

Management's Discussion and Analysis

MD&A

For the Second Quarter of 2025

Srivichaivejvivat Public Company Limited

Vichaivej International Hospital Group

Executive Summary

Summary of Operating Results Unit: Million Baht	Q2 2025	Q2 2024	Change +/(–) %YOY	6M 2025	6M 2024	Change +/(–) %YOY
Revenue from Hospital Operations	725.24	679.15	6.79%	1,425.28	1,344.43	6.01%
Total Revenue	738.47	689.95	7.03%	1,449.58	1,363.52	6.31%
Gross Profit	189.53	164.84	14.98%	378.73	328.21	15.39%
EBITDA	167.30	140.35	19.20%	333.94	275.58	21.17%
Net Profit of the Company	97.07	77.76	24.84%	195.92	150.07	30.55%
Gross Profit Margin	26.13%	24.27%	1.86%	26.57%	24.41%	2.16%
EBITDA Margin	22.65%	20.34%	2.31%	23.03%	20.21%	2.82%
Net Profit Margin	13.14%	11.27%	1.87%	13.52%	11.01%	2.51%

Summary of the Company's Operating Performance for the Three-Month and Six-Month Periods Ended June 30, 2025, compared with 2024

The operating performance in the second quarter, for both the three-month and six-month periods of 2025, demonstrated significant growth in several areas when compared to the corresponding periods of the prior year.



REVENUES

Revenue from hospital operations grew by 6.79% in the second quarter and 6.01% in the first half of the year, compared to the corresponding periods of the prior year. This growth was built on a solid and diverse foundation, stemming from an increase in both patient volume and the average revenue per visit, complemented by higher revenues from Mobile Medical Units and the Social Security scheme.



PROFITABILITY

For the second quarter of 2025, the Company's net profit grew by 24.84%, a rate that significantly outpaced the 7.03% growth in total revenue. This performance led to an improvement in the gross profit margin and net profit margin to 26.13% and 13.14%, respectively. Additionally, EBITDA grew by 19.20% compared to the same period last year.

For the first six months of the year, net profit recorded robust growth of 30.55%, while total revenue increased by 6.31%. This strong performance elevated the gross profit margin and net profit margin to 26.57% and 13.52%, respectively, compared to the corresponding period of the prior year.

This enhanced operational result reflects the Company's success in effective cost management and operational efficiency, which underpins our potential to generate sustainable returns amidst challenging market conditions.

KEY EVENTS IN THE SECOND QUARTER OF 2025



April 9, 2025, Vichaivej Hospital Group, in partnership with Biogenetech Co., Ltd., participated in a healthcare program for elderly Buddhist monks. The activity involved administering shingles vaccines to 80 monks at the Thongkham Sriyothin Hall of the Young Buddhist Association of Thailand.

May 8, 2025, Srivichai Vejvivat Public Company Limited participated in the 1st CAC Certification Ceremony of 2025, held under the theme "Transparent Business can be Built with Good Governance." This event was organized to honor companies that have been certified as members of the Thai Private Sector Collective Action Against Corruption (CAC).



May 8, 2025, Vichaivej Hospital Samut Sakhon was presented with a plaque of honor at the "Show Time! Towards a Healthy Organization" event.

The ceremony was held at the Thai Health Promotion Foundation (ThaiHealth) Learning Center as part of the Health Promotion Project to Reduce Risk Factors for Non-Communicable Diseases (NCDs). The hospital was recognized as one of the model organizations for its continuous development towards becoming a "Healthy Organization."

KEY EVENTS IN THE SECOND QUARTER OF 2025



May 9, 2025, Vichaivej Hospital Group, in collaboration with students from Ban Dan Ngo School in Phetchaburi Province, organized a "National Tree Day 2025 Tree Planting" event on the school grounds. A total of 411 trees were planted to increase green space, reduce pollution, and foster a sense of consciousness for the conservation and care of natural resources.

May 15, 2025, Vichaivej International Hospital Samut Sakhon was awarded the "GREEN & CLEAN Hospital Challenge" certification at the Excellent level by the Department of Health, Ministry of Public Health. This standard focuses on the sustainable promotion of environmental health and well-being within healthcare facilities. The certification is valid for a two-year period.



May 23, 2025, Vichaivej Hospital Nong Khaem received the "Best Discharge Team" award at the Allianz Ayudhya Hospital Service Awards 2024.

This award recognizes partner hospitals for their excellence in managing the patient discharge process with efficiency and speed, ensuring the highest satisfaction for Allianz Ayudhya's insured members.

KEY EVENTS IN THE SECOND QUARTER OF 2025



May 28, 2025, a "Company Visit" event was hosted for investors from the "Lungtoon Gluay Gluay" (Easy Investing) social media page.

The event was organized to provide attendees with in-depth insights into the Company's operational strategies, financial position, and growth potential. This visit was exceptionally well-received, reflecting a significant increase in investor confidence in the Company's direction and future prospects.

June 18, 2025, Vichaivej Hospital Nong Khaem was awarded the Silver level standard in the "Universal Design Standards for Healthcare Facilities 2025" project.

This initiative was organized through a collaboration between the Center of Excellence in Universal Design, Faculty of Architecture, Chulalongkorn University, and the Thai Health Promotion Foundation (ThaiHealth).



June 23, 2025, a delegation from the Nong Khaem District Office, led by Mr. Jakkapan Phiewngam, Deputy Governor of Bangkok, visited Vichaivej International Hospital Nong Khaem to observe its internal waste management system.

The hospital is recognized as a model facility for its excellent waste separation practices and its effective guidelines for managing solid waste according to its source.



DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025

STATEMENT OF COMPREHENSIVE INCOME

Operating results of the company and its subsidiaries based on the consolidated financial statements. For the three-month and six-month periods ended June 30, 2025

Summary of Operating Results Unit: Million Baht	Q2 2025	Q2 2024	Change +/(-) %YOY	6M 2025	6M 2024	Change +/(-) %YOY
Revenue from Hospital Operations	725.24	679.15	6.79%	1,425.28	1,344.43	6.01%
Other Income	13.23	10.80	22.56%	24.29	19.10	27.20%
Total Revenue	738.47	689.95	7.03%	1,449.58	1,363.52	6.31%
Cost of Hospital Operations	535.70	514.31	4.16%	1,046.56	1,016.22	2.99%
Gross Profit	189.53	164.84	14.98%	378.73	328.21	15.39%
Gross Profit Margin (%)	26.13%	24.27%	1.86%	26.57%	24.41%	2.16%
SG&A	81.49	79.13	2.97%	159.78	159.35	0.27%
SG&A to Sales (%)	11.03%	11.47%	(0.44%)	11.02%	11.69%	(0.67%)
Total Expenses	617.19	593.44	4.00%	1,206.33	1,175.57	2.62%
Operating Profit	121.28	96.52	25.65%	243.24	187.96	29.41%
Finance Costs	1.01	1.22	(17.49%)	2.39	3.30	(27.54%)
Income Tax Expenses	23.20	17.54	32.28%	44.94	34.60	29.90%
Profit for the Period	97.07	77.76	24.84%	195.92	150.06	30.55%
Net Profit Margin (%)	13.14%	11.27%	1.87%	13.52%	11.01%	2.51%

REVENUE

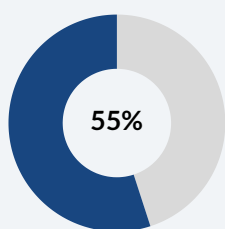
Revenue Breakdown in Q2 2025

The main revenue streams of Vichaivej Hospital Group are categorized into two main types based on customer characteristics: (1) Non-Capitation, which include cash/life insurance patients, mobile health check-up clients, as well as revenue from government contracts of the Vichaivej Heart Center and (2) Capitation, comprising insured persons under the Social Security scheme.

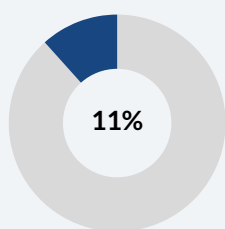


NON-CAPITATION 76%

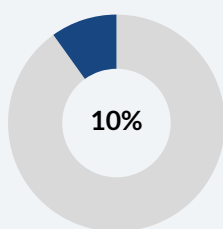
CAPITATION 24%



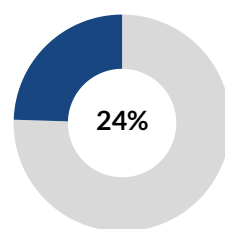
CASH AND
LIFE INSURANCE



VICHAIVEJ
HEART CENTER



MOBILE HEALTH
CHECK-UP



SOCIAL SECURITY SCHEME

Revenue Breakdown Unit: Million Baht	Q2 2025	Q2 2024	Change +/(-) %YOY	6M 2025	6M 2024	Change +/(-) %YOY
Revenue from General Customers	559.07	528.97	5.69%	1,096.49	1,044.79	4.95%
Outpatient (OPD) Revenue	268.97	238.56	12.75%	516.69	450.28	14.75%
Inpatient (IPD) Revenue	290.09	290.41	(0.11%)	579.80	594.50	(2.47%)
Social Security Scheme Revenue	175.18	161.07	8.76%	354.02	317.78	11.40%
Inter-segment Eliminations	(9.01)	(10.90)	(17.35%)	(25.22)	(18.14)	39.03%
Revenue from Hospital Operations	725.24	679.15	6.79%	1,425.28	1,344.43	6.01%
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Total Revenue	738.47	689.95	7.03%	1,449.58	1,363.52	6.31%

Analysis of Revenue from Hospital Operations

Although the overall economic conditions in 2025 remain challenging and continue to affect purchasing power, the Company has successfully generated consistent growth in its revenue from hospital operations. In the second quarter, revenue reached THB 725.24 million (a growth of 6.79% YoY), and for the six-month period, revenue totaled THB 1,425.28 million (a growth of 6.01% YoY).

This success is primarily attributable to key supporting factors, including our enhanced capabilities in treating complex diseases, the expansion of service areas, the quality of our specialist medical teams, and an appropriate pricing strategy. These have been crucial in building confidence and attracting both existing and new patients.



Revenue from Non-Capitation

Revenue from the non-capitation customer segment continues to be the Company's primary source of income, accounting for a 76% share of total service revenue. In the second quarter of 2025, revenue from this segment was THB 559.07 million, an increase of 5.69% from the same period of the prior year, and for the six-month period, it amounted to THB 1,096.49 million, an increase of 4.95% from the prior year. Key driving factors came from the enhancement of specialized medical treatments, which led to a higher average revenue per visit, combined with an increase in patient volume, as well as services from the Mobile Medical Units or MMU.

Revenue from Capitation

Revenue from the Social Security segment showed a satisfactory rate of growth, whereby in the second quarter of 2025, it increased by 8.76% to THB 175.18 million compared to the prior year, and for the six-month period, it grew by 11.40% to THB 354.02 million from the prior year. This growth is a direct result of the efficiency in medical management, ranging from general, non-complex diseases to chronic conditions and complex treatments.

Factors Affecting Revenue from In-patients

Although the Company's overall revenue shows good growth, revenue from the in-patient (IPD) segment has been affected by a decrease in in-patients at the Vichaivej Heart Center, which is a consequence of policy changes by the government agency overseeing the cardiac patient program, whereby the approval criteria and budget management for the program were made more stringent, with said policy having been in effect since mid-2024.

The impact from this policy change is clearly reflected in the number of Cardiac Catheterization procedures performed, which is a high-value procedure and a key performance indicator for the Heart Center, whereby the number of procedures in the second quarter of 2025 decreased to 821 cases from 858 cases in the prior year, and for the six-month period, it decreased to 1,656 cases from 1,863 cases in the prior year. This decrease in the number of key procedures directly affects the revenue of the Center and the overall in-patient revenue.

However, to manage risks and mitigate the said impact, the management has implemented a proactive strategy to balance the revenue structure by focusing on expanding the service user base to the general customer group, which has stability and high purchasing power.

1. Cost of Hospital Operations

In the second quarter and the first six-month period of 2025, the Company was able to control its operating costs effectively, reflected by a cost growth rate that was significantly slower than revenue growth.

- **Q2/2025:** Costs increased by 4.16% to THB 535.70 million, compared to revenue growth of 6.79%.
- **First 6-Month Overview:** Operating costs increased by only 2.99% to THB 1,046.56 million, while revenue grew by 6.01%.

The increase in costs was a direct result of the rise in service volume, which caused variable costs such as doctor's fees and medical supplies to increase accordingly. However, the Company's ability to maintain cost growth at a level lower than revenue growth confirms its capability in managing resources and controlling expenses effectively.

2. Total Selling and Administrative Expenses

In the second quarter of 2025, the Company had Selling and Administrative (SG&A) expenses of THB 81.49 million, an increase of 2.97% from the same period of the prior year, while for the first six months of 2025, these expenses totaled THB 159.78 million, which is an increase of only 0.27% from the same period of the prior year.

The main reason for the increase came from personnel remuneration that was adjusted according to the normal cycle (annual salary adjustment) and marketing expenses for sales promotion. However, the low rate of expense increase, especially in the six-month overview, reflects the Company's commitment and success in managing expenses effectively to maintain a good level of profitability.

3. Total Finance Costs

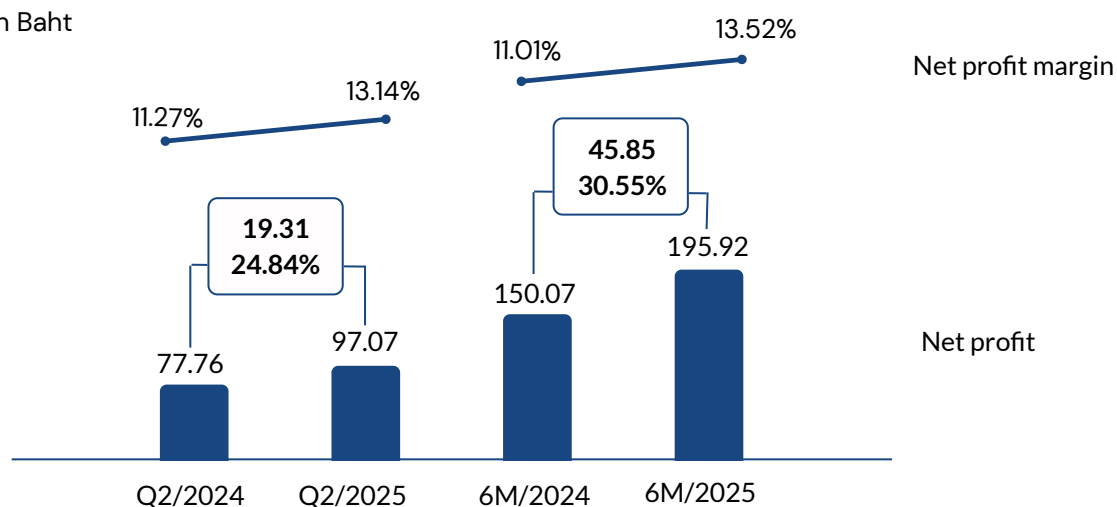
The Company and its subsidiaries have succeeded in managing finance costs effectively, resulting in a significant decrease in finance costs in every reporting period.

For the second quarter of 2025, finance costs were THB 1.01 million, a decrease of 17.49% from the same period of the prior year, while for the first six months of 2025, total finance costs were THB 2.39 million, a decrease of 27.54% or an equivalent of THB 0.91 million from the same period of the prior year.

This continuous decrease is a result of strong financial discipline and effective debt structure management, which directly benefits profitability and strengthens the Company's financial position.

NET PROFIT AND NET PROFIT MARGIN

Unit: Million Baht



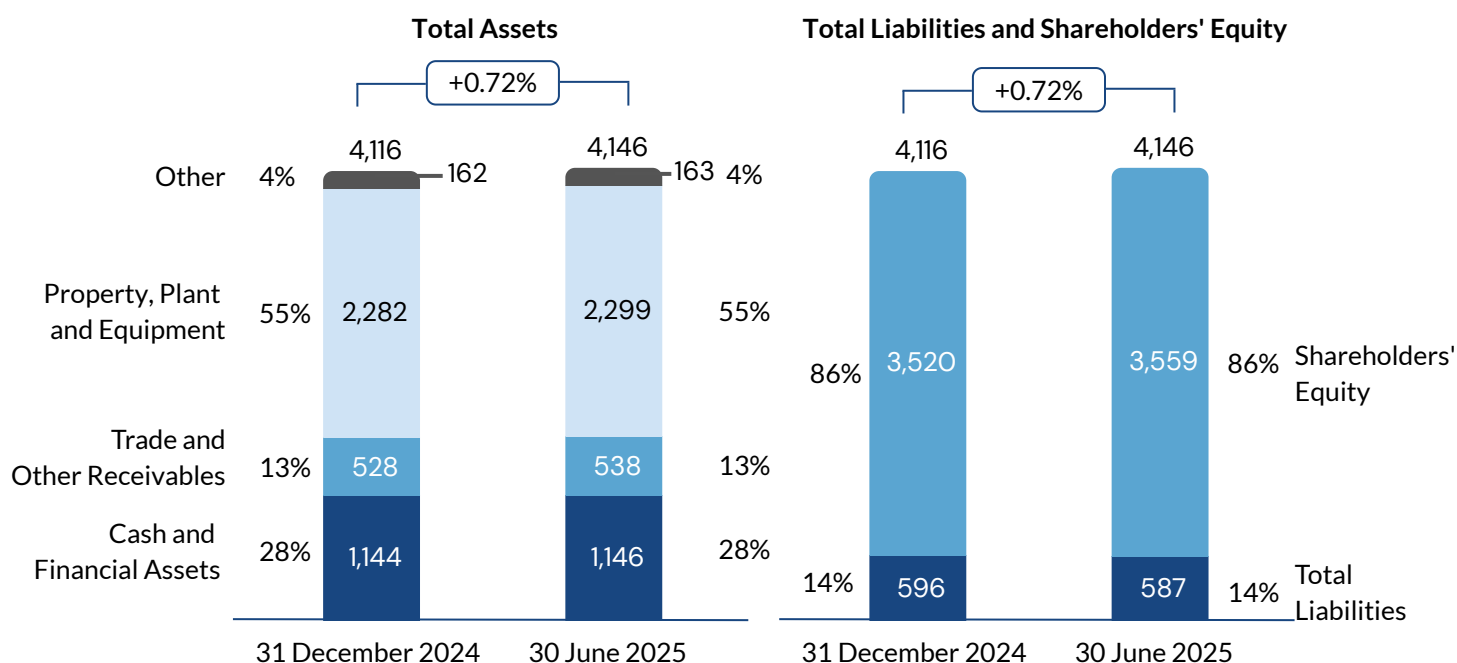
The Company shows its operating performance in the first half of 2025 with profitability growing at an accelerated rate, which is a result of revenue growth and effective cost management.

- **Q2/2025:** Net profit grew by 24.84%, which is clearly higher than the revenue growth of 7.03%; this impressive growth resulted in a net profit margin of 13.14%, an increase of 1.87% from 11.27% in the same period of the prior year.
- **First 6-Month Overview:** Net profit grew by 30.55%, which is higher than the revenue growth of 6.31%, which has elevated the cumulative net profit margin to 13.52%, an increase of 2.51% from 11.01% in the same period of the prior year.

The result of profit growing faster than revenue and the expansion of the net profit margin confirms the success of the Company's strategy that focuses on generating quality revenue coupled with rigorous cost control, resulting in the Company's ability to convert revenue into net profit (Profit Conversion) being clearly enhanced.



STATEMENT OF FINANCIAL POSITION



Note: There may be discrepancies in figures due to rounding.

The consolidated financial statements of the Company and its subsidiaries as at June 30, 2025, show a strong and stable financial position.

- **Total Assets:** Increased by 0.72% to THB 4,146 million, comprising land, buildings and equipment, cash, and other current financial assets, which shows the stability of the Company.
- **Total Liabilities:** Decreased by 1.51% to THB 587 million, reflecting outstanding efficiency in financial management, as the Company has no loan obligations from financial institutions.
- **Total Shareholders' Equity:** Grew by 1.11% to THB 3,559 million, which is a result of the continuously increasing net profit, showing the efficiency of operations and the stability of the capital structure.

In summary, the consolidated financial statements as at June 30, 2025, reflect the stable financial position of the Company and its subsidiaries, growth potential, and efficiency in financial management, which is an important foundation for building confidence and supporting the Company's sustainable long-term growth.

STATEMENT OF CASH FLOWS

Statement of Cash Flows Unit: Million Baht	June 30, 2025	June 30, 2024
Net Cash from Operating Activities	262.68	290.70
Net Cash Used in Investing Activities	(445.78)	(403.01)
Net Cash Used in Financing Activities	(162.44)	133.72
Net Increase (Decrease) in Cash and Cash Equivalents	(345.54)	21.41
Cash and Cash Equivalents at the Beginning of the Period	1,041.91	822.37
Cash and Cash Equivalents at the End of the Period	696.37	843.77

The consolidated statement of cash flows as at June 30, 2025, of the Company and its subsidiaries shows the financial position, whereby net cash and cash equivalents decreased by THB 345.54 million, resulting in net cash at the end of the period of THB 696.37 million. The decrease in net cash is a result of 3 main activities as follows

- **Operating Activities:** The Company generated net cash of THB 262.68 million, which mainly came from profit from operations, reflecting the efficiency in core business operations and the ability to generate revenue.
- **Investing Activities:** The Company used net cash of THB 445.78 million for investments in financial institutions, building and premises improvements, and the purchase of assets, which indicates investment for future growth.
- **Financing Activities:** The Company used net cash of THB 162.44 million for the repayment of principal on lease liabilities, dividend payments, payment for treasury stock, and there was no additional borrowing from financial institutions.

In conclusion, the consolidated statement of cash flows shows the ability to manage working capital, strategic investment for the future, and strong financial discipline, whereby the Company is able to maintain a stable cash position ready to support business expansion and create added value for shareholders in the long term. This does not yet include deposits at financial institutions which are in other current financial assets of another THB 449.56 million, bringing the Company's total cash at the end of the period to THB 1,145.93 million.



SUSTAINABILITY PERFORMANCE

E : ENVIRONMENT

In the second quarter of 2025, Vichaivej International Hospital Group showed significant progress in driving the organization towards sustainability, by achieving goals that create wide-ranging impact and have received national recognition, reflecting the success in integrating environmental responsibility into the hospital's core operations.

1. National Environmental and Sustainability Standard Certifications

- **Carbon Footprint for Organization (CFO) Certification:** A key success for Vichaivej Hospital Group was the simultaneous certification of all four of its hospitals under the Carbon Footprint for Organization standard by the Thailand Greenhouse Gas Management Organization (TGO), which is considered an important foundation for measuring and planning long-term greenhouse gas reduction strategies for the entire organization.
- **Universal Design Standard for Hospitals Award:** Vichaivej Hospital Nong Khaem received international recognition by winning the Silver level standard award from the “Universal Design Standards for Healthcare Facilities” project, which not only reflects the creation of an environment conducive to all user groups but also concretely reinforces the implementation of Human Rights Due Diligence (HRDD) principles.
- **GREEN & CLEAN Hospital Certification:** Vichaivej Hospital Omnoi (in the energy category) and Vichaivej Hospital Samut Sakhon received certification from the Department of Health, which serves as a testament to operational standards that are environmentally friendly and maintain good sanitation.

2. Project to Create Social Value, Reduce Inequality, and Reduce Waste

Under the concept “No Leftover Cloth, for a Non-Unequal Society,” the hospital group upcycled 6.6 kilograms of clean cloth scraps from operating rooms, creating new value by collaborating with the Baan Pranee Juvenile Vocational Training Centre for Girls to hire youths to sew 200 “multipurpose cloth bags.” This project not only helps reduce medical waste but also sustainably creates careers and opportunities for youths in need of rehabilitation.



3. Model for Effective Waste Management

Vichaivej Hospital Nong Khaem has been recognized as a model organization in waste management, being honored by a visit from the high-level executive team of the Bangkok Metropolitan Administration to observe its effective solid waste separation system, which is considered a confirmation of the success in systematic resource management.

4. Reforestation Activity to Create Green Space

The management team and employees, led by Assoc. Prof. Dr. Vichai Vanadurongvan, Chairman of the Company, jointly organized the "National Tree Day Reforestation" activity, by planting a total of 411 trees at Ban Dan Ngo School, Phetchaburi Province, to increase green space and instill a consciousness for nature conservation in the community.

5. Environmental Market

Vichaivej Hospital Nong Khaem continues to carry on the Environmental Market activity to encourage personnel and the surrounding community to change their daily life behaviors, with clear regulations to refrain from using electricity and non-biodegradable plastics, while campaigning for the primary use of cloth bags.



In the second quarter of 2025, Vichaivej International Hospital Group demonstrated its commitment to driving the organization towards sustainability by placing concrete importance on the Social dimension of ESG principles, through the implementation of diverse activities that cover all stakeholder groups, totaling 65 activities with over 3,462 participants and beneficiaries. These activities not only create a positive impact on the community but also truly reflect responsibility towards employees and partners. The prominent activities can be summarized as follows

1. Enhancing the Quality of Life and Well-being of the Community

The hospital group has continuously organized activities to provide healthcare and knowledge to the surrounding community, divided into: community/social activities and free health check-ups, totaling 19 activities with 1,003 participants, and health education activities, totaling 15 activities with 466 participants.

- **Social Health Check-up Activities:** Organized medical and multidisciplinary teams to go into the field to provide free health check-up services to the public, such as a vision abnormality screening project for the elderly and the offering of shingles vaccines to Buddhist monks, who are a vulnerable group.
- **Health Education:** Organized training to provide knowledge on primary healthcare, First Aid, and Cardiopulmonary Resuscitation (CPR) to the general public and youths in training centers to create a society that is prepared to handle emergency situations.
- **Community Activity Support:** Provided support with medical teams and emergency ambulances for important community events, such as traditional merit-making festivals and activities at educational institutions, to create safety and peace of mind for event participants.



2. Personnel Potential Development and Welfare

The organization believes that employees are the heart of driving service excellence, and thus organized the highest number of activities for employees, totaling 26 activities, with 923 participants, to promote both skills and well-being.

- **Enhancing Life-Saving Skills:** Organized regular "Basic Life Support (BLS)" workshops to ensure that all personnel have the ability to perform basic life-saving procedures correctly and promptly.
- **Promoting a Healthy Organization:** Implemented a health promotion project to reduce the risk of non-communicable diseases (NCDs), creating a work culture that is conducive to sustainable well-being.

3. Building a Sustainable Network and Promoting Partners

The hospital group has expanded its health-related operations to its network of business partners through 5 activities for partners, which had up to 1,070 participants, reflecting the creation of strong engagement.

- **Health Leader Project:** Organized training to provide knowledge to representatives from partner companies to create health leaders who can take the knowledge back to disseminate and care for the employees in their own organizations; this is the creation of a strong and sustainable healthy society network.



4. Creating Opportunities and Developing Skills for Youths and Vulnerable Groups

In addition to the main activities above, the hospital group also aims to create opportunities and reduce inequality in society, especially through its collaboration with the Baan Pranee Juvenile Vocational Training Centre for Girls. These activities are considered part of the community and social projects that focus on providing specific care for particular groups.

- **Career Skill Development:** Organized the "No Leftover Cloth, for a Non-Unequal Society" activity by taking clean cloth scraps from operating rooms to create added value and hiring youths in the center to sew multipurpose cloth bags to be given to patients. This is a reduction of waste (Environment) coupled with the creation of income and career skills for youths (Social).
- **Digital Technology Education:** Organized workshops on Artificial Intelligence (AI) and the Canva program for teachers and youths to promote skills necessary for the future and to open up educational opportunities.

All activities in the second quarter of 2025 are a confirmation of the unwavering intention of Vichaivej International Hospital Group to be an organization that grows in parallel with creating a livable and sustainable society going forward.



G : GOVERNANCE

In the second quarter of 2025, the Company continued to enhance its good corporate governance in parallel with creating operational excellence to build confidence among all stakeholders. There were significant developments as follows:

- **Reinforcing Anti-Corruption Policy:** The Company received a certificate of honor at the CAC Certification Ceremony 2025 on May 8, 2025, which marks the official certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC). Receiving this certification reflects the organization's commitment to conducting business under the principles of good governance, transparency, and accountability, which is an important foundation for sustainable growth.
- **Service Excellence:** Vichaivej Hospital Nong Khaem received a prestigious award from the Allianz Ayudhya Hospital Service Awards 2024 on May 23, 2025, in its capacity as a partner hospital with excellence in managing the patient discharge process. The said award confirms the efficiency in the collaboration between medical teams, nurses, and health insurance partners to deliver a fast and highly impressive service experience to patients.
- **Building Investor Confidence:** The Company organized a Company Visit event on May 28, 2025, to provide an opportunity for investors from the "Lung-toon Gluay Gluay" (Easy Investing) group to visit and receive in-depth information about the Company's operational direction and growth potential. The said activity was exceptionally well-received, which significantly helped to enhance the understanding and confidence of investors in the organization's vision and future.

The successes and various activities in this quarter show the Company's dedication to developing the organization in all dimensions, both in terms of excellent governance, enhancing service quality, and transparent communication with investors, to move towards stable and sustainable growth going forward.



second quarter of 2025

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