

February 28, 2022

Ref: SET-2022-002

Re: Management Discussion and Analysis for the year 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 year 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 year 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 since June to August 2021 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 which affect to some project was stopped or delayed. However in September 2021 the COVID-19 situation in Thailand was better and population has started to get vaccine. So the government has cool down epidemic control such as open the department store and allow to sitting in the restaurants. Our customers can come back to open their own business which affect to revenue of B2 can recognize again as well. Moreover B1 can start to continue their project and recognize revenue again as well. However the situation it has affected to revenue of Filter Vision Public Company Limited that was decreased when compare with the same period in last year.

However, COVID-19 pandemic didn't affect to medical services (B3) directly which operated by the subsidiaries 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 18 Hemodialysis Center (228 Hemodialysis Machines) 1 Hemodialysis Center in Bangkok, 8 Hemodialysis Centers in northeastern provinces, 2 Hemodialysis Center in western province, 4 Hemodialysis Centers in northern provinces, 1 Hemodialysis Center in central province and 2 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 temporarily closed all branches since December 31, 2020 due to loss on operation continuously. 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 the Year Ended December 31,		Increase (Decrease)	%
	2021	2020		
Revenues from sales and services	645.43	558.80	86.63	15.50%
Gross profit from sales and services	179.94	147.14	32.80	22.29%
Other income	5.48	2.62	2.86	109.16%
Selling expenses	18.75	18.30	0.45	2.46%
Administrative expenses	111.07	136.61	(25.54)	(18.70%)
Net profit (loss) before finance costs and corporate income tax	55.60	(5.15)	60.75	1,179.61%
Finance costs	6.91	9.21	(2.30)	(24.97%)
Corporate income tax	9.50	1.19	8.31	698.32%
Profit (loss) from continuing operation	39.19	(15.55)	54.74	352.03%
Profit (loss) from discontinued operation	3.60	(81.17)	84.77	104.44%
Profit (loss) for the period	42.79	(96.72)	139.51	144.24%
Other comprehensive income - net of tax	-	5.79	(5.79)	(100.00%)
Total Comprehensive income for the period	42.79	(90.93)	133.72	147.06%
Profit (loss) Sharing for the Period				
- The Company's Equity	37.98	(87.41)	125.39	143.45%
- Non-controlling Interest	4.81	(3.52)	8.33	236.65%

3.1 Revenues from sales and services

Revenues from sales and services was decreased from the year 2020 in an amounting of Baht 86.63 million or 15.50 percent which can be divided into business segments as per information in following table

Revenue by Business Segments	For the Year Ended December 31,			
	2021		2020	
	Million Baht	(%)	Million Baht	(%)
Revenues from continuing operations				
1. Industrial and OEM (B1) ¹	102.34	15.84%	109.94	17.99%
2. Commercial and residential (B2) ¹	233.65	36.16%	237.36	38.86%
3. Medical services (B3) ²	309.44	47.89%	211.50	34.62%
Total Revenues from continuing operations	645.43	99.89%	558.80	91.47%
Revenues from discontinued operation				
4. Medical beauty treatment service (B4) ³	0.71	0.11%	52.08	8.53%
Total Revenues from Discontinued Operations	0.71	0.11%	52.08	8.53%
Total Revenues	646.14	100.00%	610.88	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**).

Industrial and OEM (B1)

The revenue from business segment B1 was decreased from previous year in an amounting of Baht 7.60 million or 6.91 percent. Due to customer was postpone to work in epidemic area resulting in revenue recognition has been postpone including affecting customers to delay or postpone decision for large project as well. However some project of large water system can be partially operated during September 2021.

Commercial and residential (B2)

The revenue from business segment B2 was decreased from previous year in an amounting of Baht 3.71 million or 1.56 percent. Mainly came from revenue of water system installation due to food and beverage customers group was postpone branches expansion and delay order because of COVID-19 situation however during the September 2021, the Company was started earning revenue from

maintenance income and equipment distribution related to customer come back to open their own business.

Medical services (B3)

The revenue from business segment B3 was increased from previous year in an amounting of Baht 97.94 million or 46.31 percent. Due to the quantity of patients and Hemodialysis center were increased.

Medical beauty treatment services (B4)

The revenue from business segment B4 was decreased from previous year in an amounting of Baht 51.37 million or 98.64 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 previous year in an amounting of Baht 25.54 million or 18.70 percent. Mainly came allowance for doubtful debt of trade account receivables were decreased from allowance for doubtful debt recognition and received payments from long overdue debtors.

3.3 Operating results

The Group's net profit was increased from previous year in an amounting of Baht 139.51 million or 144.24 percent. Mainly came from temporarily closed all branches of Hi Healthcare Center Co., Ltd. and operating performance of medical services (B3) was increased from the same period of prior year.

4. Financial position

Statement of Financial Position – Consolidated (Million Baht)	As at		Increase (Decrease)	%
	December 31, 2021	December 31, 2020		
Asset	843.82	736.90	106.92	14.51%
Liabilities	407.28	423.15	(15.87)	(3.75%)
Shareholders' equity	436.54	313.75	122.79	39.14%
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 December 31, 2021 was increased in an amounting of Baht 106.92 million or 14.51 percent from the end of 2020. Significant changes was included

Cash and cash equivalents was increased in an amounting of Baht 16.33 million. Mainly came from issuance of new ordinary shares of KT Medical Services Co., Ltd. in an amounting of Baht 80.00 million and received loan from financial institution in an amounting of Baht 10.10 million. While decreased from Hemodialysis machine and other equipment payment in an amounting of Baht 42.27 million and beauty courses refund to customer from temporarily closed all branches of Hi Healthcare Center Co., Ltd. in an amounting of Baht 9.85 million.

Trade and other receivable was increased in an amounting Baht 84.58 million. Mainly came from trade accounts receivable of KT Medical Services Co., Ltd. was increased in an amounting of Baht 51.49 million, customer of Filter Vision Public Company Limited in waste water treatment project in an amounting of Baht 15.52 million and customer of Medical Vision Company Limited in pneumatic tube carrier systems project in an amounting of Baht 14.04 million.

Inventory was increased in an amounting Baht 6.72 million. Mainly came from Filter Vision Public Company Limited prepare their stocks for support customers after Government cool down epidemic control and moreover KT Medical Services Company Limited reserve their stocks for expansion branch in the future.

Other current asset was decreased in an amounting of Baht 10.00 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 4.79 million.

Restricted bank deposits was increased in an amounting of Baht 4.07 million. Due to take a bank deposits as credit facilities collateral with a financial institution.

4.2 Liabilities

The overall liability as at 31 December 2021 was decreased from the end of 2020 by Baht 15.87 million or 3.75 percent. Significant changes included

Trade and other payables was decreased in an amounting of Baht 10.55 million. Mainly came from paid to Hemodialysis machine supplier of KT Medical Services Co., Ltd. in an amounting of Baht 13.37 million

Unearned revenue was decreased in an amounting of Baht 5.54 million. Mainly came from beauty courses refund to customer of Hi Healthcare Center Co., Ltd. from temporarily closed all branches since 31 December 2020.

Lease Liability was decreased in an amounting of Baht 4.13 million. Mainly came from leasing agreements termination of Hi Healthcare Center Co., Ltd. and leasing agreements expired of the parent company.

4.3 Shareholders' equity

The overall shareholders' equity as at 31 December 2021 was increased from the end of 2020 in an amounting of Baht 122.79 million. Mainly came from issuance of new ordinary shares of KT Medical Services Co., Ltd. in an amounting of Baht 80 million and the Group's operation profit in 2021.

5. Company's direction in the last quarter of the year 2022

5.1 Filters Vision Public Company Limited

Industrial and OEM (B1)

Since September 2021 the COVID-19 situation in Thailand was better and population has started to get vaccine. Result to B1 projects can start to continue and recognize revenue again. 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 8 projects in an amounting of Baht 12.04 million which is expected to be completed in first quarter of 2022.

Commercial and residential (B2)

Since the government has cool down epidemic control such as open the department store and allow to sitting in the restaurants. Our customers can come back to open their own business which affect to revenue of B2 can recognize again as well such as revenue from preventive maintenance of water system and revenue from installation water system. Moreover 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. Currently, we still have plans to

branch expansion and continuously increase Hemodialysis machines. For the year 2022, we expected to expand branches about 3 - 7 places and increase 50 - 80 Hemodialysis machines 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 6 projects in an amounting of Baht 5.39 million and expected to be completed in first quarter of 2022.

5.4 Medical Vision Company Limited which service for installation and maintenance of pneumatic tube systems. Currently, we received purchase orders from customers by 5 projects in a total amounting of Baht 6.68 million, which under installation and expected to be completed in first quarter of 2022.

Sincerely Yours,

Wijit Techakasem
(Dr.Wijit Techakasem)
Managing Director