

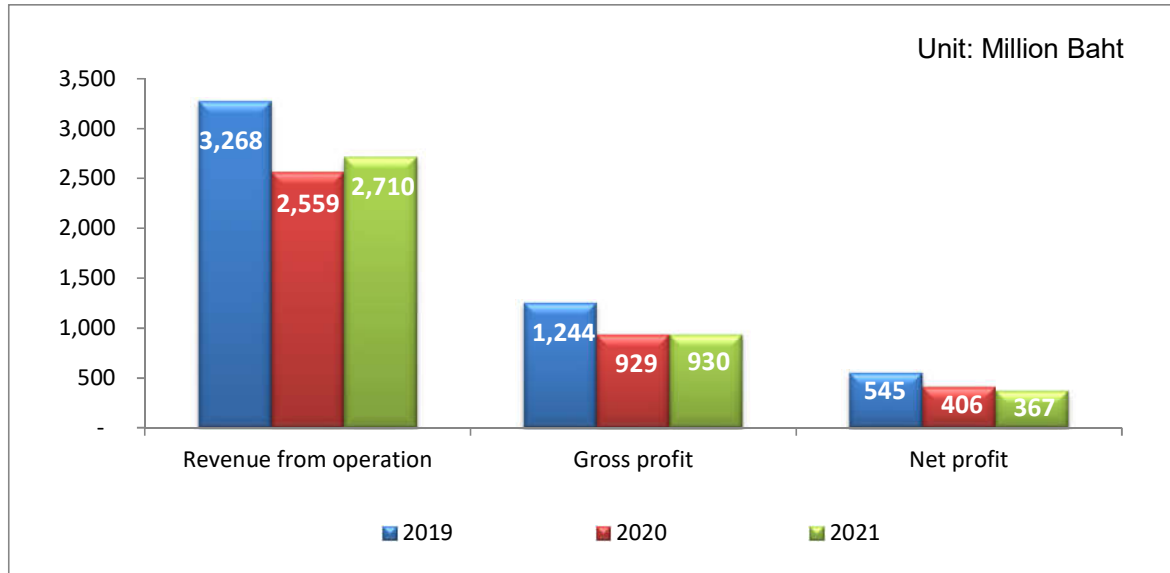
Samitivej Public Company Limited
Management Discussion and Analysis
For 3rd. Quarter ended 30 September 2021

Samitivej Public Company Limited (“The Company”) has submitted the financial statements for the 3rd Quarter ended 30 September 2021 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 September 30, 2021 and 2020 presented operating result with net profit Baht 367 million and Baht 406 million decreased 10% and 26% respectively. The separate financial statements resulted with net profit were Baht 302 million and Baht 327 million decreased 8% and 24% respectively, comparing to the same period of 2020. However, performance for Q3/2021 has been improved significantly from Q2/2021 resulting from Thailand lockdown relaxation.

The operating results are as follow: -

The Consolidated Financial Statements

The operating result for the three – month period



▪ **Revenue**

- Q3/2021 Samitivej Sukhumvit and Samitivej Srinakarin customer mainly are Thai. Samitivej Sukhumvit has foreign patients approximately 38% while Samitivej Srinakarin has foreign patients approximately 12%. The revenue mainly came from medicines, medical supplies, lab services and doctor's fee.
- Revenue from hospital operations for the three-month period of Q3/2021 was Baht 2,710 million, increased by Baht 151 million or 6% comparing to the same period of 2020, due to the increase in the number of patients from the COVID-19.

▪ **Expenses**

- Total expense for Q3/2021 was Baht 2,271 million, increased by Baht 197 million or 9% from the same period of 2020. The increasing amount included the cost of hospital operations, sales and services amounted Baht 149 million or 9% and the administrative expenses amounted Baht 48 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**

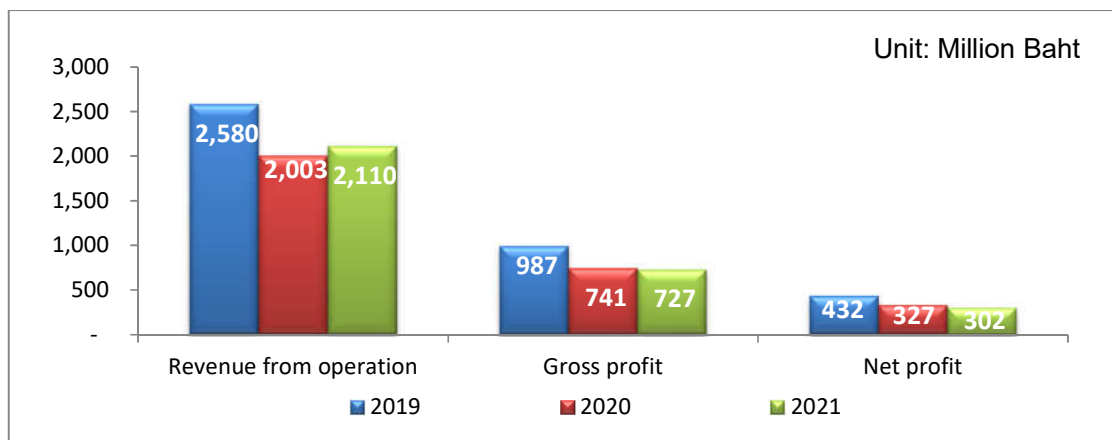
- Income Tax for Q3/2021 was Baht 100 million, decreased by Baht 1 million or 1%, from the same period of 2020.

▪ **Net Profit**

- Net profit for Q3/2021 was Baht 367 million, decreased by Baht 39 million or 10% from the same period of 2020.

The Separate Financial Statements

The operating result for the three – month period



▪ **Revenue**

- Revenue from hospital operations for the three-month period of Q3/2021 was Baht 2,110 million, increased by Baht 106 million or 5% comparing to the same period of 2020, due to the increase in the number of patients from the COVID-19.

▪ **Expenses**

- Total expense for Q3/2021 was Baht 1,772 million, increased by Baht 148 million or 9% from the same period of 2020. The increasing amount included the cost of hospital operations, sales and services amounted Baht 120 million or 10% and the administrative expenses amounted Baht 28 million or 8%, 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 Q3/2021 was Baht 78 million, decreased by Baht 2 million or 2%, from the same period of 2020.

▪ **Net Profit**

- Net profit for Q3/2021 was Baht 302 million, decreased by Baht 26 million or 8% from the same period of 2020.

Cash Flows

(Unit: Million Baht)

Consolidated financial statements	30 September 2021	30 September 2020	Change	%
Net cash flows from operating activities	1,623	1,398	225	16.09
Net cash flows used in investing activities	(498)	(251)	(247)	98.41
Net cash flows used in financing activities	(1,355)	(1,106)	(249)	22.51
Net increase (decrease) in cash and cash equivalents	(230)	41	(271)	(660.98)
Cash and cash equivalents at beginning of the period	1,112	947	165	17.42
Cash and cash equivalents at end of the period	882	988	(106)	(10.73)

For Q3/2021 ended 30 September 2021, the Company and its subsidiaries have net decreased in cash and cash equivalent in the amount of Baht 106 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 882 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 1,623 million resulting from
 - Profit before income tax Baht 1,414 million reconcile with depreciation and amortization expense Baht 550 million, amortization Deferred income – membership Baht 43 million, Profit sharing from investments in an associate Baht 18 million, Long-term employee benefits expenses Baht 39 million.
 - Increased in operating assets of Baht 51 million and decreased in operating liabilities of Baht 75 million.
 - Cash received from interest income Baht 4 million.
 - Paid for corporate income tax Baht 367 million.

2. The Company and its subsidiaries have net cash flows used in investing activities were Baht 498 million, resulting from
 - Increase in other current financial assets Baht 305 million.
 - Dividend income Baht 24 million.
 - Decrease in short-term loan to parent company Baht 7 million.
 - Cash received from disposal of property, premises and equipment Baht 4 million.
 - Purchase of medical equipment and other fixed assets Baht 206 million.
 - Cash paid for purchase of intangible assets Baht 22 million.

3. The Company and its subsidiaries have net cash flows used in financing activities were Baht 1,355 million, resulting from
 - Cash paid for liabilities under lease agreements Baht 44 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 882 million are Cash and deposit at financial institution.

Financial Ratio

For the three-month period

Ratios Analysis	<u>30 September</u> <u>2021</u>	<u>30 September</u> <u>2020</u>	<u>Change</u>
Profitability Ratio			
▪ Gross Profit Margin	34.34	36.29	(1.95)
▪ Net Profit Margin	13.32	15.69	(2.37)
▪ Return on Asset (ROA)	3.56	3.86	(0.30)
▪ Return on Equity (ROE)	3.82	4.35	(0.53)
Accounts Receivable Turnover	2.17	1.87	0.30
Average Collection Period	42.34	49.17	(6.83)

Statements of financial position

(Unit: Million Baht)

Consolidated financial position	<u>30 September</u> <u>2021</u>	<u>31 December</u> <u>2020</u>	<u>Change</u>	<u>%</u>
Total Assets	13,449	13,729	(280)	(2.04)
Total Liabilities	3,147	3,245	(98)	(3.02)
Equity attributable to owners of the Company	9,486	9,716	(230)	(2.37)
Total shareholders' equity	10,302	10,485	(183)	(1.75)

Total assets of the Company and its subsidiaries as at 30 September 2021 were Baht 13,449 million, decreased by Baht 280 million. **Decreased from** Cash and cash equivalents Baht 230 million, Trade and other receivables Baht 33 million, Short-term loan to parent company Baht 7 million, Inventories Baht 5 million, Investments in an associate Baht 6 million, Property, premises and equipment Baht 305 million and Right-of-use assets Baht 89 million. **Increased from**, Other current financial assets Baht 306 million, Other current assets Baht 76 million, Intangible assets Baht 10 million and Other non-current assets Baht 2 million.

Total liabilities of the Company and its subsidiaries as at 30 September 2021 were Baht 3,147 million decreased by Baht 98 million. **Decreased from** Trade and other payables Baht 44 million, net decrease in liabilities under lease agreements Baht 63 million, Income tax payable Baht 78 million, net deferred income – membership Baht 37 million and Deferred tax liabilities Baht 9 million. **Increased from** Accrued expenses Baht 26 million, Other current liabilities Baht 92 million and Provision for employee benefits Baht 14 million.



Total shareholders' equity of the Company and its subsidiaries as at 30 September 2021 were Baht 10,302 million, decreased Baht 183 million.

Please kindly be informed accordingly.

Yours sincerely,

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(Mr.Jirat Jakpitaksat)

Authorized to sign on behalf of the Company