

## Samitivej Public Company Limited

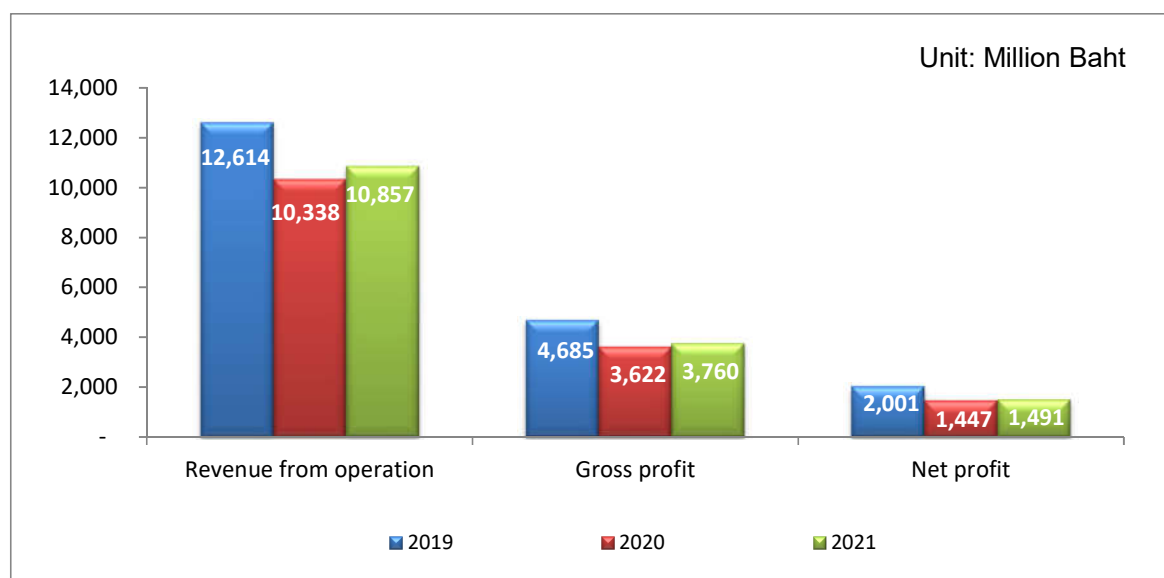
### Management Discussion and Analysis

### For the Year ended 31 December 2021

According to Samitivej Public Company Limited (“The Company”) has submitted the financial statements for the year ended 31 December 2021 and 2020 which was audited by the Company’s Auditor and Board of Directors. Due to the impact of the COVID-19 Pandemic in the second half of the first quarter of 2020 to the present time has had impact on business operations including 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 presented operating result in net profit Baht 1,491 million and Baht 1,447 million which increased 3% and decreased 28% respectively, comparing to the same period in 2020. The separate financial statements result in net profit were Baht 1,375 million and Baht 1,336 million which increased 3% and decreased 25% respectively, comparing to the same period in 2020. However, the performance for 2021 has been improved significantly from 2020 as a result of Thailand lockdown relaxation.

#### The Consolidated Financial Statements

The operating result for Year



▪ **Revenue**

- For year 2021, Samitivej Sukhumvit and Samitivej Srinakarin customers mainly are Thai. Samitivej Sukhumvit has foreign patients approximate 40% while Samitivej Srinakarin has foreign patients approximate 9%. The revenue mainly came from medicines, medical supplies, lab services and doctor's fees.
- Revenue from hospital operations for year 2021 was Baht 10,857 million, increased by Baht 519 million or 5% from the same period of 2020, the revenue gained from the increase in the number the COVID-19 patients.

▪ **Expenses**

- Total expense for year 2021 was Baht 9,069 million, increased by Baht 468 million or 5% from the same period of 2020 which was increasing from cost of hospital operations, sales and services by Baht 380 million or 6% and increasing from administrative expenses Baht 87 million or 5%, the main cost was increased from medicines and medical supplies, lab services, doctor's fees including manpower, cost management during COVID-19 pandemic. In addition, the administrative cost was also increased in the same direction as the incomes.

▪ **Income Tax**

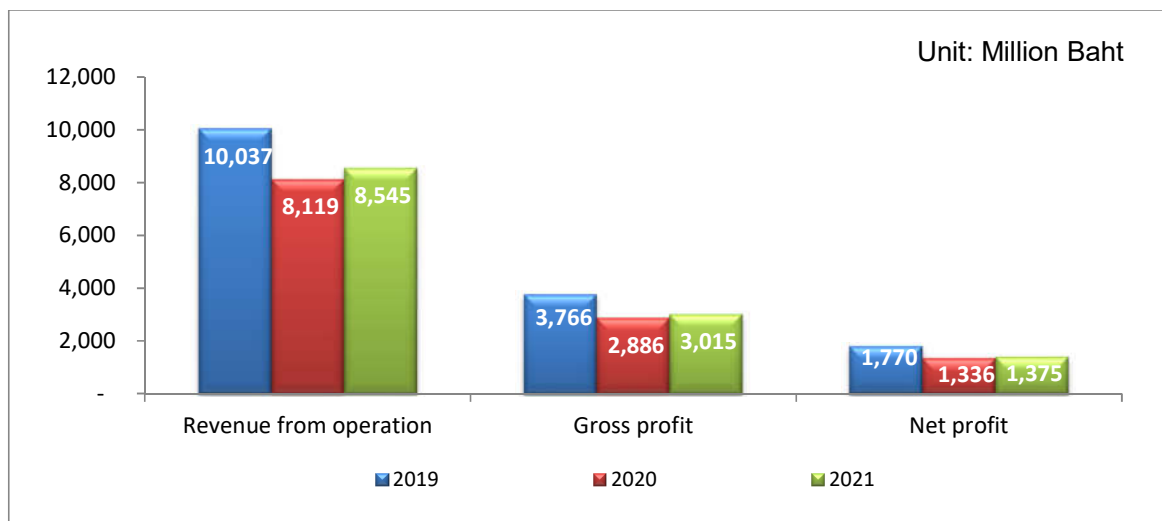
- Income Tax for year 2021 was Baht 392 million, increased by Baht 25 million or 7%, from the same period in 2020.

▪ **Net Profit**

- Net profit for year 2021 was Baht 1,491 million, increased by Baht 44 million or 3% from the same period in 2020.

**The Separate Financial Statements**

The operating result for Year



▪ **Revenue**

- Revenue from hospital operations for year 2021 was Baht 8,545 million, increased by Baht 426 million or 5% comparing to the same period of 2020, the revenue gained from the increase in the number the COVID-19 patients.

▪ **Expenses**

- Total expense for year 2021 was Baht 7,113 million, increased by Baht 344 million or 5% from the same period of 2020 which was increasing from cost of hospital operations, sales and services by Baht 297 million or 6% and increasing from administrative expenses Baht 47 million or 3%, the main cost was increased from cost of medicines and medical supplies, lab services, doctor's fee including manpower, cost management during COVID-19 pandemic. In addition, the administrative cost was also increased in the same direction with incomes.

▪ **Income Tax**

- Income Tax for year 2021 was Baht 312 million, increased by Baht 26 million or 9%, from the same period in 2020.

▪ **Net Profit**

- Net profit for year 2021 was Baht 1,375 million, increased by Baht 40 million or 3% from the same period in 2020.

**Cash Flows**

(Unit: Million Baht)

<b>Consolidated financial statements</b>	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>Change</b>	<b>%</b>
Net cash flows from operating activities	2,325	2,084	241	11.56
Net cash flows used in investing activities	(296)	(816)	520	(63.73)
Net cash flows used in financing activities	(1,367)	(1,103)	(264)	23.93
Net increase in cash and cash equivalents	662	165	497	301.21
Cash and cash equivalents at beginning of the period	1,112	947	165	17.42
Cash and cash equivalents at end of the period	1,774	1,112	662	59.53

As at 31 December 2021, the Company and its subsidiaries have net increase in cash and cash equivalent of Baht 662 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 1,774 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 2,325 million, resulting from the following:
  - Profit before income tax Baht 1,966 million reconcile with the depreciation and the amortization expense Baht 728 million, bad debt and expected credit losses Baht 50 million, amortisation of deferred income – membership Baht 60 million, share of profit from investment in an associate Baht 26 million and provision for employees benefit expenses Baht 50 million.
  - Increased in operating of assets Baht 140 million, Increased in operating liabilities Baht 143 million.
  - Cash received from interest income Baht 7 million.
  - Paid for corporate income tax Baht 389 million.
  
2. The Company and its subsidiaries have net cash flows used in investing activities were Baht 296 million, resulting from the following:
  - Increase in other current financial assets Baht 319 million.
  - Dividend received Baht 24 million.
  - Decrease in short-term loans to parent company Baht 258 million.
  - Cash received from sale of medical equipment, other fixed assets and intangible assets Baht 16 million.
  - Cash paid for purchase of property, premises and equipment Baht 240 million.
  - Cash paid for purchase of intangible assets Baht 35 million.
  
3. The Company and its subsidiaries have net cash flows used in financing activities were Baht 1,367 million, resulting from the following:
  - Cash paid for purchase of investment in a subsidiary from non-controlling interests of a subsidiary Baht 3 million.
  - Repayment of liabilities under lease agreements Baht 57 million.
  - Increase in non-controlling interests by invest of investment in a subsidiary Baht 20 million.
  - Dividend paid in the amount of Baht 1,300 million.
  - Dividend paid by subsidiaries to non-controlling interests Baht 28 million.

Cash and cash equivalents at end of the period by Baht 1,774 million are Cash and deposit at financial institutions.

### Financial Ratio

<b>Ratios Analysis</b>	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>Change</b>
<b>Profitability Ratio</b>			
▪ Gross Profit Margin	34.64	35.03	0.39
▪ Net Profit Margin	13.54	13.82	0.28
▪ Return on Asset (ROA)	14.20	14.06	0.14
▪ Return on Equity (ROE)	15.61	15.21	0.40
<b>Accounts Receivable Turnover</b>	8.48	7.25	1.23
<b>Average Collection Period</b>	43.06	50.34	(7.28)

### Statements of financial position

(Unit: Million Baht)

<b>Consolidated financial position</b>	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>Change</b>	<b>%</b>
Total Assets	14,109	13,730	379	2.76
Total Liabilities	3,869	3,246	623	19.19
Equity attributable to owners of the Company	9,391	9,716	(325)	(3.34)
Total shareholders' equity	10,240	10,485	(245)	(2.33)

**Total Assets** of the Company and its subsidiaries as at 31 December 2021 were Baht 14,109 million, increasing Baht 379 million. It can be explained as follows:

**Increased from** Cash and cash equivalents Baht 662 million, Trade and other receivables Baht 26 million, Other current financial assets Baht 320 million, Other current assets Baht 64 million, Investment in an associate Baht 7 million, Intangible assets Baht 10 million, Deferred tax assets Baht 1 million, and Other non-current assets Baht 1 million.

**Decreased from** Short-term loans to parent company Baht 258 million, Property, premises and equipment Baht 364 million, Right-of-use assets Baht 90 million.

**Total liabilities** of the Company and its subsidiaries as at 31 December 2021 were Baht 3,869 million, increasing Baht 623 million. It can be explained as follows:

**Increased from** Trade and other payables Baht 42 million, accrued expenses Baht 36 million, income tax payable Baht 8 million, Other current liabilities Baht 693 million and Deferred tax liabilities Baht 20 million.

**Decreased from** Liabilities under lease agreements Baht 57 million, Deferred income - membership Baht 43 million and Provision for employee benefits Baht 77 million.

**Total shareholders' equity** of the Company and its subsidiaries as at 31 December 2021 were Baht 10,240 million, decreased Baht 244 million.

Please kindly be informed accordingly

Yours sincerely,

.....  
(Mr.Jirat Jakpitaksat)

Authorized to sign on behalf of the Company