

Ref. TNH 070/2022

12th December 2022

Subject: Explanation on a percentage of changes more than 20% in the company's operating performance for the three months ended 31st October 2022

Attention: The President
The Stock Exchange of Thailand

According to the resolutions of the Board of Directors ("BOD") Meeting, No. 5/2022 held on 12th December 2022 where approved the consolidated financial statements for the three months 31st October 2022 in which the Company has a comprehensive profit of 74.20 million baht, decreased by 67.27 million baht or equivalent of 47.55%. The main reasons for the said decrease were caused by the followings:

1. The Company's revenue from hospital operations 594.52 million baht for quarter 1/2023, decreased by 14.22% when compared to the same quarter of last year. Majority was caused by revenue from screening services through RT-PCR testing and admitting patients infected with coronavirus -19 in conjunction with Alternative State Quarantine (ASQ) and Community Isolation (CI) which has a severe outbreak during May - November 2021. These brought a significant lower rate of bed occupancy and income per inpatient admission. Overall reduction was explained as inpatient revenue decreased by 31.18% while outpatient income increased by 1.26%.
2. Net profit ratio for the quarter 1/2023 was 12.32% when compared to the same quarter of last year at 20.32% due to the decrease of income caused by the aforementioned pandemic. Together with an increase in expenses equivalent of 4.50% of revenue from medical expenses due to the depreciation of the new parking building and new medical equipment purchased in 2022, as well as an allowance for expected credit losses from medical treatments of patients infected by the coronavirus - 2019 which compensation from the government remains pending.

Please be informed accordingly.

Yours Sincerely,

(Mr. Prapat Suthawate)

Director and Company Secretary