

Sor Kor 0489/2023

10 May 2023

Subject: Management Discussion and Analysis Quarter 1 Year 2023

To: Director and Manager,  
  
The Stock Exchange of Thailand

Sikarin Public Company Limited and its subsidiary (the “Company”) have reported the financial statements for Q1/2023 ended 31 March 2023 that were audited by the auditor. Sikarin would like to inform the detail shown as the following:

### Management Analysis

The Company and its subsidiaries have total operating income in Quarter 1-year 2023 (“Q1/2023”) in the amount of 1,348.24 million Baht, a decrease of 23.06 percent from 1,752.27 million Baht in Q1/2022 due to the disappearance of revenue from COVID treatment, about 400 million Baht. As a result, the net profit in Q1/2023 is 212.65 million Baht, a decrease of 44.29 percent from 381.72 million Baht in Q1/2022. However, when compared to the net profit in the Q1/2020 (before the COVID-19 outbreak) of 72.61 million Baht, an increase of 192.87 percent.

### Summary of Important Events

- **Sikarin Hospital Group in collaboration with the Social Security Office and Ministry of labor** implementing a project to increase benefits for access to surgery, including breast cancer, uterine lump, kidney and gallbladder disease, stroke, and cardiovascular disease to enable insurers to access efficient medical services and reduce the waiting time for surgery.



- **Sikarin Hospital** upgrading medical potential by opening the “Gastrointestinal and Liver Disease Institute” on the 4th floor, building 3, Sikarin Hospital to provide comprehensive diagnosis and consultation services for gastrointestinal and liver disorders and problems by a team of medical professionals to diagnose and treat with modern endoscopic technology for efficiency and accuracy.
- **Sikarin Samut Prakan Hospital in collaboration with the Social Security Office and Ministry of labor** implementing a proactive insured health care project in pilot establishments in 7 provinces, focusing on finding the risk of cardiovascular disease.
- **Sikarin Samut Prakan Hospital in collaboration with the Ministry of Labor together with immigration office and Myanmar official** providing medical certificate services for foreign workers at the center for permission to stay in the Kingdom with work permit and issuing a certificate of Identity: CI.

## Consolidated Financial Statement Operating Performance

For Q1/2023

### Revenue from Operation

Unit: million Baht

Revenue from Operation	Q1/2023	Q1/2022	Change	Q4/2022	Change
Revenue from medical treatment	1,334.04	1,736.81	-23.19%	1,180.91	12.97%
Revenue from sales of food and beverages	7.06	6.98	1.15%	7.09	-0.42%
Other Revenue	7.14	8.48	-15.80%	8.37	-14.70%
<b>Total Revenue from Operation</b>	<b>1,348.24</b>	<b>1,752.27</b>	<b>-23.06%</b>	<b>1,196.37</b>	<b>12.69%</b>

For Q1/2023, the Company and its subsidiaries have total operating revenue of 1,348.24 million Baht, a decrease of 23.06 percent from 1,752.27 million Baht in Q1/2022 as a result of

- Revenue from medical treatment in the amount of 1,334.04 million Baht, a decrease of 402.77 million Baht or 23.19 percent from the Q1/2022, due to in Q1/2022, about 400 million Baht in revenue from COVID medical treatment was recorded, while this year there was no such revenue recorded. Since on 1 July 2022, the Ministry of Public Health announced that COVID-19 is an endemic disease.

## Operating Expense

Unit: million Baht

Operating Expense	Q1/2023	Q1/2022	Change	Q4/2022	Change
Cost of medical treatment	859.67	1,062.68	-19.10%	851.33	0.98%
Cost of sales of food and beverages	5.81	4.79	21.29%	6.05	-3.97%
Selling and Administrative Expense	203.98	191.00	6.80%	137.19	48.68%
<b>Total Operating Expense (Including depreciation)</b>	<b>1,069.46</b>	<b>1,258.47</b>	<b>-15.02%</b>	<b>994.57</b>	<b>7.53%</b>

For Q1/2023, the Company and its subsidiary have total operating expense including depreciation of 1,069.46 million Baht, a decrease of 15.02 percent from 1,258.47 million Baht in Q1/2022 due to

- Cost of medical treatment of 859.67 million Baht, a decrease of 203.01 million Baht or 19.10 percent from Q1/2022, mainly due to no expenses related to the hospital for special patients (Hospitel).

## Profitability Analysis

Unit: million Baht

Profitability Analysis	Q1/2023	Q1/2022	Change
Gross Profit	474.37	674.13	-29.63%
Gross Profit Margin (percent)	35.56	38.81	
EBITDA	395.64	612.78	-35.44%
EBITDA Margin (percent)	29.34	34.97	
Net Profit	212.65	381.72	-44.29%
Net Profit margin (percent)	15.77	21.78	

From the table above, in Q1/2023

- In Q1/2023, the Company and its subsidiaries had gross profit of 474.37 million Baht, a decrease of 199.76 million Baht or 29.63 percent from 674.13 million Baht in Q1/2022, while in Q1/2023 the gross profit margin equal to 35.56 percent, a decrease of 3.25 percent from 38.81 in Q1/2022.
- In Q1/2023, the Company and its subsidiaries had EBITDA of 395.64 million Baht, a decrease of 217.14 million Baht or 35.44 percent from 612.78 million Baht in Q1/2022, while in Q1/2023, the EBITDA margin equal to 29.34 percent, a decrease of 5.63 percent from 34.97 percent in Q1/2022.
- In Q1/2023, the Company and its subsidiaries' net profit margin was 15.77 percent, a decrease of 6.01 percent from 21.78 percent in Q1/2022.

## Consolidated Financial Position

Unit: million Baht

Consolidated Financial Position	31 Mar 2023	31 Dec 2022	Change
Total Assets	8,917.91	8,818.21	1.13%
Total Liabilities	1,805.44	1,919.82	-5.96%
Shareholder Equity of the Company	7,026.00	6,813.32	3.12%
Total Shareholder Equity	7,112.47	6,898.39	3.10%

Consolidated financial statements of the Company and its subsidiaries as of 31 March 2023 had total assets of 8,917.91 million Baht, an increase from 2022 of 99.70 million Baht or 1.13 percent when compared to 31 December 2022.

- The Company and its subsidiaries have current assets as of 31 March 2023 amounting to 2,204.56 million Baht, a decrease of 24.74 million Baht or a decrease of 1.11 percent compared to 31 December 2022.
- The Company and its subsidiaries have non-current assets as of 31 March 2023 amounted to 6,713.347 million Baht, an increase of 124.44 million Baht or an increase of 1.89 percent compared to 31 December 2022.

The Company's consolidated financial statements and its subsidiaries as of 31 March 2023 had total liabilities of 1,805.44 million Baht, a decrease of 114.38 million Baht from 2022, or a 5.96 percent decrease compared to 31 December 2022.

- The Company and its subsidiaries have current liabilities as of 31 March 2023 amounted to 1,034.53 million Baht, a decrease of 43.21 million Baht or a decrease of 4.01 percent compared to 31 December 2022.
- The Company and its subsidiaries have non-current liabilities as of 31 March 2023 amounted to 770.91 million Baht, a decrease of 71.17 million Baht or a decrease of 8.45 percent compared to 31 December 2022.

The Company and its subsidiaries have shareholder's equity as of 31 March 2023 amounted to 7,112.47 million Baht, an increase of 214.08 million Baht or an increase of 3.10 percent compared to 31 December 2022.

Please be informed accordingly,

Sincerely Yours,

(Mr. Suriyan Kojonroj)  
Director and Company Secretary