

Ref : 8/2019

February 27, 2019

Subject : The explanation of operating results for the year of 2018

To : The SET President

Vibhavadi Medical Center Plc."VIBHA" hereby submits a copy of its Audited and consolidated financial statements of the Group and the financial statement of the Company for the year ending December 31,2018. The results of their operations can be summarized as follows :

1. Income from medical treatments in the consolidated financial Statement went up 6.42% due to income from Chiang Mai Ram Medical Business Plc."CMR", a subsidiary amount Baht 3,935.33 million went up from previous year 5.00%. Income from medical treatments in the separate financial statement went up 7.83% due to the increased in the number of out-patients to 1.61% and the increased in the number of in-patients to 7.27%. The rental and service income went down 10.13% due to income from VIBHA went down amount to Baht 3.10 million or 14.63% and Princeton Park Suit Co.,Ltd."PPS" a subsidiary went down amount to Baht 6.79 million or 6.62% The other income went down 3.92% amount to Baht 3.93 million due to VIBHA without item of gain on sales of medical equipment in this year.

2. The cost of medical treatments when compared to income from medical treatments went up 1.94% from CMR a subsidiary went up 3.73% due to expending employment increase and depreciation of building is increasing. The cost of medical treatments in VIBHA went down 0.90%.The cost of selling and administrative when compared to income from medical treatments went down 0.14 %. The cost of rental and service when compared to income from rental and service went up 7.93% due to the number of renter decrease 22.30% in VIBHA but the cost is still constant.

3. The net income decreased 16.68% (Separate financial statement : increased 24.58%) due to share of profit from investment decrease amount Baht 145.33 million from Vibharam Hospital Co.,Ltd. decreased amount Baht 81.31 million and Thippayabadin Co.,Ltd. the associated with the disposal of deteriorated fabric raw materials which VIBHA share of loss amount to 47.92 million Baht .

Please be advised accordingly.

Yours sincerely,

(Mr.Chaisith Viriyamettakul)

Manager Director