

10 August 2023

Subject: Management Discussion and Analysis Quarter 2 Year 2023

To: Director and Manager,  
  
The Stock Exchange of Thailand

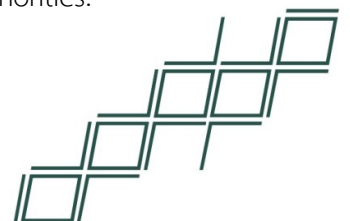
Sikarin Public Company Limited and its subsidiary (the “Company”) have reported the financial statements for Q2/2023 ended 30 June 2023 that were audited by the auditor. Sikarin would like to inform the detail shown as the following:

### Management Analysis

The Company and its subsidiaries have total operating income in Quarter 2-year 2023 (“Q2/2023”) in the amount of 1,414.17 million Baht, an increase of 4.85 percent from the amount of 1,348.70 million baht in the Q2/2022 due to an increase in the number of patients receiving services for difficult diseases that are complicated by surgery, provision of health check-up services through the form of a mobile hospital including participating in health check-up services in various government projects. As a result, the net profit in Q2/2023 is 227.41 million Baht, an increase of 32.43 percent from 171.73 million Baht in Q1/2022.

### Summary of Important Events

- **Sikarin Public Company Limited** has been selected in the ESG100 Securities Universe for year 2023 for the third consecutive year from 888 listed securities with outstanding environmental, social and moral performance (ESG) by ESG Rating Unit of Thaipat Institute.
- **Sikarin Hospital** expand its potential of supporting patient’s beds from 258 beds to 354 beds, which is in the process of applying for a license with the relevant authorities.



- **Sikarin Hospital** launched the “Institute of Gastrointestinal and Liver Diseases” providing comprehensive services from diagnosis, treatment of gastrointestinal disorders liver, and all types of biliary ducts along with close follow-up of treatment as well as complex treatment and chronic diseases along with upgrading endoscopy center through the latest technology in treatment.
- **Sikarin Samut Prakan Hospital in collaboration with the Social Security’s Office together with Ministry of Labor** implement a proactive insured health care program in the workplace for the insured worker to receive a health check, identify health risks and lead to behavioral change to prevent illness and to study the feasibility of developing benefits for health promotion and proactive disease prevention programs.
- **Sikarin Hat Yai** elevated medical potential by opening of 5 leading medical centers, including the Orthopedic Center, Pediatric Center, Obstetrics and gynecology center, Vascular and Neurological Center ,and Digestive and Liver Center to support the expansion of service users in the lower southern region

## Consolidated Financial Statement Operating Performance

For Q2/2023

### Revenue from Operation

Unit: million Baht

Revenue from Operation	Q2/2023	Q2/2022	Change	Q1/2023	Change
Revenue from medical treatment	1,397.40	1,332.64	4.86%	1,334.04	4.75%
Revenue from sales of food and beverages	8.02	7.04	13.93%	7.06	13.60%
Other Revenue	8.75	9.02	-3.01%	7.14	22.55%
<b>Total Revenue from Operation</b>	<b>1,414.17</b>	<b>1,348.70</b>	<b>4.85%</b>	<b>1,348.24</b>	<b>4.89%</b>

For Q2/2023, the Company and its subsidiaries have total operating revenue of 1,414.17 million Baht, an increase of 4.85 percent from 1,348.70 million Baht in Q2/2022 as a result of

- Revenue from medical treatment in the amount of 1,397.40 million Baht, an increase of 64.76 million Baht or 4.86 percent from the Q2/2022, due to an increase in the number of patients receiving services for difficult diseases that are complicated by surgery and proactive healthcare program offer in the work place.

## Operating Expense

Unit: million Baht

Operating Expense	Q2/2023	Q2/2022	Change	Q1/2023	Change
Cost of medical treatment	894.84	880.80	1.59%	859.67	4.09%
Cost of sales of food and beverages	6.18	5.20	18.85%	5.81	6.37%
Selling and Administrative Expense	216.93	233.88	-7.25%	203.98	6.34%
<b>Total Operating Expense (Including depreciation)</b>	<b>1,117.95</b>	<b>1,119.88</b>	<b>-0.17%</b>	<b>1,069.46</b>	<b>4.53%</b>

For Q2/2023, the Company and its subsidiary have total operating expense including depreciation of 1,117.95 million Baht, a decrease of 0.17 percent from 1,119.88 million Baht in Q2/2022 due to

- Cost of medical treatment of 894.84 million Baht, an increase of 14.04 million Baht or 1.59 percent from Q2/2022, mainly due to the increase in medical costs of difficult diseases that are complicated by surgery. However, the cost management of medical equipment continued to improve. It was found that the

ratio of the cost of hospital operations to revenue from hospital operations was 64.04 percent, a decrease of 2.05 percent from 66.09 percent in Q2/2022

## Profitability Analysis

Unit: million Baht

Profitability Analysis	Q2/2023	Q2/2022	Change
Gross Profit	502.56	451.85	50.71%
Gross Profit Margin (percent)	35.96	33.91	
EBITDA	411.66	351.82	59.84%
EBITDA Margin (percent)	29.11	26.09	
Net Profit	229.29	173.07	56.22%
Net Profit margin (percent)	16.21	12.83	

From the table above, in Q2/2023

- In Q2 /2023, the Company and its subsidiaries had gross profit of 502.56 million Baht, an increase of 50.71 million Baht or 11.22 percent from 451.85 million Baht in Q2/2022, while in Q2/2023 the gross profit margin equal to 35.96 percent, an increase of 2.05 percent from 33.91 in Q2/2022.
- In Q2/2023, the Company and its subsidiaries had EBITDA of 411.66 million Baht, an increase of 59.84 million Baht or 17.01 percent from 351.82 million Baht in Q2/2022, while in Q2/2023, the EBITDA margin equal to 29.11 percent, a decrease of 3.02 percent from 26.09 percent in Q2/2022.
- In Q2/2023, the Company and its subsidiaries' net profit margin was 16.21 percent, an increase of 3.38 percent from 12.83 percent in Q2/2022.

## Consolidated Financial Position

Unit: million Baht

Consolidated Financial Position	30 June 2023	31 Dec 2022	Change
Total Assets	8,876.37	8,818.21	0.66%
Total Liabilities	1,699.24	1,919.82	-11.49%
Shareholder Equity of the Company	7,088.82	6,813.32	4.04%
Total Shareholder Equity	7,177.13	6,898.39	4.04%

Consolidated financial statements of the Company and its subsidiaries as of 30 June 2023 had total assets of 8,876.37 million Baht, an increase of 58.62 million Baht or 0.66 percent when compared to 31 December 2022.

- The Company and its subsidiaries have current assets as of 30 June 2023 amounting to 2,029.65 million Baht, a decrease of 199.65 million Baht or a decrease of 8.96 percent compared to 31 December 2022.
- The Company and its subsidiaries have non-current assets as of 30 June 2023 amounted to 6,846.72 million Baht, an increase of 257.81 million Baht or an increase of 3.91 percent compared to 31 December 2022.

The Company's consolidated financial statements and its subsidiaries as of 30 June 2023 had total liabilities of 1,699.24 million Baht, a decrease of 220.58 million Baht, or an decrease of 11.49 percent compared to 31 December 2022.

- The Company and its subsidiaries have current liabilities as of 30 June 2023 amounted to 973.28 million Baht, a decrease of 104.46 million Baht or a decrease of 9.69 percent compared to 31 December 2022.
- The Company and its subsidiaries have non-current liabilities as of 30 June 2023 amounted to 725.97 million Baht, a decrease of 116.11 million Baht or a decrease of 13.79 percent compared to 31 December 2022.

The Company and its subsidiaries have shareholder's equity as of 30 June 2023 amounted to 7,117.13 million Baht, an increase of 218.74 million Baht or an increase of 3.17 percent compared to 31 December 2022.

### Key Financial Ratio

Key Financial Ratio	6M2023	2022	Change
Current Ratio (times)	2.09	2.07	0.02
Gross Profit Margin (%)	35.77	35.93	-0.16
Net Profit Margin (%)	15.93	17.71	-1.78
Net Debt to Equity Ratio (times)	0.24	0.28	-0.04

Please be informed accordingly,

Sincerely Yours,

(Mr. Suriyan Kojonroj)  
Director and Company Secretary