

Ref. TNH. 011/2023

13th March 2023

Subject: Explanation on a percentage of changes more than 20% in the company operating performance of quarter 2 of year 2023

Attention: The President
The Stock Exchange of Thailand

According to the resolutions of the Board of Directors Meeting of Thainakarin Hospital Plc. ("the Company") No. 1/2023 held on 13th March 2023 where approved the consolidated financial statements for 2nd quarter ended of 31st January 2023, the Company has the comprehensive profit 86.84 million baht, decreased by 31.77 million baht or equivalent of 26.78% when comparing to the same period in 2022 which mainly caused by:-

1. Revenue from hospital operation of quarter 2/2023 was 590.39 million baht lower by 11.37% when comparing to the same period in 2022 due to revenue from COVID-19 pandemic such as RT-PCT testing, Alternative State Quarantine (ASQ/AQ), Hospital, and admission of infected patient as from quarter 4/2021 came to the end in quarter 3/2022. These resulting in a declining of bed occupancy rate and revenue per inpatients, consisted of 15.66% from inpatient and 8.27% from outpatients income.
2. Net profit ratio of quarter 2/2023 was 14.57% while of quarter 2/2022 was 17.74%. Considering in terms of amount, net profit was reduced by 26.78% due to there was no revenue from COVID-19 pandemic to appreciate as mentioned in 1. Gross Profit margin was lower by 6.62% from quarter 2/2022 as under COVID-19 pandemic the Company could utilize its fixed cost in generating income more effectively. Also, an opening of new parking building and launching of radiotherapy building in quarter 2/2023 had brought additional depreciation to cost of hospital operations while administrative expenses were maintained at secure level.

Please be informed accordingly.

Yours Sincerely,

(Mr.Prapat Suthawate)

Director and Company Secretary