

Sor Kor 0576 / 2022

12 May 2022

Subject: Management Discussion and Analysis Quarter 1 Year 2021

To: Director and Manager,

The Stock Exchange of Thailand

Sikarin Public Company Limited and its subsidiary (the “Company”) have reported the financial statements for Q1/2022 ended 31 March 2022 that were audited by the auditor. Sikarin would like to inform the operating results for Q1/2022 ended 31 March 2022 detail shown as the following:

Management Analysis

The Company and its subsidiaries have total operating income in Quarter 1 year 2022 (“Q1 / 2022”) in the amount of 1,752.27 million Baht, an increase of 75.60 percent from 997.86 million Baht in Q1/2021 due to an increase in the group of patients receiving special treatment requiring surgery and increase number of social security privileges. As a result, the net profit in Q1/2022 is 381.72 million Baht, an increase of 303.79 percent from 94.53 million Baht in the Q1/2021.

Summary of Important Events

- The epidemic situation of COVID-19, Omicron species leading to the number of infected people in Thailand to increase in the beginning of 2022, the Company and its subsidiaries take this topic very serious in every aspect for the safety of all visitors through a standardized screening system including training to educate the team of medical personnel and staff at all levels.



- **Sikarin Hospital** upgrading medical capacity by launching "Women's Health Institute" under the concept of "Understanding...all ages of women" consisting of pregnancy care, comprehensive treatment of gynecological diseases and cancer infertility care Gynecological laparoscopic surgery and sexual health care.
- **Sikarin Hospital Group together with the Social Security Office** implemented the "Hospital for Insurers" project through 10 leading hotels, as well as a 4,000-bed hospital to create safety for insurers and reduce the spread of COVID-19.
- **Sikarin Samut Prakan Hospital, in collaboration with the Ministry of Labor Immigration office and the Myanmar government** conducting COVID-19 screening services by ATK method and medical certificate issuing services for foreign workers. The Center for Consideration of Permission to Stay in the Kingdom allowed to work and issuing a certificate of identity (CI)

Consolidated Financial Statement Operating Performance

For Q1/2022

Revenue from Operation

Unit: million Baht

Revenue from Operation	Q1/2022	Q1/2021	Change	Q4/2021	Change
Revenue from medical treatment	1,736.81	983.94	76.52%	2,508.26	-30.76%
Revenue from sales of food and beverages	6.98	6.83	2.12%	7.99	-12.64%
Other Revenue	8.48	7.09	19.62%	5.12	65.63%
Total Revenue from Operation	1,752.27	997.86	75.60%	2,521.36	-30.50%

For Q1/2022, the Company and its subsidiaries have total operating revenue of 1,752.27 million Baht, an increase of 75.60 percent from 997.86 million Baht in Q1/2021 as a result of

- Revenue from medical treatment in the amount of 1,736.81 million Baht, an increase of 752.87 million Baht or 76.52 percent from the Q1/2021, mainly due to an increase in medical revenues among social security patients and specific treatment patients such as orthopedic clinic, women's health clinic, and a comprehensive laparoscopic surgery center, which have continue to grow.

Operating Expense

Unit: million Baht

Operating Expense	Q1/2022	Q1/2021	Change	Q4/2021	Change
Cost of medical treatment	1,062.68	673.28	57.84%	1,077.62	-1.39%
Cost of sales of food and beverages	4.79	4.63	3.46%	5.27	-9.11%
Selling and Administrative Expense	191.00	184.89	3.30%	385.04	-50.39%
Financial Cost	12.35	17.05	-27.57%	16.72	-26.05%
Total Operating Expense (Including depreciation)	1,270.82	879.85	44.44%	1,484.65	-14.40%

For Q1/2022, the Company and its subsidiary have total operating expense including depreciation of 1,270.82 million Baht, an increase of 44.44 percent from 879.85 million Baht in Q1/2021 due to

- Cost of medical treatment of 1,062.68 million Baht, an increase of 389.40 million Baht or 57.84 percent from Q1/2021, mainly due to an increase in the number of people receiving services through various medical institutions, however, it was found that the cost of medical treatment could be improved. The proportion of costs of medical treatment to revenue from hospital operations was 61.19 percent, a decrease of 7.24 percent from 68.43 percent in Q1/2021

Profitability Analysis

Unit: million Baht

Profitability Analysis	Q1/2022	Q1/2021	Change
Gross Profit	674.13	310.66	117.00%
Gross Profit Margin (percent)	38.47	31.13	
EBITDA	612.78	242.10	11.15%
EBITDA margin (percent)	34.97	24.26	
Net Profit	381.72	94.53	303.79%
Net Profit margin (percent)	21.78	9.47	

From the table above, in Q1/2022

- In Q1/2022, the Company and its subsidiaries had gross profit of 674.13 million Baht, an increase of 363.47 million Baht or 117.00 percent from 310.66

million Baht in Q1/2021, while in Q1/2022 the gross profit margin equal to 38.47 percent, an increase of 7.34 percent from 31.13 in Q1/2021.

- In Q1/2022, the Company and its subsidiaries had EBITDA of 612.78 million Baht, an increase of 370.68 million Baht or 11.15 percent from 242.10 million Baht in Q1/2021, while in Q1/2022, the EBITDA margin equal to 34.97 percent, an increase of 10.71 percent from 24.26 percent in Q1/2021.
- In Q1/2022, the Company and its subsidiaries net profit margin was 21.78 percent, an increase of 12.31 percent from 9.47 percent in Q1/2021.

Consolidated Financial Position

Unit: million Baht

Consolidated Financial Position	31 Mar 2022	31 Dec 2021	Change
Total Assets	8,354.35	8,089.66	3.27%
Total Liabilities	2,381.85	2,503.45	-4.86%
Shareholder Equity of the Company	5,898.56	5,516.83	6.92%
Total Shareholder Equity	5,972.50	5,586.21	6.92%

Consolidated financial statements of the Company and its subsidiaries as of 31 March 2022 had total assets of 8,354.35 million Baht, an increase from 2021 of 264.69 million Baht or 3.27 percent.

The Company and its subsidiaries have current assets as of 31 March 2022 amounted to 2,835.88 million Baht, an increase of 169.18 million Baht or an increase of 6.34 percent compared to the end of the year.

The Company and its subsidiaries have non-current assets as of 31 March 2022 amounted to 5,518.47 million Baht, an increase of 95.50 million Baht or an increase of 1.76 percent compared to the end of the year.

The Company and its subsidiaries have current liabilities as of 31 March 2022 amounted to 1,522.99 million Baht, a decrease of 107.70 million Baht or a decrease of 6.60 percent compared to the end of the year.

The Company and its subsidiaries have non-current liabilities as of 31 March 2022 amounted to 858.86 million Baht, a decrease of 13.91 million Baht or a decrease of 1.59 percent compared to the end of the year.

The Company and its subsidiaries have shareholder's equity as of 31 March 2022 amounted to 5,972.50 million Baht, an increase of 386.29 million Baht or an increase of 6.92 percent compared to the end of the year.

Please be informed accordingly,

Sincerely Yours,

(Mr. Suriyan Kojonroj)
Director and Company Secretary