



- Translation -

Ref : LPH/SET 2023/005

February 20, 2023

Subject : Clarification on the Operating Results for the Year 2022 ended December 31, 2022

To : President

The Stock Exchange of Thailand

The Board of Directors' Meeting of Ladprao General Hospital Public Company Limited (the "Company"), No.1/2023, held on February 20, 2023, has approved the financial statements of the Company and its subsidiaries for Year 2022 period ended December 31, 2022 and would like to clarify the operating results as follows:

Revenues for the Year 2022

The Company and its subsidiaries recorded Y2022 consolidated revenues at Baht 2,437.03 million slightly dropped 3.17% compared with Baht 2,516.90 million recorded in the previous year mainly affected by the followings:

Unit : million Baht	Increase(Decrease)			
	Year2022	Year2021	%	Amount
Revenues from hospital operation	2,152.99	2,243.99	(4.06%)	(91.00)
Income from medical treatment as usual	1,828.52	1,627.44	12.35%	200.98
Income from medical treatment for patients@COVID-19	324.57	616.55	(47.36%)	(291.98)
Service Revenues	263.79	245.80	7.32%	17.99
Other Revenues	20.25	27.11	(25.33%)	(6.87)
Total Revenues	2,437.03	2,516.90	(3.17%)	(79.88)

- Revenues from hospital operation totaling Baht 2,152.99 million dropped YoY 4.06% despite the hospital business as usual continues to grow 12.35% mainly due to
 - Income from medical treatment as usual grew up YoY11.06%
 - Income from general clients increased Baht 158.00 million or a growth of 18.56%
 - Income from social security services improved Baht 2.64 million or grew by 0.44%
 - Revenue from health promotion business has continually expanded YoY of 23.10%
 - Revenue from treating covid-19 patients materially reduced in the amount of Baht 291.98 million or a decline of 47.36% YoY from the end of the COVID-19 pandemic.
- Service revenues of the subsidiary, Asia Medical & Agricultural Laboratory and Research Center PLC ("AMARC"), for Y2022 has continuously grown 7.32% YoY comprising 36.1% revenue increase from calibration and 11.3% from testing services which mainly driven by large food manufacturers, major retail groups, as well as expansion of service scopes and accreditation. However, revenues from the inspection and certification service was 49.1% less, primarily due to the delay and declining public project bids compared with the previous year.



- Translation -

-2-

Management of Costs and Expenses

- Consolidated costs and expenses for the year 2022 increased YoY 6.46% primarily due to the followings:-

Unit : million Baht	Increase(decrease)			
	Year2022	Year2021	%	Amount
Expenses				
Cost of hospital operation	1,548.35	1,468.36	5.45%	80.00
Cost of services	158.81	146.25	8.58%	12.55
Administrative expenses	349.23	317.05	10.15%	32.18
Total expenses	2,056.39	1,931.66	6.46%	124.73
Finance costs	13.05	15.37	(15.10%)	(2.32)

- Cost of medical treatment, medical lab and analysis, essential medicines and medical supplies have been on the rise.
- The cost of subsidiary's services (AMARC) increased by 8.58% due to price increases in chemicals, consumables and a growth in the number of scientists supporting expansion as well as depreciation of assets invested in accordance with the implementation plan.
- Administrative expenses have risen mainly affected by the addition of personnel to support expanding service capability and rising utility expenditure incurred from expansion projects. However, some extra were increased by the event-specific activities (one-time) in relation to the listing on the Stock Exchange process of the subsidiary (AMARC).
- Costs and expenses in respect of depreciation and amortization of operating including right-of-use assets aimed for new project expansion increased by 9.39%, totaling Baht 13.84 million.
- Financing costs decreased due to the less borrowings usage than the previous year both revolving short-term and long-term loans from financial institutions as well as all the completed debt repayment after the IPO of the subsidiary (AMARC).

Profit from Business Operation

Based on the operating results for the year 2022 ended December 31, 2022, the Company and its subsidiaries had a gross profit margin of 29.36% in the hospital and service businesses. Notably that revenues in consolidation derived from the expansion might not grow much early on compared with the increasing costs and expenses of running such the business amidst a year of economic slowdown, remained a lessening of economy of scale. As a result, the net profit declined 30.49% over last year, with total net profit (attributable to owners of the company) amounting to Baht 322.91 million at net profit margin of 13.25%.

Please be informed accordingly.

Yours sincerely,

(Dr. Ungoon Chantanavich)

Chief Executive Officer