the cost of medicines. medical supplies, lab fees, doctor's fees, including staff expenses and administrative expenses in every aspect by increasing in the same direction as the income.

- **Income Tax**

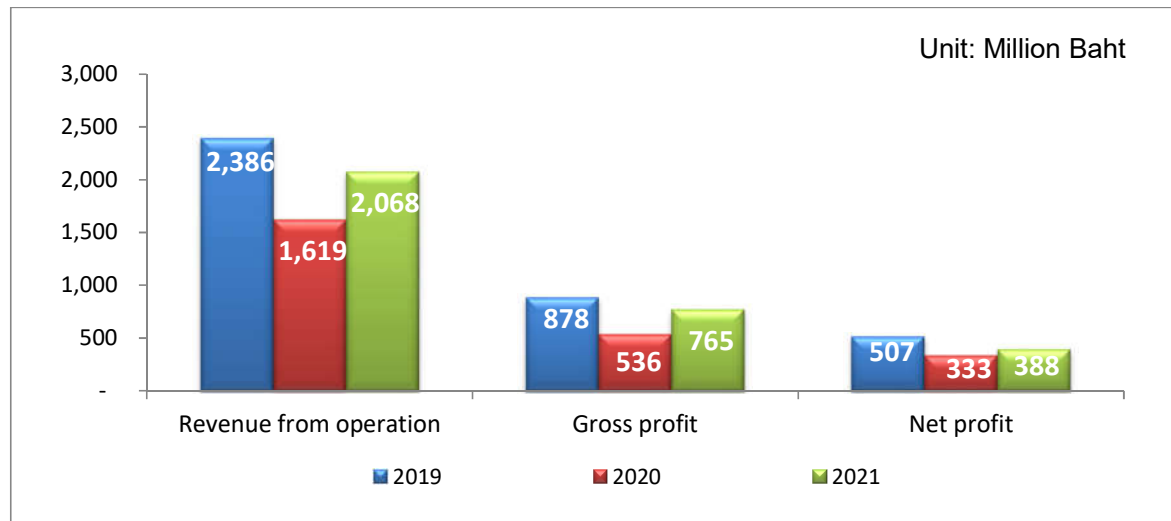
Income Tax for Q2/2021 was Baht 98 million, increased by Baht 39 million or 65%, from the same period of 2020.

- **Net Profit**

Net profit for Q2/2021 was Baht 391 million, increased by Baht 175 million or 81% from the same period of 2020 due to increase of revenue from hospital operations.

## The Separate Financial Statements

The operating result for the three – month period



### ▪ Revenue

Revenue from hospital operations for the three-month period of Q2/2021 was Baht 2,068 million, increased by Baht 449 million or 28% comparing to the same period of 2020. There was mostly due to increase IPD revenues from Thai patients and non-Thai patients by 31% and 26%, respectively. due to the impact of the COVID-19 Pandemic due to the impact of the COVID-19 Pandemic of the third wave in April 2021.

### ▪ Expenses

Total expense for Q2/2021 was Baht 1,673 million, increased by Baht 258 million or 18% from the same period of 2020 divided into cost of hospital operations, sales and services, an increased by Baht 220 million or 20% and administrative expenses increased by Baht 38 million or 11%, mainly from the cost of medicines. medical supplies, lab fees, doctor's fees, including staff expenses and administrative expenses in every aspect by increasing in the same direction as the income.

### ▪ Income Tax

Income Tax for Q2/2021 was Baht 81 million, increased by Baht 32 million or 67%, from the same period of 2020.

▪ **Net Profit**

Net profit for Q2/2021 was Baht 388 million, increased by Baht 55 million or 17% from the same period of 2020 due to increase of revenue from hospital operations.

**Cash Flows**

(Unit: Million Baht)

| <b>Consolidated financial statements</b>             | <b><u>30 June</u><br/><u>2021</u></b> | <b><u>30 June</u><br/><u>2020</u></b> | <b><u>Change</u></b> | <b><u>%</u></b> |
|--|---------------------------------------|---------------------------------------|----------------------|-----------------|
| Net cash flows from operating activities             | 1,258                                 | 855                                   | 403                  | 47.13           |
| Net cash flows from investing activities             | 173                                   | 5                                     | 168                  | 3,360.00        |
| Net cash flows used in financing activities          | (1,342)                               | (1,078)                               | (264)                | 24.49           |
| Net increase (decrease) in cash and cash equivalents | 89                                    | (218)                                 | 307                  | (140.83)        |
| Cash and cash equivalents at beginning of the period | 1,112                                 | 947                                   | 165                  | 17.42           |
| Cash and cash equivalents at end of the period       | 1,201                                 | 729                                   | 472                  | 64.75           |

For Q2/2021 ended 30 June 2021, the Company and its subsidiaries have net increased in cash and cash equivalent in the amount of Baht 89 million, cash equivalents at the beginning of the period by Baht 1,112 million resulting cash and cash equivalent at the end of period was Baht 1,201 million.

Details of cash flow by activities are as follows: -

1. The Company and its subsidiaries have net cash flows from operating activities of Baht 1,258 million resulting from
  - Profit before income tax Baht 925 million reconcile with depreciation and amortization expense Baht 368 million, amortization Deferred income – membership Baht 30 million, Profit sharing from investments in an associate Baht 11 million, Long-term employee benefits expenses Baht 27 million and annual leave expenses Baht 4 million.
  - Decreased in operating assets of Baht 191 million and decreased in operating liabilities of Baht 31 million.
  - Cash received from interest income Baht 3 million.
  - Paid for corporate income tax Baht 194 million.

2. The Company and its subsidiaries have net cash flows provided by investing activities were Baht 173 million, resulting from
- Decrease in other current financial assets Baht 213 million.
  - Dividend income Baht 24 million.
  - Decrease in short-term loan to parent company Baht 103 million.
  - Purchase of medical equipment and other fixed assets Baht 169 million.
  - Cash paid for purchase of intangible assets Baht 3 million.
3. The Company and its subsidiaries have net cash flows use in financing activities were Baht 1,342 million, resulting from
- Repayments of liabilities under lease agreements Baht 30 million.
  - Paid dividend by Baht 1,300 million.
  - Paid dividend by a subsidiary company to non-controlling interests by Baht 28 million.

Cash and cash equivalents at end of the period of Baht 1,201 million are Cash and deposit at financial institution.

### **Financial Ratio**

| Ratios Analysis                     | <u>30 June</u><br><u>2021</u> | <u>30 June</u><br><u>2020</u> | <u>Change</u> |
|-------------------------------------|-------------------------------|-------------------------------|---------------|
| <b>Profitability Ratio</b>          |                               |                               |               |
| ▪ Gross Profit Margin               | 35.77                         | 32.25                         | 3.52          |
| ▪ Net Profit Margin                 | 14.78                         | 10.30                         | 4.48          |
| ▪ Return on Asset (ROA)             | 3.83                          | 2.21                          | 1.62          |
| ▪ Return on Equity (ROE)            | 4.16                          | 2.37                          | 1.79          |
| <b>Accounts Receivable Turnover</b> | 2.28                          | 1.57                          | 0.71          |
| <b>Average Collection Period</b>    | 39.92                         | 58.00                         | 18.08         |

**Statements of financial position**

(Unit: Million Baht)

| <b>Consolidated financial position</b>       | <b><u>30 June</u><br/><u>2021</u></b> | <b><u>31 December</u><br/><u>2020</u></b> | <b><u>Change</u></b> | <b><u>%</u></b> |
|--|---------------------------------------|---|----------------------|-----------------|
| Total Assets                                 | 13,030                                | 13,729                                    | (699)                | (5.09)          |
| Total Liabilities                            | 3,119                                 | 3,245                                     | (126)                | (3.88)          |
| Equity attributable to owners of the Company | 9,119                                 | 9,716                                     | (597)                | (6.14)          |
| Total shareholders' equity                   | 9,911                                 | 10,485                                    | (574)                | (5.74)          |

**Total assets** of the Company and its subsidiaries as at 30 June 2021 were Baht 13,030 million, decreased by Baht 699 million. **Decreased from** Trade and other receivables Baht 178 million, Short-term loan to parent company Baht 103 million, Inventories Baht 21 million, Other current financial assets Baht 212 million, Investments in an associate Baht 12 million, Property, premises and equipment Baht 188 million, Leasehold rights Baht 72 million and Intangible assets Baht 5 million. **Increased from** Cash and cash equivalents Baht 89 million and Other non-current assets Baht 2 million.

**Total liabilities** of the Company and its subsidiaries as at 30 June 2021 were Baht 3,119 million, decreased by Baht 126 million. **Decreased from** Trade and other payables Baht 40 million, Net Lease Liabilities Baht 53 million, Income tax payable Baht 13 million, Net deferred income – membership Baht 31 million, Other current liabilities Baht 10 million and Deferred tax liabilities Baht 2 million. **Increased from** Accrued expenses Baht 19 million, Provision for employee benefits Baht 3 million, and Other non-current liabilities Baht 1 million.

**Total shareholders' equity** of the Company and its subsidiaries as at 30 June 2021 were Baht 9,911 million, decreased Baht 574 million.

Please kindly be informed accordingly.

Yours sincerely,

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 (Mr.Jirat Jakpitaksat)

Authorized to sign on behalf of the Company