

Sor Kor 1011 / 2022

10 August 2022

Subject: Management Discussion and Analysis Quarter 2 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 Q2/2022 ended 30 June 2022 that were audited by the auditor. The Company would like to report the following details:

Management Analysis

The Company and its subsidiaries have a total operating income in Quarter 2 Year 2022 (“Q2/2022”) in the amount of 1,348.70 million Baht, an increase of 12.56 percent from 1,198.22 million Baht in Q2/2021 due to an increase in the group of patients receiving special treatment requiring surgery and providing health check-up services through a mobile hospital model including participating in health check-up services in various government projects. As a result, the net profit in Q2/2022 is 171.73 million Baht, an increase of 17.14 percent from 146.59 million Baht in Q2/2021.

Summary of Important Events

- **Sikarin Public Company Limited** has been selected for the ESG100 Securities Group Universe 2022, from a selection of 851 listed securities with outstanding environmental, social, and governance (ESG) performance by the ESG Rating Unit of Thaipat Institute.



- **Sikarin Hospital Group** launches Mobile Hospital under the concept "Sikarin" by your side for contract company customers or corporate customers to provide health promotion services, including Smart Check Up, Smart Dental, and a full range of medical services.
- **Sikarin Hospital Group together with the Department of Employment, Ministry of Labor** provides screening services for COVID-19 by ATK method and health checks for issuing medical certificates for migrant workers at the center for permission to stay in the Kingdom, allowed to work, and issuing a certificate of identity (CI)

Consolidated Financial Statement Operating Performance

For Q2/2022

Revenue from Operation

Unit: million Baht

Revenue from Operation	Q2/2022	Q2/2021	Change	Q1/2022	Change
Revenue from medical treatment	1,332.64	1,182.84	12.66%	1,736.81	(23.27%)
Revenue from sales of food and beverages	7.04	7.94	-11.33%	6.98	0.86%
Other Revenue	9.02	7.44	21.27%	8.48	6.37%
Total Revenue from Operation	1,348.70	1,198.22	12.56%	1,752.27	(23.03%)

For Q2/2022, the Company and its subsidiaries have total operating revenue of 1,348.70 million Baht, an increase of 12.56 percent from 150.48 million Baht in Q2/2021 as a result of

- Revenue from medical treatment in the amount of 1,332.64 million Baht, an increase of 149.80 million Baht or 12.66 percent from Q2/2021, mainly due to an increase in medical revenues among social security patients and specific treatment patients including collaborating with the government to provide screening services for COVID-19 using ATK methods and health checks to issue medical certificates for migrant workers at the Center for Permission to Stay in the Kingdom, allowed to work and issuing a certificate of identity (CI).

Operating Expense

Unit: million Baht

Operating Expense	Q2/2022	Q2/2021	Change	Q1/2022	Change
Cost of medical treatment	880.80	797.59	10.43%	1,062.68	(17.12%)
Cost of sales of food and beverages	5.20	5.76	-9.66%	4.79	8.56%
Selling and Administrative Expense	233.88	194.55	20.22%	191.00	22.45%
Total Operating Expense (Including depreciation)	1,119.88	997.89	12.22%	1,258.47	(11.01%)

For Q2/2022, the Company and its subsidiary have total operating expenses including depreciation of 1,119.88 million Baht, an increase of 12.22 percent from 997.89 million Baht in Q2/2021 due to

- Cost of medical treatment of 880.89 million Baht, an increase of 83.21 million Baht or 10.43 percent from Q2/2021, 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 66.09 percent, a decrease of 1.34 percent from 67.43 percent in Q2/2021.

Profitability Analysis

Unit: million Baht

Profitability Analysis	Q2/2022	Q2/2021	Change
Gross Profit	449.84	385.25	16.77%
Gross Profit Margin (percent)	33.91	32.57	
EBITDA	351.82	312.91	12.43%
EBITDA margin (percent)	26.09	26.11	
Net Profit	171.73	146.59	17.15%
Net Profit margin (percent)	12.83	12.23	

From the table above, in Q2/2022

- In Q2/2022, the Company and its subsidiaries had a gross profit of 449.84 million Baht, an increase of 64.59 million Baht or 33.91 percent from 385.25 million Baht in Q2/2021, while in Q2/2022 the gross profit margin equal to 33.91 percent, an increase of 1.34 percent from 32.57 in Q2/2021.
- In Q2/2022, the Company and its subsidiaries had EBITDA of 351.82 million Baht, an increase of 38.91 million Baht or 26.09 percent from 312.91 million Baht in Q2/2021, while in Q2/2022, the EBITDA margin equal to 26.09 percent, a decrease of 0.02 percent from 26.11 percent in Q2/2021.
- In Q2/2022, the Company and its subsidiaries net profit margin was 12.83 percent, an increase of 0.60 percent from 12.23 percent in Q2/2021.

Consolidated Financial Position

Unit: million Baht

Consolidated Financial Position	30 Jun 2022	31 Dec 2021	Change
Total Assets	7,858.51	8,089.66	(2.86%)
Total Liabilities	1,959.88	2,503.45	(21.71%)
Shareholder Equity of the Company	5,823.34	5,516.83	5.56%
Total Shareholder Equity	5,898.63	5,586.21	5.59%

Consolidated financial statements of the Company and its subsidiaries as of 30 June 2022 had total assets of 7,858.51 million Baht, a decrease from 2021 of 231.15 million Baht or 2.86 percent.

The Company and its subsidiaries have current assets as of 30 June 2022 amounted to 2,294.39 million Baht, a decrease of 372.30 million Baht or a decrease of 13.96 percent compared to the end of the year.

The Company and its subsidiaries have non-current assets as of 30 June 2022 amounting to 5,564.12 million Baht, an increase of 141.15 million Baht or a decrease of 2.60 percent compared to the end of the year.

The Company and its subsidiaries have current liabilities as of 30 June 2022 amounted to 1,192.63 million Baht, a decrease of 438.50 million Baht or a decrease of 26.86 percent compared to the end of the year.

The Company and its subsidiaries have non-current liabilities as of 30 June 2022 amounting to 767.24 million Baht, a decrease of 105.53 million Baht or a decrease of 12.09 percent compared to the end of the year.

The Company and its subsidiaries have shareholder's equity as of 30 June 2022 amounted to 5,898.63 million Baht, an increase of 312.42 million Baht or an increase of 5.59 percent compared to the end of the year.

Please be informed accordingly,

Sincerely Yours,

(Mr. Suriyan Kojonroj)
Director and Company Secretary