

EKH/CS/2022/006

24th February 2022

Subject : Management Discussion and Analysis for 2021 results

To : Directors and Manager
The Stock Exchange of Thailand

Ekachai Medical Care Public Company Limited (the “Company”) would like to clarify on the operating results for the yearly period at the end of 31st December 2021 as follows.

Summary

Consolidated Financial Statements

The Company and its subsidiaries had total revenues of THB 1,201.03 million, 82.33% increase from the previous year which was THB 658.73 million, profit attributable to equity holders of the company was THB 344.83 million, compared to the same period of the previous year, which amounted to THB 72.10 million or representing an increase of 378.27%.

Separate Financial Statements

The Company reported total revenues of THB 1,165.62 million, 82.87% increase from the previous year which was THB 637.42 million, profit attributable to equity holders of the company was THB 356.01 million, compared to the previous year, which amounted to THB 104.40 million or representing an increase of 241.01%

The main factor that makes income and profits grow exponentially as a result of the COVID-19 epidemic continually, people who receive testing services for COVID-19 and hospitalized due to infection with COVID-19. In addition, in 2021, the hospital opened hospital at the Central Place Hotel and the field bed at the meditation center at Wat Krok Krak to support patients infected with COVID-19.

In the increase in other income, it comes from investment income in the amount of THB 44.38 million, rental income and others in the amount of THB 10.30 million.

The details of the explanation and analysis of the financial position and operating results are as follows.

Income Statements

The Company and Subsidiaries Revenue from Hospital Operations was THB 1,146.36 million, an increase of 77.52% compared the previous year which was THB 645.75 million. The main factor is the result of the spread of the COVID-19 virus as a result, the service recipients, both inpatients outpatients continued to increase.

Cost of Hospital Operations (including depreciation and amortization) was THB 602.79 million or increase 34.01% compared the previous year which was THB 449.81 million , most of them are personnel costs, staff expenses and increased overtime costs.

Administrative expenses (including depreciation and amortization) were THB 173.05 million increase 32.52% compared the previous year which was THB 130.58 million , Most of them come from employee compensation.

Profit attributable to shareholders of the Company amounted to THB 344.83 million, an increase of 378.27% compared to the previous year which was THB 72.10 million.

(Unit : Million Baht)	Consolidated Financial Statements			Separate Financial Statements		
	2021	2020	%	2021	2020	%
Revenues from hospital operations	1,146.36	645.75	77.52%	1,111.39	604.53	83.84%
Cost of hospital operations	602.79	449.81	34.01%	570.16	408.17	39.69%
Administrative expenses	173.05	130.58	32.52%	152.59	108.03	41.25%
Gross Profit	543.57	195.94	177.42%	541.23	196.36	175.63%
Profit to equity holders of the company	344.83	72.10	378.27%	356.01	104.4	241.01%

Statements of Financial Position

As of 31 December 2021, the Company reported total current assets of THB 447.30 million, increase from THB 259.92 million as of 31 December 2020. Most of them were the result of a increase in trade accounts and other receivables, other current financial assets and other current assets.

Non-current assets increased to THB 884.94 million, compared to December 31, 2020, which was THB 742.57 million, This was mainly due to an increase in other non-current financial assets. land, buildings and equipment are mainly.

The company had current liabilities of THB 183.56 million, increase from as of December 31, 2020, which was THB 98.14 million, mainly dued to an increase in trade payables and other payables, Income tax payable and deferred revenues.

Non-current liabilities of THB 45.36 million, a decrease from December 31, 2020, which amounted to THB 46.79 million.

The shareholders' equity decreased to THB 1,103.32 million from THB 857.56 million as of December 31, 2020 as a result of the premium on treasury shares and profit from business operations. The company had a return on equity ratio of 31.25% and the debt to equity ratio of 0.21.

(Unit : Million Baht)	Consolidated Financial Statements			Separate Financial Statements		
	2021	2020	%	2021	2020	%
Total assets	1,332.24	1,002.49	32.89%	1,278.95	938.18	36.32%
Total liabilities	228.92	144.93	57.95%	174.02	94.51	84.13%
Total shareholder's equity	1,103.32	857.56	28.66%	1,104.93	843.67	30.97%
Debt to equity (D/E)	0.21	0.17		0.16	0.11	
Return on equity (ROE) (%)	31.25%	8.41%		32.22%	12.37%	

Please be informed accordingly.

Yours faithfully,
Ekachai Medical Care PCL.

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