

Ref. TNH. 011/2023

13<sup>th</sup> 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 13<sup>th</sup> March 2023 where approved the consolidated financial statements for 2<sup>nd</sup> quarter ended of 31<sup>st</sup> 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