

**Performance Overview for the 3rd Quarter 2022**

**THE KLINIQUE MEDICAL CLINIC PUBLIC COMPANY LIMITED (“The Company”)**

The Operating results of the Company was as follows:

**Statements of Comprehensive Income**

	Quarter 3/2022		Quarter 3/2021		Changed		For the nine-month period ended				Changed	
							September 30, 2022		September 30, 2021			
	MB	%	MB	%	MB	% YoY	MB	%	MB	%	MB	% YoY
Revenue from sales and rendering services	432.41	100.0%	158.51	100.0%	273.90	172.8%	1,147.13	100.0%	610.09	100.0%	537.04	88.0%
Cost of sales and medical services	(193.47)	-44.7%	(71.34)	-45.0%	(122.13)	171.2%	(499.49)	-43.5%	(259.60)	-42.6%	(239.89)	92.4%
<b>Gross Profit</b>	<b>238.94</b>	<b>55.3%</b>	<b>87.17</b>	<b>55.0%</b>	<b>151.77</b>	<b>174.1%</b>	<b>647.64</b>	<b>56.5%</b>	<b>350.49</b>	<b>57.4%</b>	<b>297.15</b>	<b>84.8%</b>
Other income	2.29	0.5%	0.25	0.2%	2.04	816.0%	4.75	0.4%	1.21	0.2%	3.54	292.6%
<b>Profit before expenses</b>	<b>241.23</b>	<b>55.8%</b>	<b>87.42</b>	<b>55.2%</b>	<b>153.81</b>	<b>175.9%</b>	<b>652.39</b>	<b>56.9%</b>	<b>351.70</b>	<b>57.6%</b>	<b>300.69</b>	<b>85.5%</b>
Distribution costs	(124.14)	-28.7%	(43.65)	-27.5%	(80.49)	184.4%	(322.10)	-28.1%	(179.75)	-29.5%	(142.35)	79.2%
Administrative expenses	(60.77)	-14.1%	(27.07)	-17.1%	(33.70)	124.5%	(149.84)	-13.1%	(84.51)	-13.9%	(65.33)	77.3%
<b>Profit from operating activities</b>	<b>56.32</b>	<b>13.0%</b>	<b>16.70</b>	<b>10.5%</b>	<b>39.62</b>	<b>237.2%</b>	<b>180.45</b>	<b>15.7%</b>	<b>87.44</b>	<b>14.3%</b>	<b>93.01</b>	<b>106.4%</b>
Finance income	-	0.0%	-	0.0%	-	0.0%	0.04	0.0%	0.03	0.0%	0.01	33.3%
Finance costs	(2.97)	-0.7%	(0.87)	-0.5%	(2.10)	241.4%	(7.60)	-0.7%	(3.57)	-0.6%	(4.03)	112.9%
<b>Profit before income tax expenses</b>	<b>53.35</b>	<b>12.3%</b>	<b>15.83</b>	<b>10.0%</b>	<b>37.52</b>	<b>237.0%</b>	<b>172.89</b>	<b>15.1%</b>	<b>83.90</b>	<b>13.8%</b>	<b>88.99</b>	<b>106.1%</b>
Tax expenses	(8.81)	-2.0%	(1.05)	-0.7%	(7.76)	739.0%	(28.14)	-2.5%	(9.15)	-1.5%	(18.99)	207.5%
<b>Profit for the period</b>	<b>44.54</b>	<b>10.3%</b>	<b>14.78</b>	<b>9.3%</b>	<b>29.76</b>	<b>201.4%</b>	<b>144.75</b>	<b>12.6%</b>	<b>74.75</b>	<b>12.3%</b>	<b>70.00</b>	<b>93.6%</b>

As at the end of the 3<sup>rd</sup> Quarter 2022, the Company has 41 branches (excluding head office), by separating under each brand as follows: 34 branches under THE KLINIQUE, 1 surgery center, 3 Nail Palette branches, and 3 LAB.X branches, which 2 more branches were opened during the 3rd Quarter 2022. (Number of branches at the end of Quarter 2/2022 and Quarter 3/2021 were 39 branches and 31 branches, respectively)

Revenue from sales and rendering services for the 3rd quarter 2022 and for the nine-month period ended September 30, 2022 increased by Baht 273.90 million (172.8%) and by Baht 537.04 million (88.0%) from the same period last year as follows;

	The 3 <sup>rd</sup> Quarter				For the nine-month period ended September 30,			
	2022	2021	Increased / (Decreased)		2022	2021	Increased / (Decreased)	
	Million	Million	Million	% YoY	Million	Million	Million	% YoY
	THB	THB	THB		THB	THB	THB	
Revenue from courses sold - Cash sales	467.84	135.15	332.69	246.2%	1,236.65	569.78	666.87	117.0%
Adjust: Revenue from breakage								
– increased / (decreased)	(36.09)	20.32	(56.41)	(277.6%)	(90.69)	30.46	(121.15)	(397.7%)
Revenue from Barter Trade	-	2.93	(2.93)	(100.0%)	-	9.31	(9.31)	(100.0%)
Revenue from trading	0.66	0.11	0.55	500.0%	1.17	0.54	0.63	116.7%
	<b>432.41</b>	<b>158.51</b>	<b>273.90</b>	<b>172.8%</b>	<b>1,147.13</b>	<b>610.09</b>	<b>537.04</b>	<b>88.0%</b>

Revenue from courses sold - Cash sales for the quarter 3/2022 and for the nine-month period ended September 30, 2022 increased from the same period last year as a result of the economic recovery after the COVID-19 pandemic and ease of government policies where there were no longer closure orders. The revenue from courses sold increased in this period which came from the Energy Based Devices (Laser) services group and Injectable (Filler, Botox) groups, etc., as well as revenue from surgery centers opened in year 2022. The average daily revenue per branch for the 9-month period of 2022 and 2021 was 135,000 baht and 104,000 baht, respectively, by about 29.81% growth in revenue per branch per day (excluding Nail Palette).

Cost of sales and services for the quarter 3/2022 was Baht 193.47 million increased by Baht 122.13 million (171.2%) and for the nine-month of 2022 was Baht 499.49 million increased by 239.89 million (92.4%). There were increase in cost of medicines and medical supplies including doctor fees which were in line with increase in revenue. The significant increase in revenue came from the injectable (Filler, Botox) and Energy Based Devices (Laser) segments, which were in relation to cost of medicine and medical device, Laser tips (Ulthera, Thermage FLX, HIFU) as mentioned earlier. Moreover, increase in rental branches were resumed to normal operations and branch expansion.

Distribution Costs for the quarter 3/2022 was Baht 124.14 million increased by Baht 80.48 million (184.4%) and for the nine-month of 2022 was Baht 322.10 million increased by 142.35 million (79.2%). There were increase in commission expenses which were in line with increase in revenue. Additionally, PR and marketing expenses including signage, booth and various online medias were spent due to back to normal operation while the quarter 3/2021 and throughout the year 2021, those expenses were postponed due to the Covid-19 situation.

Administrative Expenses for the quarter 3/2022 was Baht 60.77 million increased by Baht 33.70 million (124.5%) and for the nine-month of 2022 was Baht 149.84 million increased by 65.33 million (77.3%). There were increase in salary expenses due to increase in the number of employees. Moreover, consulting fees exempted during the government shutdown in the previous year and charged normally in the 3rd quarter of 2022, such as marketing consulting fees, Branch quality inspection fees, IT service fees, etc. Increase in credit card fees which was in line with sales increased due to customers' payment by using credit cards.

## STATEMENTS OF FINANCIAL POSITION

	30 September 2022	31 December 2021	Changed	
	Baht	Baht	Baht	%YoY
Cash and cash equivalents	76,311,829	75,907,665	404,164	0.5%
Trade receivables	2,967,394	1,466,942	1,500,452	102.3%
Inventories	110,373,539	84,235,029	26,138,510	31.0%
Cost to obtain contracts with customers	47,411,221	33,658,508	13,752,713	40.9%
Prepaid expenses	20,854,743	5,573,307	15,281,436	274.2%
Other current assets	19,348,095	1,597,602	17,750,493	1111.1%
<b>Total current assets</b>	<b>277,266,821</b>	<b>202,439,053</b>	<b>74,827,768</b>	<b>37.0%</b>

	30 September 2022	31 December 2021	Changed	
	Baht	Baht	Baht	%YoY
Restricted bank deposits	5,000,000	5,000,000	-	0.0%
Plant and equipment	495,175,030	345,316,855	149,858,175	43.4%
Right-of-use assets	275,798,066	188,792,788	87,005,278	46.1%
Other intangible assets	2,949,799	2,306,350	643,449	27.9%
Deferred tax assets	13,306,235	10,389,760	2,916,475	28.1%
Guarantees and deposits	81,339,695	70,440,893	10,898,802	15.5%
<b>Total non-current assets</b>	<b>873,568,825</b>	<b>622,246,646</b>	<b>251,322,179</b>	<b>40.4%</b>
<b>Total assets</b>	<b>1,150,835,646</b>	<b>824,685,699</b>	<b>326,149,947</b>	<b>39.5%</b>
Trade and other current payables	279,209,812	125,695,585	153,514,227	122.1%
Service income received in advance	379,401,305	288,757,994	90,643,311	31.4%
Current portion of lease liabilities	73,023,228	58,100,294	14,922,934	25.7%
Current income tax payable	12,390,994	20,432,017	(8,041,023)	-39.4%
Other current liabilities	8,287,429	5,934,672	2,352,757	39.6%
<b>Total current liabilities</b>	<b>752,312,768</b>	<b>498,920,562</b>	<b>253,392,206</b>	<b>50.8%</b>
Lease liabilities	226,206,075	148,892,270	77,313,805	51.9%
Non-current provisions for employee benefits	1,294,615	1,235,425	59,190	4.8%
Deferred tax liabilities	15,486,149	11,758,737	3,727,412	31.7%
Other non-current liabilities	3,364,100	3,376,100	(12,000)	-0.4%
<b>Total non-current liabilities</b>	<b>246,350,939</b>	<b>165,262,532</b>	<b>81,088,407</b>	<b>49.1%</b>
<b>Total liabilities</b>	<b>998,663,707</b>	<b>664,183,094</b>	<b>334,480,613</b>	<b>50.4%</b>
<b>Total shareholders' equity</b>	<b>152,171,939</b>	<b>160,502,605</b>	<b>(8,330,666)</b>	<b>-5.2%</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,150,835,646</b>	<b>824,685,699</b>	<b>326,149,947</b>	<b>39.5%</b>

As at September 30, 2022, total assets were Baht 1,150.83 million increased by Baht 326.15 million (39.5%) from the end of last year which mainly came from the following reasons;

- Inventory balance of Baht 110.37 million increased by Baht 26.14 million (31.0%) due to branches expansion and laser tips from new medical equipment purchased.
- Prepaid expenses balance of Baht 20.85 million increased by Baht 15.28 million (274.2%) due to prepaid expenses for presenter in amounting to Baht 9.12 million and other prepaid expenses including prepaid expenses in relation to IPO, booth fees, billboard fees, artist fees for PR events was about Baht 4.62 million.
- Plant and equipment balance of Baht 495.18 million increased by Baht 149.86 million (43.4%) due to improvements/decoration of new branches and medical equipment purchased.
- Rights- of- use assets (ROU) balance of Baht 275.80 million increased by Baht 87.01 million (46.1%), due to new branches increased in relation to lease agreement and renewal of lease agreements of some of existing branches.

As at September 30, 2022, total liabilities were Baht 998.66 million increased by Baht 334.48 million (50.4%) from the end of last year which mainly came from the following reasons;

- Trade and other account payables balance of Baht 279.21 million increased by Baht 153.51 million (122.1%) which mainly came from dividend payable at the end of quarter 3/2022 in amounting to Baht 85 million (Paid on October 18, 2022). Moreover, increase in purchasing of medical equipment, led to assets payable rose by Baht 63.76 million such as PICO : PICOLO, Thermage FLX, Hyperion, Emsculpt Neo and Exilis Ultra 360. In addition, the accrued doctor fees increased by Baht 3.10 million, which was in relation to rendering services which were than the end of the year 2021.
- Service income received in advance (Unearned revenue) balance of Baht 379.40 million increased by Baht 90.64 million (31.4%) due to the fact that the customer has purchased courses and courses have not been used.
- Total lease liabilities balance of Baht 299.23 million increased by 92.24 million (44.6%) were increase in relation to the rights-of-use assets (ROU) from the new branches, lease agreements and renewal of lease agreements of some of existing branches.

Cash Cycle: Considering that the company is a cash collection business and credit card payments, inventory management abilities and debt repayment, as a result, the Company's cash cycle has improved from (15) days to (60) days. The liquidity ratio for the 9-month of 2022 and the year 2021 is as follows;

Liquidity Ratio (Days)	For 9-month of 2022	Year 2021
Average Collection Period	1	1
Average Inventory Period	56	87
Average Payment Period	(117)	(103)
Cash Cycle	(60)	(15)