

Samitivej Public Company Limited
Management Discussion and Analysis
For 1st Quarter ended 31 March 2022

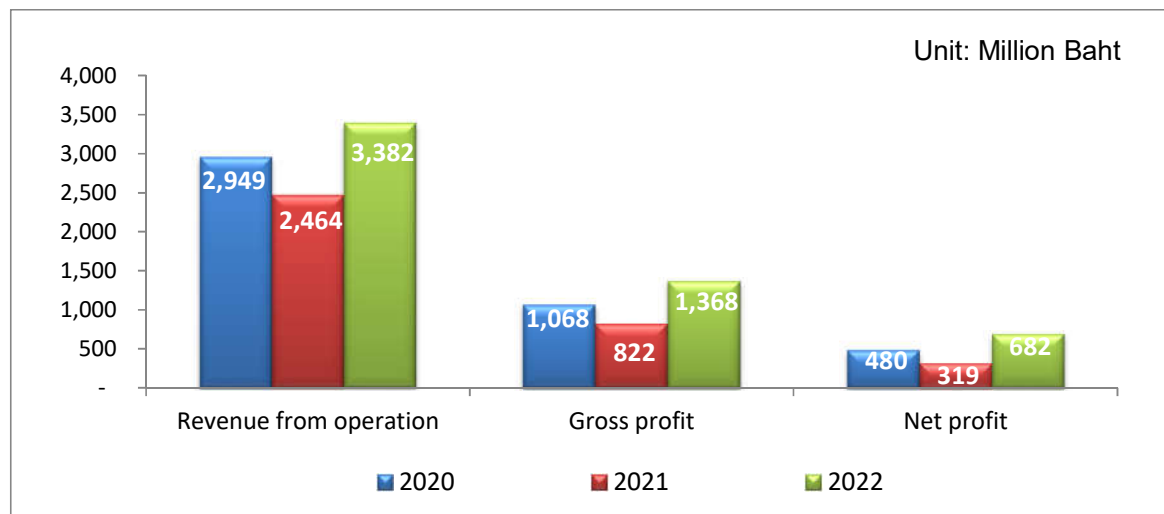
Samitivej Public Company Limited (“The Company”) has submitted the financial statements for the 1st Quarter ended 31 March 2022 and 2021 which were reviewed by the Company’s Auditor and the Audit Committee. Due to the new variants of COVID-19 (Omicron) have spread rapidly from Q4/2021 to the present, the number of infected patients has increased but have mild symptoms and Thailand’s reopening caused the group of foreign customers has increased from last year made a significant positive impact to revenue.

The consolidated financial statements presented operating result with a net profit of Baht 682 million and Baht 319 million increased of 114% and decreased of 34% respectively, compared to the same period of 2021. The separate financial statements resulted in a net profit were Baht 651 million and Baht 341 million increased of 91% and decreased by 14% respectively, compared to the same period of 2021.

The operating results are as follow: -

The Consolidated Financial Statements

The operating result for the three – month period



▪ **Revenue**

Samitivej Sukhumvit and Srinakarin customer mainly are Thai. Samitivej Sukhumvit has foreign patients of approximately 45% while Samitivej Srinakarin has foreign patients of approximately 17% mostly Japanese and Arabic patients. The revenue mainly came from medicines, medical supplies, lab services and doctor's fee.

Revenue from hospital operations for the three-month period of Q1/2022 was Baht 3,382 million, increased by Baht 918 million or 37% compared to the same period of 2021.

The increasing revenue gained from COVID-19 screening tests for foreign tourists (Test & GO) the ongoing outbreak of the Omicron strain in Thai people including the increased income from the health checkup compared to the same quarter of the previous year.

▪ **Expenses**

- Total expenses for the first quarter of 2022 is amounted Baht 2,544 million, increasing of Baht 458 million or 22% from the same period of the year 2021. The increasing amount included the cost of hospital operations, sales and services amounted Baht 372 million or 23% and the administrative expenses amounted Baht 86 million or 19% which increased in the same direction of the revenue.

▪ **Income Tax**

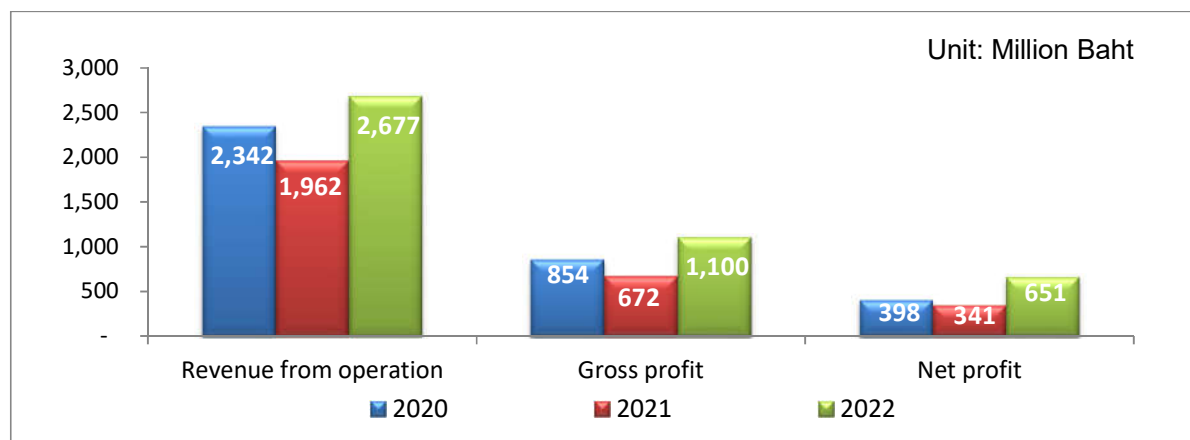
- Income Tax for Q1/2022 was Baht 177 million increased by Baht 96 million or 117% from the same period of 2021.

▪ **Net Profit**

- Net profit for Q1/2022 was Baht 682 million, increased by Baht 363 million or 114% from the same period of 2021.

The Separate Financial Statements

The operating result for the three – month period



▪ **Revenue**

- Revenue from hospital operations for Q1/2022 was Baht 2,677 million, increased by Baht 715 million or 36% from the same period of 2021. The operating revenue increased both of OPD and IPD due to the increasing revenue gained from COVID-19 screening tests for foreign tourists (Test & GO) the ongoing outbreak of the Omicron strain in Thai people including the increased income from the health checkup compared to the same quarter of the previous year.

▪ **Expenses**

- Total expenses for the first quarter of 2022 is amounted Baht 1,997 million, increasing Baht 349 million or 21% from the same period of the year 2021. The increasing amount included the cost of hospital operations, sales and services amounted Baht 286 million or 22% and the administrative expenses amounted Baht 63 million or 18% which increased in the same direction of the revenue.

▪ **Income Tax**

- Income Tax for Q1/2022 was Baht 143 million, increased by Baht 75 million or 111% from the same period of 2021.

▪ **Net Profit**

- Net profit for Q1/2022 was Baht 651 million, increased by Baht 310 million or 91% from the same period of 2021.

Cash Flows

(Unit: Million Baht)

Consolidated financial statements	<u>31 March</u> <u>2022</u>	<u>31 March</u> <u>2021</u>	<u>Change</u>	<u>%</u>
Net cash flows from operating activities	897	763	134	17.56
Net cash flows used in investing activities	(1,333)	(215)	(1,118)	520.00
Net cash flows from (used in) financing activities	(618)	3	(621)	(20,700)
Net increase (decrease) in cash and cash equivalents	(1,054)	551	(1,605)	(291.29)
Cash and cash equivalents at beginning of the period	1,774	1,112	662	59.53
Cash and cash equivalents at end of the period	720	1,663	(943)	(56.70)

For Q1/2022 ended 31 March 2022, the Company and its subsidiaries have net decreased in cash and cash equivalent in the amount of Baht 1,054 million, cash equivalents at the beginning of the period by Baht 1,774 million resulting cash and cash equivalent at the end of period was Baht 720 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 897 million resulting from
 - Profit before income tax Baht 895 million reconcile with depreciation and amortization expense Baht 169 million, amortisation of deferred income - membership Baht 15 million, Long-term employee benefits expenses of Baht 10 million and profit sharing from investments in an associate of Baht 21 million.
 - Increased in operating assets of Baht 251 million, increased in operating liabilities of Baht 123 million.
 - Cash received from interest income Baht 2 million.
 - Paid for corporate income tax Baht 25 million.

2. The Company and its subsidiaries have net cash flows used in investing activities were Baht 1,333 million, resulting from
 - Increase in other current financial assets Baht 880 million.
 - Increase in short-term loans to parent company Baht 366 million.
 - Purchase of medical equipment and other fixed assets Baht 77 million.
 - Cash paid for purchase of intangible assets Baht 10 million.

3. The Company and its subsidiaries have net cash flows used in financing activities were Baht 618 million, resulting from
 - Repayment of liabilities under lease agreements Baht 18 million.
 - Dividend Baht 600 million.

Cash and cash equivalents at end of the period by Baht 721 million are Cash and deposit at financial institutions.

Financial Ratio

Ratios Analysis	<u>31 March 2022</u>	<u>31 March 2021</u>	<u>Change</u>
Profitability Ratio			
▪ Gross Profit Margin	40.46	33.38	7.08
▪ Net Profit Margin	19.96	12.77	7.19
▪ Return on Asset (ROA)	6.28	3.01	3.27
▪ Return on Equity (ROE)	7.01	3.23	3.78
Accounts Receivable Turnover	2.59	1.96	0.63
Average Collection Period	34.72	45.88	(11.16)

Statements of financial position

(Unit: Million Baht)

Consolidated financial position	<u>31 March 2022</u>	<u>31 December 2021</u>	<u>Change</u>	<u>%</u>
Total Assets	14,462	14,109	353	2.50
Total Liabilities	3,537	3,869	(332)	(8.58)
Equity attributable to owners of the Company	10,073	9,391	682	7.26
Total shareholders' equity	10,925	10,240	685	6.69

Total assets of the Company and its subsidiaries as at 31 March 2022 were Baht 14,462 million, increased by Baht 353 million. **Increased from** Trade and other receivables Baht 286 million, Short-term loans to a parent company Baht 366 million, Other current financial assets Baht 880 million, Investments in associated companies Baht 21 million and Intangible assets Baht 5 million.

Decreased from Cash and cash equivalents Baht 1,053 million, Inventories Baht 8 million, Other current assets Baht 33 million, Property, premises and equipment Baht 95 million, and Right-of-use assets Baht 16 million.

Total liabilities of the Company and its subsidiaries as at 31 March 2022 were Baht 3,537 million decreased by Baht 332 million. **Increased from** Trade and other payables Baht 37 million, accrued expenses Baht 118 million, income tax payable Baht 152 million and Deferred tax liabilities Baht 1 million.



Decreased from Lease liabilities Baht 14 million, Net deferred income – membership Baht 13 million, other current liabilities Baht 603 million and Provision for employee benefits Baht 9 million,

Total shareholders' equity of the Company and its subsidiaries as at 31 March 2022 were Baht 10,925 million, increased Baht 685 million.

Please kindly be informed accordingly.

Yours sincerely,

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(Mr.Jirat Jakpitaksat)

Authorized to sign on behalf of the Company