

Samitivej Public Company Limited
Management Discussion and Analysis
For 3rd. Quarter ended 30 September 2022

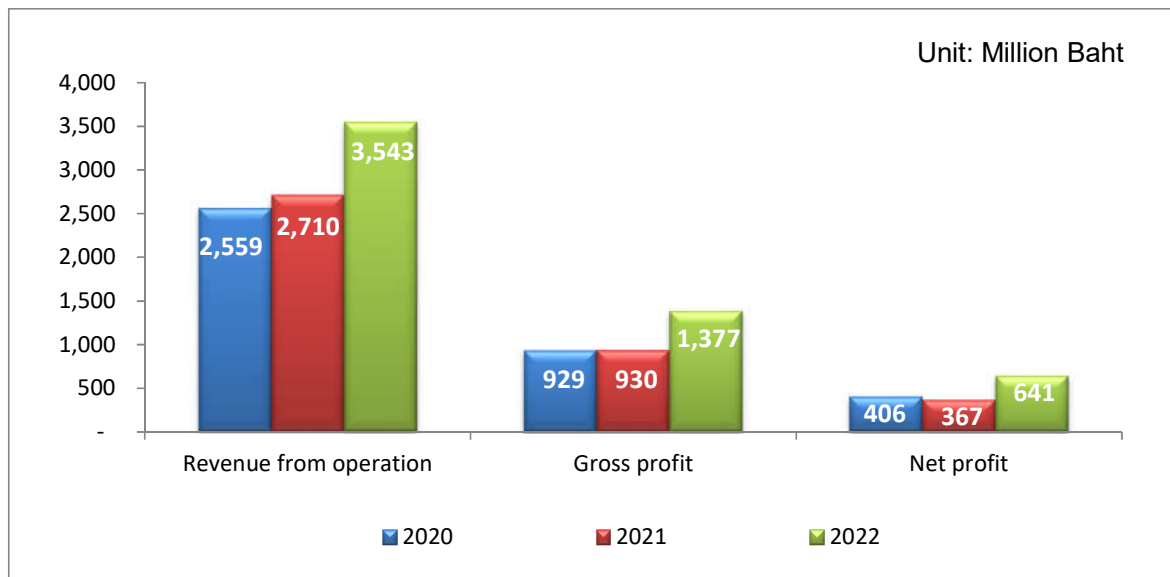
Samitivej Public Company Limited (“The Company”) has submitted the financial statements for the 3rd Quarter ended 30 September 2022 which were reviewed by the Company’s Auditor and the Audit Committee. Due to the reduction of the Covid-19 epidemic during the 2nd quarter of 2022, the group of foreign customers increased significantly from the previous year resulting in a significant increase of revenue.

The consolidated financial statements for the three months of September 30, 2022 presented operating result with net profit Baht 641 million and Baht 367 million increased 75% and decreased 11% respectively, compared to the same period of 2021. The separate financial statements resulted in a net profit were Baht 527 million and Baht 302 million increased 75% and decreased 8% respectively, compared to the same period of 2021. However, Q3/2022 results have improved significantly from Q2/2022, due to the increase in customers under 15 years old from school openings and outbreaks of RSV and influenza viruses.

The operating results are as follow: -

The Consolidated Financial Statements

The operating result for the three months.



▪ **Revenue**

- Q3/2022 Samitivej Sukhumvit and Samitivej Srinakarin customer mainly are Thai. Samitivej Sukhumvit has foreign patients approximately 41% while Samitivej Srinakarin has foreign patients approximately 9%. The revenue mainly came from medicines, medical supplies, lab services and doctor's fee.
- Revenue from hospital operations for the three months of Q3/2022 was Baht 3,543 million, increased by Baht 833 million or 31% comparing to the same period of 2021, due to the increase in customers under 15 years old from school openings and outbreaks of RSV and influenza viruses.

▪ **Expenses**

- Total expense for Q3/2022 was Baht 2,756 million, an increase by Baht 485 million or 21% from the same period of 2021 divided into the cost of hospital operations, sales, and services, an increase by Baht 387 million or 22%, and administrative expenses increased by Baht 98 million or 20%, mainly from the cost of medicines. medical supplies, lab fees, doctor's fees, including staff expenses, and administrative expenses in every aspect by increasing in the same direction of the revenue.

▪ **Income Tax**

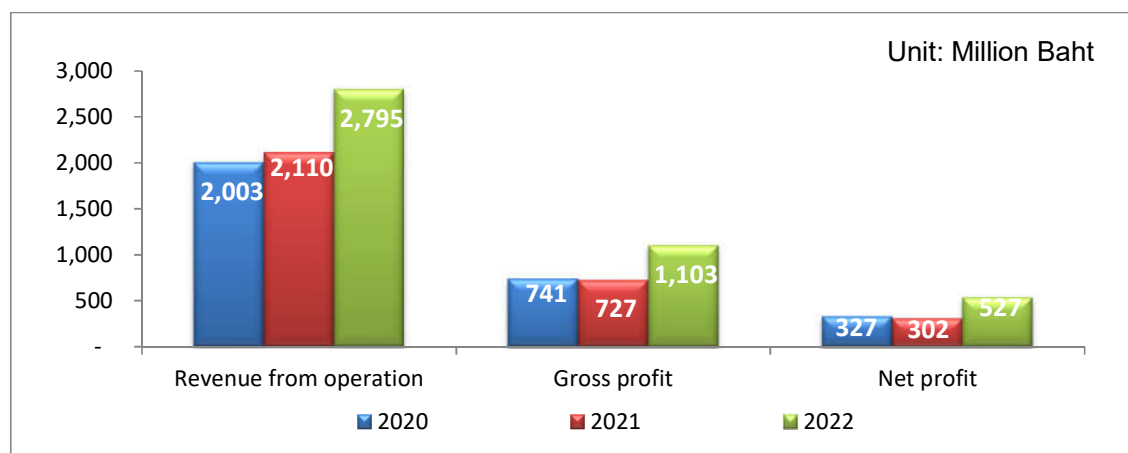
- Income Tax for Q3/2022 was Baht 167 million, increased by Baht 67 million or 67%, from the same period of 2021.

▪ **Net Profit**

- Net profit for Q3/2022 was Baht 641 million, increased by Baht 275 million or 75% from the same period of 2021.

The Separate Financial Statements

The operating result for the three months.



▪ **Revenue**

- Revenue from hospital operations for the three months of Q3/2022 was Baht 2,795 million, increased by Baht 685 million or 32% comparing to the same period of 2021, due to the increase in customers under 15 years old from school openings and outbreaks of RSV and influenza viruses.

▪ **Expenses**

- Total expense for Q3/2022 was Baht 2,165 million, an increase by Baht 393 million or 22% from the same period of 2021 divided into the cost of hospital operations, sales, and services, an increase by Baht 310 million or 22%, and administrative expenses increased by Baht 83 million or 21%, mainly from the cost of medicines. medical supplies, lab fees, doctor's fees, including staff expenses, and administrative expenses in every aspect by increasing in the same direction of the revenue.

▪ **Income Tax**

- Income Tax for Q3/2022 was Baht 133 million, increased by Baht 56 million or 72%, from the same period of 2021.

▪ **Net Profit**

- Net profit for Q3/2022 was Baht 527 million, increased by Baht 226 million or 75% from the same period of 2021.

Cash Flows

(Unit: Million Baht)

Consolidated financial statements	30 September 2022	30 September 2021	Change	%
Net cash flows from operating activities	2,432	1,623	809	49.85
Net cash flows used in investing activities	(1,788)	(498)	(1,290)	259.04
Net cash flows used in financing activities	(1,425)	(1,355)	(70)	5.17
Net decrease in cash and cash equivalents	(781)	(230)	(551)	239.57
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	993	882	111	12.59

For Q3/2022 ended 30 September 2022, the Company and its subsidiaries have a net decrease in cash and cash equivalent in the amount of Baht 781 million, cash equivalents at the beginning of the period by Baht 1,774 million resulting in cash and cash equivalent at the end of the period was Baht 993 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 2,432 million resulting from
 - Profit before income tax Baht 2,404 million reconcile with depreciation and amortization expense Baht 497 million, amortization Deferred income – membership Baht 45 million, Profit sharing from investments in an associate Baht 53 million, Long-term employee benefits expenses Baht 31 million.
 - Increased in operating assets of Baht 287 million and increased in operating liabilities of Baht 346 million.
 - Cash received from interest income Baht 9 million.
 - Paid for corporate income tax Baht 489 million.

2. The Company and its subsidiaries have net cash flows used in investing activities were Baht 1,788 million, resulting from
 - Increase in other current financial assets Baht 1,172 million.
 - Dividend income Baht 32 million.
 - Increase in short-term loan to parent company Baht 377 million.
 - Purchase of medical equipment and other fixed assets Baht 251 million.
 - Cash paid for purchase of intangible assets Baht 21 million.

3. The Company and its subsidiaries have net cash flows used in financing activities were Baht 1,425 million, resulting from
 - Cash paid for liabilities under lease agreements Baht 42 million.
 - Paid dividend by Baht 1,350 million.
 - Paid dividend by a subsidiary company to non-controlling interests by Baht 33 million.

Cash and cash equivalents at end of the period of Baht 993 million are Cash and deposit at financial institution.

Financial Ratio

For the three months

Ratios Analysis	<u>30 September 2022</u>	<u>30 September 2021</u>	<u>Change</u>
Profitability Ratio			
▪ Gross Profit Margin	38.85	34.34	4.51
▪ Net Profit Margin	17.93	13.32	4.61
▪ Return on Asset (ROA)	5.76	3.62	2.14
▪ Return on Equity (ROE)	6.36	3.82	2.54
Accounts Receivable Turnover	2.48	2.17	0.31
Average Collection Period	37.06	42.34	5.28

Statements of financial position

(Unit: Million Baht)

Consolidated financial position	<u>30 September 2022</u>	<u>31 December 2021</u>	<u>Change</u>	<u>%</u>
Total Assets	15,296	14,109	1,187	8.41
Total Liabilities	3,589	3,869	(280)	(7.24)
Equity attributable to owners of the Company	10,793	9,391	1,402	14.93
Total shareholders' equity	11,706	10,240	1,466	14.32

Total assets of the Company and its subsidiaries as at 30 September 2022 were Baht 15,296 million, increased by Baht 1,187 million. **Increased from** Trade and other receivables Baht 320 million, Short-term loan to parent company Baht 377 million, Inventories Baht 5 million, Other current financial assets Baht 1,173 million, Investments in an associate Baht 21 million, Property, premises and equipment Baht 185 million and Intangible assets Baht 5 million. **Decreased from**, Cash and cash equivalents Baht 781 million, Other current assets Baht 59 million and Right-of-use assets Baht 58 million.

Total liabilities of the Company and its subsidiaries as at 30 September 2022 were Baht 3,589 million decreased by Baht 279 million. **Decreased from** net decrease in liabilities under lease agreements Baht 56 million, Income tax payable Baht 10 million, net deferred income – membership Baht 11 million and Other current liabilities Baht 656 million. **Increased from** Trade and other payables Baht 45 million, Accrued expenses Baht 321 million, Provision for employee benefits Baht 12 million and Deferred tax liabilities Baht 76 million.



Total shareholders' equity of the Company and its subsidiaries as at 30 September 2022 were Baht 11,706 million, decreased Baht 1,466 million.

Please kindly be informed accordingly.

Yours sincerely,

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(Mr.Jirat Jakpitaksat)

Authorized to sign on behalf of the Company