

บริษัท วัฒนาการแพทย์ จำกัด (มหาชน) (บมจ 456)



70/7-8 ถนนสุภกิจจรรยา ตำบลหมากแข้ง อำเภอเมือง จังหวัดอุดรธานี

Telephone (042) 241031-3 , 246181-3

70/7-8 Suphakitjanya Rd. Muang District , Udorn Thani, Thailand.

WATTANA KARNPAET PUBLIC COMPANY LIMITED

Date 14 May 2023

WATTANA KARNPAET PUBLIC COMPANY LIMITED

Management Discussion and Analysis

Executive Summary

Quarter 1/2023 Performance

Wattana Karnpaet Public Company Limited (“Company”) reported the total income in Quarter 1/2023 to be Baht 114.481 million, decreased from Baht 134.030 million, or decreased by 14.59 per cent from Quarter 1/2022. This decrease in income was due to the decrease in the number of Covid-19 patients during the first quarter of the 2022, along with the Covid-19 related services such as the Covid-19 screening tests and the vaccination service for Covid-19 vaccine.

The cost and expenses in Quarter 1/2023 was Baht 97.883 million, slightly increased from Baht 96.730 million, or 1.19 percent increase. This comprises of cost of hospital operations of Baht 82.960 million, increased from Baht 76.269 million in last year, increased by 8.77 per cent. The increase in the cost of hospital personnel, increase in depreciation from building renovation, and increase in utility costs. As for the administrative expenses was Baht 14.923 million, decreased from Baht 20.462 million in last year, or by 27.07 per cent. The decrease in administrative expenses was from the cost control in the administrative wages. Once included the financial cost of Baht 0.951 million, which increased from Baht 0.705 million in last year, or by 34.81 per cent. The company has a profit before income tax of Baht 15.647 million, decreased from Baht 36.594 million in the same quarter of last year, or by 57.24 per cent. And in Quarter 1/2023, the company has income tax of Baht 3.410 million. This resulted in the Quarter 1/2023, company had the net profit of Baht 12.238 million, decreased by 58.25 per cent. Or net profit of 1.22 Baht per share, and the comprehensive income for the Quarter of Baht 12.238 million.

In the Quarter 1/2023 company's EBITDA of Baht 26.145 million, decreased by 29.04 per cent from last year.

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WATTANA KARNAET PUBLIC COMPANY LIMITED

Quarter 1/2023 Financial Summary

Operating Income

| (Million Baht) | Quarter 1/2023 | Quarter 1/2022 | % Change |
|----------------------------------|-------------------|-------------------|----------|
| Revenue from hospital operations | 111.341 | 132.796 | (16.16%) |
| Other Income | 3.140 | 1.234 | 154.49% |
| Total Income | 114.481 | 134.030 | (14.59%) |

Cost and Expenses

| (Million Baht) | Quarter 1/2023 | Quarter 1/2022 | % Change |
|------------------------------------------|-------------------|-------------------|----------|
| Cost of hospital operations | 82.960 | 76.269 | 8.77% |
| Administrative expenses | 14.923 | 20.462 | (27.07%) |
| Financial expenses | 0.951 | 0.705 | 34.81% |
| Total cost and expenses and Finance cost | 98.834 | 97.436 | 1.43% |

Profitability Analysis

| (Million Baht) | Quarter 1/2023 | Quarter 1/2022 | % Change |
|----------------|-------------------|-------------------|----------|
| EBITDA | 26.145 | 45.475 | (29.04%) |

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WATTANA KARNAET PUBLIC COMPANY LIMITED

| | | | |
|-------------------------|--------|--------|----------|
| EBITDA margin | 22.84% | 33.93% | |
| EBIT | 16.598 | 37.300 | (81.18%) |
| EBIT margin | 14.50% | 27.83% | |
| Net profit | 12.238 | 29.314 | (58.25%) |
| Net profit margin | 10.69% | 21.87% | |
| Basic earning per share | 1.22 | 2.93 | (58.25%) |

From the above mentioned, EBITDA decreased from Baht 45.475 million in Quarter 1/2022 to Baht 26.145 million in Quarter 1/2023, or an decrease of 29.04 per cent. EBITDA margin also decreased from 33.93 per cent to 22.84 per cent.

Balance Sheet and Cash Flow

Balance Sheet

| (Million Baht) | 31 March 2023 | 31 December 2022 | % Change |
|----------------------------|---------------|------------------|----------|
| Total Assets | 607.744 | 608.706 | (0.16%) |
| Total Liabilities | 129.253 | 142.453 | (9.27%) |
| Total Shareholders' Equity | 478.492 | 466.254 | 2.62% |

In Quarter 1/2023, the total assets of the Company decreased by 0.16 per cent, resulting in the Quarter 1/2023 total assets of Baht 607.744 million. Whereas the total liabilities was decreased by 9.27 per cent, resulting in the total liabilities of Baht 129.253 million. This resulted in the total shareholders' equity in Quarter 1/2023 was Baht 478.492 million, or a 2.62 per cent increase.

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Cash Flows

| (Million Baht) | Quarter 1/2023 |
|----------------------------------------------------------|-------------------|
| Net cash provided by (used in) operating activities | 26.578 |
| Net cash provided by (used in) investing activities | 4.017 |
| Net cash provided by (used in) financing activities | (30.378) |
| Increase (Decrease) in cash and cash equivalents – net | 0.217 |
| Cash and cash equivalents at the beginning of the period | 75.374 |
| Cash and cash equivalents at the end of the period | 75.591 |

In Quarter 1/2023, the Company had net increase in cash and cash equivalent of Baht 0.217 million, with the cash and cash equivalents at the beginning of the period of Baht 75.374 million. As a result, cash and cash equivalents at the end of the period was Baht 75.591 million.

 บริษัท วัฒนาการแพทย์ จำกัด(มหาชน)
WATTANA KARNAEET PUBLIC COMPANY LIMITED



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(Suphawan Tangsubkul , M.D.) Director