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Ref: HEMP-050/2022

November 10, 2022

**Subject:** Clarification of the Operating Result Difference Exceeding 20%

**To:** The President  
The Stock Exchange of Thailand

**Copy to:** The Secretary  
The Securities and Exchange Commission

Health Empire Corporation Public Company Limited would like to inform you of the difference in operating results of more than 20% according to the Notification of the Capital Market Supervisory Board No. TorJor. 44/2013 Re: Rules, Conditions, and Procedures for Disclosure of Financial and Non-financial Information of Securities Issuers, Clause 22, when it appears that the income or net profit reported in the financial statements of any securities issuing company differs by more than 20% from the same period the previous year. The issuing company must conduct an interim management discussion and analysis, at the very least demonstrating the causes and key factors causing the differences, as well as the impact caused by such factors, and submit it to the office along with the financial statements.

From the results of Q3/2022, The company had a net loss in the consolidated financial statements of 0.40 million baht when compared to the net loss of 13.48 million baht for Q3/2021, with a loss increase/(decrease) of (97%), which differed by more than 20%, as announced in The Notification of the Capital Market Supervisory Board No. Tor Jor. 44/2013

The Company's revenue from sales and services decreased by 1.14 million baht, or 7.09%, from 16.05 million baht in Q3/2021 to 14.91 million baht in Q3/2022. Other income increased from 3.64 million baht in Q3/2022 to 17.11 million baht in Q 3/2022, representing a total increase of 13.46 million baht or an increase of 369.42% from the profit from selling some investments in the subsidiary in accordance with the Group's business restructuring policy.

Cost of sales and services increased from 4.85 million baht in Q3/2021 to 10.29 million baht in Q3/2022, a 5.44 million baht or 112.13 percent increase.

Distribution costs and administrative expenses decreased from 26.56 million baht in Q3/2021 to 21.94 million baht in Q3/2022, for a total decrease of 4.63 million baht or a decrease of 17.41% in line with normal business activities and business plans in accordance with the Group's strategy.



Distribution costs and administrative expenses decreased from 26.56 million baht in Q3/2021 to 21.94 million baht in Q3/2022, for a total decrease of 4.63 million baht or a decrease of 17.41% in line with normal business activities and business plans in accordance with the Group's strategy.

Due to the Covid situation's causes and significant factors, the company's main source of income, particularly the business of beauty clinics, resorts and spas, has been significantly impacted in the past of Q3/2022. However, the sale of herbal products can still be profitable for the group of businesses, particularly when it comes to the continuously expanding sales of medicines in the Andrographis Paniculata Extract Capsul group. According to the strategy and operational plans, cannabis is continuing its planting efforts in order to produce and distribute its products which in this quarter has already harvested some products

Please be advised accordingly.

Respectfully Yours,

*-Samart Chuasiriphattana-*

( Mr. Samart Chuasiriphattana )

Director and CEO