

August 13, 2021

Ref: SET-2021-011

Re: Management Discussion and Analysis for the Quarter 2'2021

Attn. to: President

The Stock Exchange of Thailand

Filter Vision Public Company Limited and its subsidiaries (Hereinafter called "The Group") would like to submit Management's discussion and analysis for the Quarter 2' 2021 with the summary as follows: -

1. Nature of operations of the Group

The Group has principally engaged in distribution of product and equipment, design, assembly and installation, and maintenance service of pure water treatment system; including operate clinical business which dialysis services for kidney patients who receive replacement therapy with dialysis by dialysis machinery (Dialysis Center) and distribution of medical equipment as well as medical service concerning health and esthetics.

2. Overview of operating results for the Quarter 2' 2021

From the severe epidemic situation and intensify by Delta variant of the COVID-19 disease in Thailand affect to Thai's economy continuously since early year 2021. As a result, the government has issued a serious epidemic control measure by sitting prohibit in restaurants which directly affect to a commercial and residential (B2) customer that most of the customers are restaurants in the department store. Furthermore, the customer of Industrial and OEM (B1) business has request for the company to work postpone in high epidemic areas and additional affected from an epidemic control measure decree of construction worker due to some work has been stopped or delayed resulting in revenue recognition has been postpone to next quarter. From the above situation, it has affected sales of Filter Vision Public Company Limited (Hereinafter called "The Company"). However, COVID-19 pandemic didn't affect to medical services (B3) directly but effect to operation which have more procedure for protect COVID-19 pandemic and the subsidiaries consist of

Irving Corporation Limited has distributed products and equipment design and installation of systems related to water treatment systems for medical services. So far the Company still received purchase order for project of installation water treatment systems, decoration for medical services and dialysis solution continuously.

KT Medical Services Co., Ltd. provides health care facilities for patients with end-stage renal disease treated with Hemodialysis Machine (Hemodialysis Center) Currently, there are 16 Hemodialysis Center (183 Hemodialysis Machines) One Hemodialysis Center in Bangkok, Seven Hemodialysis Centers in northeastern provinces, One Hemodialysis Center in western province, Four Hemodialysis Centers in northern provinces, One Hemodialysis Center in central province and Two Hemodialysis Centers in eastern provinces. So far the patients are continuously increasing.

Medical Vision Co., Ltd. has distributed medical equipment. Including sale and installation of air tube systems for transfer documents and parcel (Pneumatic Tube Carrier Systems). Currently, the company still receive continuously purchase orders from customers.

Hi Healthcare Center Co., Ltd. was continuous loss which necessary to do temporarily closed all branches at the year ended December 31, 2020. Until such situation becomes improve and/or until HHC will be having new suitable locations that located in the area instead of such branches in further.

3. Analysis of Operating Results

Statements of Comprehensive Income - Consolidated (Million Baht)	For 3-month period ended June 30,		Increase (Decrease)	%	For 6-month period ended June 30,		Increase (Decrease)	%
	2021	2020			2021	2020		
Revenues from sales and services	151.58	134.71	16.87	12.52%	299.96	273.24	26.72	9.78%
Gross profit from sales and services	41.09	34.76	6.33	18.21%	83.92	76.80	7.12	9.27%
Other income	1.38	0.69	0.69	100.00%	1.88	2.42	(0.54)	(22.31%)
Selling expenses	4.45	4.19	0.26	6.21%	9.34	8.37	0.97	11.59%
Administrative expenses	28.56	45.14	(16.58)	(36.73%)	57.20	76.71	(19.51)	(25.43%)
Net profit before finance costs and corporate income tax	9.46	(13.88)	23.34	168.16%	19.26	(5.86)	25.12	428.67%
Finance costs	1.77	1.67	0.10	5.99%	3.56	3.51	0.05	1.42%
Corporate income tax	2.23	(3.00)	5.23	174.33%	4.16	(0.94)	5.10	542.55%
Profit (loss) from continuing operation	5.46	(12.55)	18.01	143.51%	11.54	(8.43)	19.97	236.89%
Profit (loss) from discontinued operation	1.26	(18.69)	19.95	106.74%	3.63	(30.47)	34.10	111.91%
Profit (loss) for the period	6.72	(31.24)	37.96	121.51%	15.17	(38.90)	54.07	139.00%
Total Comprehensive income for the period	6.72	(31.24)	37.96	121.51%	15.17	(38.90)	54.07	139.00%
Profit (loss) Sharing for the Period								
- The Company's Equity	6.68	(29.87)	36.55	122.36%	15.12	(36.50)	51.62	141.42%
- Non-controlling Interest	0.04	(1.37)	1.41	102.92%	0.05	(2.40)	2.45	102.08%

Revenues from sales and services was increased from 3 months in the same period of the year 2020 in an amounting of Baht 16.87 million or 12.52 percent and increased from 6 months in the same period of the year 2020 in an amounting of Baht 26.72 million or 9.78 percent which can be divided into business segments as per information in following table

Revenue by Business Segments	For 3-month period ended June 30,				For 6-month period ended June 30,			
	2021		2020		2021		2020	
	Million Baht	(%)	Million Baht	(%)	Million Baht	(%)	Million Baht	(%)
Revenues from continuing operations								
1. Industrial and OEM (B1) ¹	28.07	18.52%	31.25	22.57%	50.88	16.95%	61.42	20.80%
2. Commercial and residential (B2) ¹	55.72	36.75%	50.28	36.31%	115.11	38.35%	116.49	39.45%
3. Medical services (B3) ²	67.79	44.72%	53.18	38.41%	133.97	44.64%	95.33	32.28%
Total Revenues from continuing operations	151.58	99.99%	134.71	97.29%	299.96	99.94%	273.24	92.53%
Revenues from discontinued operation								
4. Medical beauty treatment service (B4) ³	0.02	0.01%	3.75	2.71%	0.18	0.06%	22.06	7.47%
Total Revenues from Discontinued Operations	0.02	0.01%	3.75	2.71%	0.18	0.06%	22.06	7.47%
Total Revenues	151.60	100.00%	138.46	100.00%	300.14	100.00%	295.30	100.00%

¹**B1, B2:** Filters Vision Public Company Limited (Herein after “**The Company**”).

²**B3** : KT Medical Services Co., Ltd., Irving Corporation Ltd., Medical Vision Co., Ltd.
(Herein after “**The Subsidiaries**”).

³**B4** : Hi Healthcare Center Co., Ltd. (Herein after “**The Subsidiary**”) (**Discontinued Operation**).

3.1 Revenues from sales and services

For the six-month period ended 30 June 2021, Revenue from sales of goods and services for the group was decreased from the same period of the year 2020 in an amounting of Baht 26.72 million or 9.78 percent, which can be described by business segment as follows:

Industrial and OEM (B1)

The revenue from this business segment was decreased from the same period of the year 2020 year in an amounting of Baht 10.54 million or 17.16 percent. Mainly came from revenue of large water system project due to COVID-19 effect to customer was postpone to work in epidemic area resulting in revenue recognition has been postpone to next quarter.

Commercial and residential (B2)

The revenue of business segment was decreased from the same period of the year 2020 in an amounting of Baht 1.38 million or 1.18 percent. Mainly came from revenue of water system installation in food and beverage business which has postpone the purchase order due to COVID-19.

Medical services (B3)

Revenue from this segment was increased from the same period of the year 2020 in an amounting of Baht 38.64 million or 40.53 percent. Due to the quantity of patients and Hemodialysis center were increased.

Medical beauty treatment services (B4)

Revenue from this segment was decreased from the same period of the year 2020 in an amounting of Baht 21.88 million or 99.18 percent. Due to Hi Healthcare Center Co., Ltd. was temporarily closed on 31 December 2020.

3.2 Administration expenses

The Group's administrative expense was decreased from the same period of the year 2020 in an amounting of Baht 19.51 million or 25.43 percent. Mainly came from allowance for doubtful debt was decreased due to received payments from long overdue debtors.

3.3 Operating results

The Group's net profit was increased in an amounting of Baht 54.07 million or 139.00 percent. Mainly came from operating performance of medical services (B3) was increased from the same period of previous year.

4. Financial position

Statement of Financial Position – Consolidated (Million Baht)	As at		Increase (Decrease)	%
	June 30, 2021	December 31, 2020		
Asset	810.94	736.90	74.04	10.05%
Liabilities	402.02	423.15	(21.13)	(4.99%)
Shareholders' equity	408.92	313.75	95.17	30.33%
Issued and fully paid-up common share (Million Share)	565.14	565.14	-	-
Par (Baht)	0.50	0.50	-	-

4.1 Assets

The total asset as at June 30, 2021 was increased in an amounting of Baht 74.04 million or 10.05 percent from the end of 2020. Significant changes was included

Cash and cash equivalents was increased in an amounting of Baht 61.24 million. Mainly came from issuance of new ordinary shares of KT Medical Services Co.,Ltd. in an amounting of Baht 80.00 million. While decreased from beauty courses refund to customer from temporarily closed all branches of Hi Healthcare Center Co., Ltd. in an amounting of Baht 9.20 million.

Trade and other receivable was increased in an amounting Baht 13.60 million due to trade accounts receivable of KT Medical Services Co.,Ltd. from quantity of patients was increased in an amounting of Baht 20.22 million and decreased from received payment trade receivable from air tube system project of Medical Vision Co.,Ltd. in an amounting of Baht 6.26 million.

Other current asset was decreased in an amounting of Baht 7.34 million. Mainly came from received a rental deposit refund from temporarily closed all branches of Hi Healthcare Center Co., Ltd. in an amounting of Baht 4.61 million and Irving Corporation Limited was received a refund for corporate income tax of the year 2017 and 2018 in an amounting of Baht 0.88 million.

Restricted bank deposits was increased in an amounting of Baht 4.03 million. Due to take a bank deposits as credit facilities collateral with a financial institution.

4.2 Liabilities

The overall liability as at 30 June 2021 was decreased from the end of 2020 by Baht 21.13 million or 4.99 percent. Significant changes included

Trade and other payable was decreased in an amounting of Baht 12.61 million. Mainly came from paid to hemodialysis supplier and annual bonus payment.

Unearned revenue was decreased in an amounting of Baht 8.14 million. Mainly came from beauty courses refund to customer of Hi Healthcare Center Co., Ltd. from temporarily closed all branches since 31 December 2020.

Long-term loan from financial institution was increased in an amounting of Baht 5.48 million. Mainly came from got a long-term loans to buy hemodialysis machine in an amounting of Baht 10.10 million and decreased from repayment of long-term loans of the group according to the payment period in an amounting of Baht 4.62 million.

4.3 Shareholders' equity

The overall shareholders' equity as at 30 June 2021 was increased from the end of 2020 in an amounting of Baht 95.17 million or 30.33 percent. Mainly came from issuance of new ordinary shares of KT Medical Services Co.,Ltd. and operation profit in first 6 months ago.

5. Company's direction in the second half of the year 2021

5.1 Filters Vision Public Company Limited

Industrial and OEM (B1)

From the situation of the COVID-19 disease which trends to severe continuously. As a result, the company's customers postpone work in high epidemic areas as well as to find a common approach to work for reduce the risk of spreading. Currently, the customer have a clear guideline for the company to be able to work proceed. As a result, the revenue can be gradually recognized respectively. Furthermore, the company continuously focused on marketing strategy to be a leader of water treatment technology and sterilization to customer solution. The Company has continuous expansion to product presentation and project for a large leading industrial factory. Present we received purchase order from food and beverage global industrial customer by 9 projects in an amounting of Baht 22.41 million which is expected to be completed in third and fourth quarter of 2021.

Commercial and residential (B2)

The Company directly affected from COVID-19 disease. As a result, the company unable service in some area which affected from epidemic situation. Furthermore, the government has issued a serious control measure decree situation by sitting prohibit in restaurants and temporarily closed some places such as department store, shopping center, community mall etc. and open till 8.00 p.m. only the supermarket and drugstore. From the above control measure which directly affect to customer sales. However, the impact of the epidemic situation resulted in customers care about healthy, cleanliness of food and beverage about management of contamination in food thus the company have an opportunity to increasing distribution of ozone products such as Hydrogen drinking water machine and Ozone water to leading food and beverage restaurants.

5.2 KT Medical Services Co., Ltd. operates a Hemodialysis center to patients with chronic kidney disease with the quantity of patient was increased steadily. For the second half of year 2021, we have plans to start operation new 2 - 5 Hemodialysis centers according to economic situation.

5.3 Irving Corporation Limited, distribution a Hemodialysis solution product and installation of water treatment systems for medical services which got continuous orders. Currently, we received purchase orders from customers by 1 projects in an amounting of Baht 0.28 million and expected to be completed in third quarter of 2021.

5.4 Medical Vision Company Limited which service for installation and maintenance of pneumatic tube carrier systems. Currently, we received 4 purchase orders in a total amounting of Baht 26.01 million, which under installation and expected to be completed in third and fourth quarter of 2021.

Sincerely Yours,

Wijit Techakasem
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Managing Director