

May 12, 2022

 Subject Management's Discussion and Analysis for the three-month period ended March 31th, 2022.

 To The President
The Stock Exchange of Thailand

 The Company and its subsidiaries ("the Group") would like to report factors that affect the financial performance for the consolidated financial statements for the three-month period ended March 31th, 2022 as follows;

- **Net profit (loss)**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2022	2021	Million	Baht
Profit (loss)	7.9	(1.9)	9.8	+530

The Group's net profit for the first quarter of 2022 amounted to 7.9 million baht, an increase of 9.8 million baht or 530% increase from the same period last year. This was due to an increase in dental services revenue of 23.2 million baht or 27%, with revenue growth from both Thai and foreign customers. This was caused by post-covid situation in Thailand which had return to normal. There are foreign tourists traveling under Test & Go measures and Thai customers who relieve their concerns since most of the country's population has received 2 doses of vaccination, both foreign tourist and Thai customers have come back to use dental services of the group of companies.

- **Revenue from sales and services**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2022	2021	Million Baht	%
Revenue from rendering of service	111.1	87.9	23.2	27%
Revenue from sales of goods	55.2	54.9	0.3	1%
Total revenue	166.3	142.8	23.5	17%



บริษัท เดนทัล คอร์ปอเรชั่น จำกัด (มหาชน)

DENTAL CORPORATION PUBLIC COMPANY LIMITED

สำนักงานใหญ่ 157 ชั้น 2 ถนนรัชดาภิเษก แขวงดินแดง เขตดินแดง กรุงเทพมหานคร 10400 โทร.(66) 2 245 7197-98

Head Office 157, 2nd Floor, Ratchadaphisek Rd., Din Daeng, Din Daeng, Bangkok 10400 Tel. (66) 2 245 7197-98

เลขทะเบียนบริษัท 0107559000281 Company Registration No. 0107559000281

Dental services segment

In the first quarter of 2022, the income of the dental service business increased for both Thai and foreign customers. The dental services has opened as usual with cleanliness and safety standards to create confidence for users, in the first quarter of 2022, customers had an average of 17,000 visit volume (15,000 times in the first quarter of 2021), and the Group had revenue from Thai customers in the first quarter of 2022 amounted to 66.8 million baht, an increase of 6% from the previous year (Q1 of 2021 amounted to 63.3 million baht) and revenue from foreign customers in the first quarter of 2022 amounted to 43 million baht, an increase of 80% from the previous year. (Q1 of 2021, amounting to 24 million baht), most foreign customers are tourists who have started to return to Thailand, under the Test & Go measure and they came to use dental services of the group companies.

In addition, the opening of the Bangkok International Dental Hospital (BIDH) focuses on high-income Thai customers, Foreign executives living in Thailand (Expat), and tourists (Tourist) who are customers with high purchasing power. They generated income for the Group in the first quarter of 2022 amounted to 17.5 million baht (Q1 of 2021 amounted to 16 million baht), with a growth rate of 10 percent, and only in March 2022 under the measure of opening tourism from Government, BIDH accounts for 90% of revenue from foreign customers.

Distribution of dental supplies and equipment segment

In the first quarter of 2022, the Group's revenue from sales of dental materials and equipment amounted to 55.2 million baht, unchanged from the year 2021. Dental Vision Company Limited (a subsidiary) sells materials and dental equipment such as milling heads, implants, dental chairs, x-ray machines to dental laboratories and dental clinic including bids for projects from Faculty of Dentistry of both public and private universities

Cost of sales and rendering of services

	Q1 (3M) 2022	Q1 (3M) 2021	Increase (Decrease)	
			Million Baht	%
Cost - Dental services segment	72.8	60.7	12.1	20%
Gross profit margin	34%	31%		
Cost - Distribution of dental supplies and equipment	40.1	40.9	(0.8)	-2%
Gross profit margin	27%	26%		

The dental services segment reported gross margins increased 3% to 34% from the increase in revenues, mainly from high-value international clients. The company has fixed costs such as rent, depreciation of assets and right to use assets, and staff costs.

The distribution of dental supplies and equipment segment had no significant change in gross profit margin from the previous year.

- **Expenses**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2022	2021	Million	Baht
Distribution costs	14.1	13.3	0.8	6%
Administrative expenses	27.9	27.6	0.3	1%
Finance costs	4.1	3.9	0.2	6%

Distribution costs

Distribution costs increased by 0.8 million baht, an increase from online advertising costs through Google, Facebook because the company had an online marketing strategy with a focus on visibility and target audience.

Administrative expenses

Administrative expenses had no significant change from last year.

Finance cost

Finance costs had no significant change from last year.

- **Others**

	Q1 (3M)	Q1 (3M)	Increase (Decrease)	
	2022	2021	Million	Baht
Other income	2.8	1.3	1.5	116%
Tax revenue (expenses)	(2.1)	0.4	2.5	625%



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Other income

Other income increases from subsidy for employers who affected by COVID-19 that the group of companies receives money approximately of Baht 1 million from the government.

Tax revenue (expenses)

Tax expenses increased from the calculation of corporate income tax because the company has a profit

Sincerely yours,

-Mr. Nattasit Surapanpairoj-

Authorized to sign on behalf of the Company