

Ref. TNH 022/2023

14th June 2023

Subject: Explanation on a percentage of changes more than 20% in the company's operating performance for quarter 3/2023

Attention: The President
The Stock Exchange of Thailand

According to the resolutions of the Board of Directors ("BOD") Meeting, No. 3/2023 of Thainakarin Hospital Plc. held on 14th June 2023 where approved the consolidated financial statements for 3rd quarter ended of 30th April 2023 in which the Company has a comprehensive profit of 78 million baht, decreased by 34.78 million baht or equivalent of 44.57% when comparing to the same period in 2022. The main reasons for the said decrease were caused by the followings:

1. Revenue from hospital operation 580.73 million baht was decreased by 7.52% when comparing to the same quarter of last year. Majority was caused by revenue from screening services through RT-PCR testing, Alternative State Quarantine (ASQ/AQ) and Hospitel and treating patients infected with Coronavirus-19 as from the quarter 4/2021 to the quarter 3/2022. These resulting in a reduction in ARI Clinic and LAB income, the bed occupancy rate and revenue per inpatients, consisted of decreased by 6.33% from inpatient revenue and by 8.35% from outpatient revenue.
2. Net profit ratio for the quarter 3/2023 was 13.32% when compared to the same quarter of last year at 17.86%. Considering in terms of amount, net profit was decreased by 30.83% due to the decrease in medical income as mentioned in item 1. Besides, the gross profit margin from medical services decreased by 3.42%. Due to the treatment of patients infected with Coronavirus-19 in the quarter 3/2022, the Company was able to utilize fixed costs to generate revenue efficiently. In addition, the opening of a new parking building and launching of radiotherapy department since the quarter 2/2023 has resulted in higher depreciation of building and medical equipment.

Please be informed accordingly.

Yours Sincerely,

(Mr. Prapat Suthawate)

Director and Company Secretary