

Sor Kor 0307/2024

8 May 2024

Subject: Management Discussion and Analysis Quarter 1 Year 2024

To: Director and Manager,

The Stock Exchange of Thailand

Sikarin Public Company Limited and its subsidiary (the “Company”) have reported the financial statements for Q1/2024 ended 31 March 2024 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 consolidated operating revenue in the first quarter of 2024 ("Q1/2024") amounted to 1,538.86 million Baht. This was an increase of 14.14 percent from 1,348.24 million Baht in Q1/2023, the cause is as follows:

1. Revenue from increasing medical capacity through leading medical institutions, including Orthopedic Institute, Heart Institute, Vascular and Neurological Institute, Pediatric Institute, Women's Specialized Health Institute and Digestive and Liver Institute.
2. Increased revenue from complex surgical treatment from general customers and social security customers through the MOU515 pilot project in 5 disease groups: cardiovascular diseases, stroke, kidney and gallbladder stones, breast cancer surgery, and uterine and/or ovarian lumpectomy.



- Revenue from mobile hospitals (SIKARIN Connect) that conduct mobile health check-up according to the Healthy Thailand policy of the Social Security Administration.

As a result, net profit in Q1/2024 amounted to 237.39 million Baht. This was an increase of 11.63 percent from 212.65 million Baht in Q1/2023

Summary of Important Events

- Sikarin Hospital Group, in collaboration with the Social Security Administration, Ministry of Labour,** implemented the MOU515 project to increase access to surgery consisting of cardiovascular diseases, stroke, kidney and gallbladder stones, breast cancer surgery, and uterine and/or ovarian lumpectomy. This is to ensure that insurers have access to effective medical services and reduce waiting times for surgery.
- Sikarin Hospital Group** operates a mobile hospital (SIKARIN Connect) under the main mission of promoting health in accordance with the Healthy Thailand policy of the Social Security Administration, Ministry of Labour, which has been well received by insurers under Section 33.

Consolidated Financial Statement Operating Performance

For Q1/2024

Revenue from Operation

Unit: million Baht

Revenue from Operation	Q1/2024	Q1/2023	Change	Q4/2023	Change
Revenue from medical treatment	1,523.40	1,334.04	14.19%	1,520.47	0.19%
Revenue from sales of food and beverages	8.08	7.06	14.51%	8.46	-4.49%
Other Revenue	7.38	7.14	3.40%	8.79	-16.04%
Total Revenue from Operation	1,538.86	1,348.24	14.14%	1,537.72	0.07%

In Q1/2024, the Company and its subsidiaries had total revenue from operating of 1,538.86 million Baht. This was an increase of 14.14 percent from 1,348.24 million Baht in Q1/2023 because of

- Revenue from medical treatment 1,523.40 million Baht. The increase was 189.36 million Baht or 14.19 percent from Q1/2023, mainly due to an increase in revenue through leading medical institutions and an increase in revenue from the treatment of complex difficult diseases with surgery.

Operating Expense

Unit: million Baht

Operating Expense	Q1/2024	Q1/2023	Change	Q4/2023	Change
Cost of medical treatment	1,004.15	859.67	16.81%	1,044.46	-3.86%
Cost of sales of food and beverages	5.50	5.81	-5.25%	5.86	-6.14%
Selling and Administrative Expense	222.04	203.99	8.85%	228.34	-2.76%
Total Operating Expense (Including depreciation)	1,231.69	1,069.46	15.17%	1,278.67	-3.67%

In Q1/2024, the Company and its subsidiaries' operating expenses including depreciation amounted to 1,231.69 million Baht. This was an increase of 15.17 percent from 1,069.46 million Baht in Q1/2023 as a result of

- Cost of medical treatments amounted to 1,004.15 million Baht. This was an increase of 144.48 million Baht or 16.81 percent from Q1/2023. This is mainly due to the increase in revenue from medical treatment. In terms of the cost of medical personnel, the cost of medicines and medical supplies has risen in line

with the business situation. However, in view of the volatile business situation, the Company and its subsidiaries were able to maintain the ratio of medical treatment costs to medical income at 65.91 percent.

Profitability Analysis

Unit: million Baht

Profitability Analysis	Q1/2024	Q1/2023	Change
Gross Profit	519.25	474.37	9.46%
Gross Profit Margin (percent)	34.08	35.56	
EBITDA	442.71	395.64	11.90%
EBITDA Margin (percent)	28.77	29.34	
Net Profit	238.29	214.07	11.31%
Net Profit margin (percent)	15.48	15.88	
Net Profit (part of the parent company)	237.39	212.65	11.63%
Net Profit margin (part of the parent company) (percent)	15.43	15.77	

From the table above, in Q1/2024

- In Q1/2024, the Company and its subsidiaries posted a gross profit of 519.25 million Baht. This was an increase of 44.88 million Baht or 9.46 percent from 474.37 million Baht in Q1/2023. Meanwhile, the gross margin in Q1/2024 was 34.08 percent, a decrease of 1.48 percent from 35.56 percent in Q1/2023.
- In Q1/2024, the Company and its subsidiaries recorded EBITDA of 442.71 million Baht. This was an increase of 47.07 million Baht or 11.90 percent from 395.64 million Baht in Q1/2023. Meanwhile, the EBITDA margin for Q1/2024 was 28.77 percent, a decrease of 0.57 percent from 29.34 percent in Q1/2023.

- In Q1/2024, the Company and its subsidiaries recorded a net profit margin of 15.43 percent, a decrease of 0.34 percent from 15.77 percent in Q1/2023.

Consolidated Financial Position

Unit: million Baht

Consolidated Financial Position	31 March 2024	31 Dec 2023	Change
Total Assets	9,293.05	9,246.45	0.50%
Total Liabilities	1,609.24	1,800.92	-10.64%
Total Shareholder Equity	7,683.81	7,445.53	3.20%
Shareholder Equity of the Company	7,592.08	7,354.67	3.23%

Consolidated financial statements of the Company and its subsidiaries as of 31 March 2024 totaled assets of 9,293.05 million Baht. This is an increase of 46.60 million Baht or 0.50 percent compared to 31 December 2023.

- The Company and its subsidiaries have current assets as of 31 March, 2024 of 2,335.64 million Baht. This was an increase of 115.83 million Baht, or an increase of 5.22 percent compared to 31 December 2023.
- The Company and its subsidiaries had non-current assets as of 31 March 2024 of 6,957.41 million Baht or a decrease of 69.23 million Baht or a decrease of 0.99 percent compared to 31 December 2023.

The consolidated financial statements of the Company and its subsidiaries as of 31 March 2024 showed total liabilities of 1,609.24 million Baht, a decrease of 191.68 million Baht or 10.64 percent compared to 31 December 2023.

- The Company and its subsidiaries have current liabilities as of 31 March 2024 of 979.61 million Baht, a decrease of 161.01 million Baht or 14.12 percent compared to 31 December 2023.

- The Company and its subsidiaries had non-current liabilities as of 31 March 2024 of 629.63 million Baht, a decrease of 30.67 million Baht or 4.65 percent compared to 31 December 2023.

The consolidated financial statements of the Company and its subsidiaries as of 31 March 2024 showed the shareholder equity of the parent company of 7,592.08 million Baht, an increase of 237.41 million Baht or an increase of 3.23 percent compared to 31 December 2023.

The consolidated financial statements of the Company and its subsidiaries as of 31 March 2024 showed total shareholder equity of 7,683.81 million Baht, an increase of 238.28 million Baht or 3.20 percent compared to 31 December 2023.

Please be informed accordingly,

Sincerely Yours,

(Mr. Suriyan Kojonroj)
Director and Company Secretary