

14 August 2019

Subject :Management discussion and analysis of financial statement for three-month period ended 30 June 2019

Attention :Director and Manager  
The Stock Exchange of Thailand

The operating performance for three-month period end 30 June 2019 of Mahachai Hospital Public Company Limited compared to the prior year was decreasing in net profit amounting to Baht 38.48 million or 827.56 % because of the follow main reasons.

1.Revenue from hospital operations increased by Baht 7.98 million or 1.47 % due to in Q2/2019 the revenue from general patient increased .In addition the Social security revenue of subsidiaries decreased because of the uncertainty of the payment system of Social security office.

2. Cost of hospital operations & Administrative expenses increased by Baht 57.24 million or 10.58 % due to the increase in medical personal and general staff expenses to support the future expansion of subsidiaries. Moreover according The Labor Protection Act (No.7), B.E. 2562 stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiary has additional liabilities for provisions for employee benefits of Baht 24.97 million in the consolidated financial statements.

Sincerely yours,

(Mr.Pongpat Patanavanich)  
Managing Director