

May 15, 2023

Ref: SET-2023-009

Re: Management Discussion and Analysis for the Quarter 1'2023

Attn. to: President

The Stock Exchange of Thailand

Filter Vision Public Company Limited and its subsidiaries (Hereinafter called "The Group") would like to submit Management's discussion and analysis for the Quarter 1' 2023 with the summary as follows: -

#### 1. Nature of operations of the Group

The Group has principally engaged in distribution of product and equipment, design, assembly and installation, and maintenance service of pure water treatment system; including operate clinical business which dialysis services for kidney patients who receive replacement therapy with dialysis by dialysis machinery (Dialysis Center) and distribution of medical equipment as well as medical service concerning health and esthetics.

#### 2. Overview of operating results for the First quarter of 2023

For the year 2023, Thai's economy recovery better than last year because local tourist and foreign tourist were back to normal life resulted in tourism industry and other business in Thailand growing from last year such as Retail store, Food and Beverage back to open and developer affect to revenue of the Groups which was increased from The First quarter of 2023 was around 12.88 percent.

However, Thai's economy was slowly recovery even though the prolonged conflict between Russia and Ukraine to be better situated but conflict between countries in many region still exist. Moreover the impact of the greatly baht depreciating in the year 2023 and continued high inflation have caused higher energy prices and product and service costs of the Groups.

The summary of performance in each Business Unit are describe as following;

1.) Industrial and OEM (B1) In quarter 4 2022, the business sector have started large water system project to industrial's clients. And gradually recognize revenue in First quarter 2023 as well as preventive maintenance (PM) increase came from new agreement of the old project installation.

2.) Commercial and residential (B2) which the main customers are convenience store, Restaurant and Beverage can opening as usual and household sector's purchasing power was increased from last year come which affect to the Company's revenue was increased from installation small water system and preventive maintenance (PM).

3.) Medical services (B3) which operated by KT Medical Services Public Company Limited ("KTMS") and its subsidiaries can operation as usual close to before COVID-19 pandemic situation. The summary of performance are describe as following;

3.1) KT Medical Services Public Company Limited ("KTMS") operates the business of providing hemodialysis services. (Hemodialysis) both in the form of hemodialysis clinic (Stand-Alone) and hemodialysis units in hospitals (Outsource). Currently, there are 23 Hemodialysis Center (283 Hemodialysis Machines) 1 Hemodialysis Center in Bangkok, 11 Hemodialysis Centers in northeastern provinces, 2 Hemodialysis Center in western province, 5 Hemodialysis Centers in northern provinces, 1. Hemodialysis Center in central province, 2 Hemodialysis Centers in eastern provinces and 1 Hemodialysis Center in south province

3.2) Nephro Vision Co., Ltd. ("NEP") operates the business of providing hemodialysis services with hemodialysis machines, both in the form of hemodialysis clinic (Stand-Alone) and hemodialysis units in hospitals (Outsource). NEP was established on 20 May 2022. Currently, NEP has no commercial income.

3.3) Irving Corporation Limited ("IRV") operates 4 main businesses as follows: 1.1) Design, installation of water purification system for hemodialysis and system maintenance 1.2) Production and distribution of hemodialysis concentrate 1.3) designing and decorating the hemodialysiscenters and 1.4) designing, assembling and distributing medical equipment for hemodialysis.

3.4) Medical Vision Co., Ltd. ("MV") operates the business of design and installation of pneumatic tube system including system maintenance services.

4.) Hi Healthcare Center Co., Ltd. was temporarily closed all branches since December 31, 2020 due to loss on operation continuously until the new business's opportunity and have a new suitable locations

### . Analysis of Operating Results

Statements of Comprehensive Income – Consolidated (Million Baht)	For 3-month period ended March 31,		Increase (Decrease)	%
	2023	2022		
Revenues from sales and services	214.01	189.59	24.42	12.88%
Gross profit from sales and services	53.27	53.39	(0.12)	(0.22%)
Other income	2.32	2.89	(0.57)	(19.72%)
Selling expenses	5.30	4.92	0.38	7.72%
Administrative expenses	35.40	34.33	1.07	3.12%
Net profit before finance costs and corporate income tax	14.89	17.03	(2.14)	(12.57%)
Finance costs	2.22	2.04	0.18	8.82%
Corporate income tax	3.23	3.84	(0.61)	(15.89%)
Profit from continuing operation	9.44	11.15	(1.71)	(15.34%)
Profit from discontinued operation	(0.01)	(0.15)	0.14	93.33%
Loss for the period	9.43	11.00	(1.57)	(14.27%)
Other comprehensive income - net of tax	-	-	-	-
Total Comprehensive income for the period	9.43	11.00	(1.57)	(14.27%)
Profit Sharing for the Period				
- The Company's Equity	8.14	9.38	(1.24)	(13.22%)
- Non-controlling Interest	1.29	1.62	(0.33)	(20.37%)

#### 3.1 Revenues from sales and services

For Quarter 1' 2023, Revenue from sales of goods and services for the group was increased from the same period of the year 2022 in an amounting of Baht 24.42 million or 12.88 percent, which can be described by business segment as follows:

Revenue by Business Segments	For 3-month period ended March 31,					
	2023		2022		Increase /(Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from continuing operations						
1. Industrial and OEM (B1) <sup>1</sup>	32.01	14.93%	29.55	15.59%	2.46	8.32%
2. Commercial and residential (B2) <sup>1</sup>	78.97	36.82%	70.22	37.04%	8.75	12.46%
3. Medical services (B3) <sup>2</sup>	103.03	48.04%	89.82	47.37%	13.21	14.71%
Total Revenues from continuing operations	214.01	99.79%	189.59	99.99%	24.42	12.88%
Revenues from discontinued operation						
4. Medical beauty treatment service (B4) <sup>3</sup>	0.45	0.21%	0.01	0.01%	0.44	(4,400.00%)
Total Revenues from Discontinued Operations	0.45	0.21%	0.01	0.01%	0.44	(4,400.00%)
Total Revenues	214.46	100.00%	189.60	100.00%	24.86	13.11%

<sup>1</sup>B1, B2: Filters Vision Public Company Limited (Herein after “The Company”).

<sup>2</sup>B3 : KT Medical Services Co., Ltd., Irving Corporation Ltd., Medical Vision Co., Ltd. And Nephro Vision Co., Ltd. (Herein after “The Subsidiaries”).

<sup>3</sup>B4 : Hi Healthcare Center Co., Ltd. (Herein after “The Subsidiary”) (Discontinued Operation).

#### Industrial and OEM (B1)

The revenue from this business segment B1 was increased from the same period of the year 2022 in an amounting of Baht 2.46 million or 8.32 percent, mainly due to the completion of a large water system project that continued from the end of the 4th quarter of 2022.

### Commercial and residential (B2)

The revenue of business segment B2 was increased from the same period of the year 2022 in an amounting of baht 8.75 million or 12.46 percent from the main customers, which are convenience stores, food and beverage outlets. The business was able to open as usual in the first quarter of 2023, the revenue related to the installation and maintenance of water system equipment has increased as a result.

### Medical services (B3)

Revenue from this segment was increased from the same period of the year 2022 in an amounting of Baht 13.21 million or 14.71 percent. Due to the quantity of patients and Hemodialysis center were increased.

### 3.2 Gross profit from sales and services

The Group gross profit was decreased from the same period of the year 2022 in an amounting of Baht (0.12) million or (0.22) percent. Gross profit margin decreased 3.27 percent. (2023 : 24.89% , 2022 28.16%) Mainly came from cost of goods was increased following by inflation and exchange rate as well as price of goods and freight.

### 3.3 Administration expenses

The Group administrative expense was increased from the same period of the year 2022 in an amounting of Baht 1.07 million or 3.12 percent. Mainly came from employee expenses was increased from get new employees during 2022 - 2023 and annual salary increase, donation expense to government hospitals and advertising and public relations expense etc.

### 3.4 Operating results

The Group net profit was decreased from the same period of the year 2022 in an amounting of Baht (1.57) million or (14.27) percent. Mainly came from decreasing of gross profit margin and increasing administration expense according to the reason mentioned above.

#### 4. Financial position

Statement of Financial Position – Consolidated (Million Baht)	As at		Increase/ (Decrease)	%
	March 31, 2023	December 31, 2022		
Asset	1,128.37	1,139.70	(11.33)	(0.99%)
Liabilities	407.91	428.66	(20.75)	(4.84%)
Shareholders' equity	720.46	711.04	9.42	1.32%
Issued and fully paid-up common share (Million Share)	565.14	565.14	-	-
Par (Baht)	0.50	0.50	-	-

##### 4.1 Assets

The total asset as at March 31, 2023 was decreased in an amounting of Baht (11.33) million or (0.99) percent from the end of 2022. Significant changes was included

Cash and cash equivalents was decreased in an amounting of Baht (42.37) million. Mainly came from KTMS due to purchase of land and buildings, building improvements, hemodialysis center renovation, dialysis machine and equipment for new branch including paid for annual bonus 2022 of the Group.

Trade and other receivable was decreased in an amounting of Baht (6.18) million. The decrease was mainly due to Medical Vision Co., Ltd. receiving payment for the installation of the air duct system during the year 2023.

Inventory was increased in an amounting of Baht 8.77 million. The mainly increase from the parent company (FVC), was to support the business reopening for customers in the section of Industrial and OEM (B1) and Commercial and residential (B2). And from Medical Vision Co., Ltd. to support the installation of air pipes, within the year 2023.

Property, buildings and equipment was increased in an amounting of Baht 24.19 million. Mainly came from an increase from KTMS purchase land and buildings including dialysis machine, medical tools and equipment to open a new branch and building renovation of KTMS and its subsidiary.

## 4.2 Liabilities

The overall liability as at 31 March 2023 was decreased from the end of 2022 by Baht (20.75) million or (4.84) percent. Significant changes included

Bank Overdrafts and short-term loans from financial institutions was decreased in an amounting of Baht (3.59) million, mainly from the company repayment of promissory notes.

Trade and other payables was decreased in an amounting of Baht (17.86) million. Mainly came from paid for annual bonus 2022 of the Group and paid for hemodialysis machine of KTMS.

Long-term loans was decreased in an amounting of Baht (7.31) million. The mainly decrease from the parent company (FVC), and from Medical Vision Co., Ltd. from repaid the loan during the year.

## 4.3 Shareholders' equity

The overall shareholders' equity as at 31 March 2023 was increased from the end of 2022 in an amounting of Baht 9.42 million or 1.32 percent. Mainly came from operation profit in year 2022.

## 5. Company's direction in the year 2022

### 5.1 Filters Vision Public Company Limited

#### Industrial and OEM (B1)

From the operational results, the marketing direction of the business segment proceeded as planned. The company was able to complete the operation of a large water system project continuously since the end of the 4th quarter of 2022 and will gradually recognize revenue as planned. For new plans that are expected from the recovery of household and industrial customers who return to invest in water treatment systems, they will be encouraged to buy new products, including market expansion. In addition, the company continues to pursue its marketing strategy of being a leader in water treatment and disinfection technology to help solve problems for customers. The company has continued to expand its work in presenting products and projects for leading large industrial plants. It is expected that these will be installed and revenue recognized within 2023. Currently, we received purchase orders of water purification system from customers by 12 jobs in an amounting of Baht 49.67 million and expected to be completed in second to fourth quarter of 2023.

#### Commercial and residential (B2)

Due to the gradual recovery of Thailand's economy. In addition, the situation of COVID-19 has almost no impact on the business sector. customers of companies in the food and beverage industry as well as the tourism industry both domestically and internationally have been increasing continuously. This has led to re-opening of businesses, resulting in an increase in orders for spare parts, filters, and water filtration equipment, as well as maintenance and service work. In addition, customers plan for the installation of new water systems. Furthermore, the impact of the pandemic has led customers to be more concerned about

health and cleanliness of food and beverages, leading to an emphasis on managing contamination in food. This has provided companies with opportunities to sell ozone-related products such as hydrogen water production machines and ozone water to leading food and beverage business customers.

#### Medical services (B3) or KTMS Group

5.2 KT Medical Service Public Company Limited. Currently, we have plans to expand branches and Hemodialysis machines. For the year 2023, we expected to expand branches about 4 - 9 branches and increase about 70 - 82 Hemodialysis machines according to economic environment, marketing and supply chain.

5.3 Nephro Vision Company Limited. Currently, we have plans to expand branches and Hemodialysis machines. For the year 2023, we expected to expand branches about 1 - 2 branches and increase about 16 - 24 Hemodialysis machines according to economic environment, marketing and supply chain.

5.4 Irving Corporation Limited. Currently, we received purchase orders of water purification system from customers by 8 projects in an amounting of Baht 6.00 million and expected to be completed in second to fourth quarter of 2023.

5.5 Medical Vision Company Limited. Currently, we received purchase orders of installation of pneumatic tube system of equipment for medical service from customers by 9 projects in a total amounting of Baht 16.05 million, which under installation and expected to be completed in second to fourth quarter of 2023.

Sincerely Yours,

Wijit Techakasem  
( Dr.Wijit Techakasem )  
Managing Director