

August 14th, 2018

Subject : Clarification of the net profit of the second quarter, year 2018, which has changed over 20 % in comparison to the year 2017.

To : The director of the Stock Exchange of Thailand

Ramkhamhaeng Hospital Public Company Limited would like to clarify the operation results, as follows:

1. Ramkhamhaeng Hospital Public Company Limited and its subsidiaries have the revenues of 1,121.47 million baht, decrease of 0.74 %. The reasons for the decrease are :

1.1 In the year 2018, Ramkhamhaeng Hospital Public Company Limited and its subsidiaries have the revenues from medical treatment of 855.83 million baht, which is a 7.51 % increase from the previous year. The revenues can from the two hospitals are broken down as follows :

| | | |
|--------------------------|---------------|--------------|
| - Ramkhamhaeng Hospital | 835.83 | million baht |
| - Chaipayum Ram Hospital | <u>20.00</u> | million baht |
| Total | <u>855.83</u> | million baht |

1.2 Ramkhamhaeng has revenue from selling medical supply and equipment 104.22 million baht, which decrease 32.11 million baht from the previous year.

1.3 In the year 2018, Ramkhamhaeng Hospital Public Company Limited receives dividend from investment 149.36 million baht while it had 35.83 million baht in 2017. The details are as follow :

Unit : Million baht

| | 2018 | 2017 |
|----------------------------------|---------------|---------------|
| Dividend received from | | |
| - The company in SET | 140.17 | 178.62 |
| - The Medic Pharma Co.,Ltd. | 0.86 | 0.86 |
| - Buranavetch Co.,Ltd. | 5.70 | 5.70 |
| - Thai Herbal Products Co.,Ltd. | 0.01 | 0.01 |
| - Khonkaen-Ram Hospital Co.,Ltd. | <u>2.62</u> | - |
| | <u>149.36</u> | <u>185.19</u> |

1.4 In addition to the other incomes in 1.2 and 1.3 there are also the following incomes :

Unit : Million baht

| | 2018 | 2017 |
|-----------------|-------------|-------------|
| Interest income | 2.47 | 2.31 |
| Other incomes | 9.59 | 9.95 |

2. The expenses of Ramkhamhaeng Hospital Public Company Limited and its subsidiaries are as follows.

Unit : Million baht

| | 2018 | 2017 |
|--|-------------|-------------|
| Cost of medical treatment | 582.81 | 568.86 |
| Cost of selling medical equipment | 85.44 | 108.10 |
| Administrative expenses | 146.98 | 99.81 |
| Finance costs | 15.27 | 23.47 |
| Finance costs (net) | 12.81 | 21.16 |
| Proportion of cost of medical treatment / revenue of medical treatment | 68.10 | 71.46 |
| Proportion of cost of administrative expenses/revenue of medical treatment | 17.45 | 12.54 |

It can be seen that the proportion of cost of medical treatment and administrative expenses / revenue of medical treatment in 2018 is a higher than 2017 about 1.55 %.

3. In the year 2018, Ramkhamhaeng Hospital Public Company Limited received share of profit from investment in associated company 57.80 million baht while it had highly to 106.96 million baht in 2017. The details are as follows:

Unit : Million baht

| | 2018 | 2017 |
|---|--------------|---------------|
| Chiangmai Ram Hospital Company Limited | 9.42 | 19.29 |
| Rangsiphan Company Limited | 0.06 | 0.09 |
| Synphaet Company Limited | 22.56 | 28.44 |
| Piyasiri Company Limited (Sukhumvit Hospital) | (7.50) | (4.83) |
| Vibhavadi Medical Center Public Company Limited | 14.03 | 13.67 |
| Phayao Ram Hospital Company Limited | 4.12 | 0.98 |
| Vibha Ram Hospital Company Limited | 18.45 | 51.43 |
| Legacy Golf Company Limited | (4.83) | (2.11) |
| Burirum Ruamphaet Co.,Ltd. | <u>1.49</u> | <u>-</u> |
| Total | <u>57.80</u> | <u>106.96</u> |

From the aforementioned information, Ramkhamhaeng Hospital Public Company Limited and its subsidiaries earned the net profit of 314.85 million baht, which is a decrease of 92.27 million baht or 22.66 % from the previous year.

Yours Sincerely,

(Dr. Chamnan Chanapai)

Managing Director