

Ref : 49/2020

August 13, 2020

Subject : The explanation of operating results for the second quarter of 2020

To : The SET President

Vibhavadi Medical Center Pcl. would like to disclose the review of consolidated interim financial statements of the Group and the interim financial statement of the Company for the period ending June 30, 2020. The results shows net loss of Baht 60.42 million, comparing at the same period in 2019 representing 139.28% decrease. This is mainly due to :

1. Income from medical treatments in the consolidated financial went down 23.23% due to income from Chiang Mai Ram Medical Business Plc., (CMR) amount Baht 776.51 million, comparing at the same period in 2019 representing 22.31% decrease . Income from medical treatments in the separate financial went down 26.11% due to the decreased in the number of out-patients to 31.70% and the number of in-patients decreased 40.51 %,due to impact of the coronavirus (COVID-19) situation. The rental and service income went up amount to Baht 1.89 million from V.Plaza amount Baht 9.52 million and went down from Princeton Park Suit Co.,Ltd. amount Baht 3.53 million. The other income went down 28.90% amount to Baht 9.02 million.

2. The cost of medical treatments when compared to income from medical treatments increased 7.25% due to the cost of medical treatments from CMR went up 6.79% and the cost of medical treatments in the separate finance went up 7.70%. The cost of rental and service went down 47.24% from the rental of Princeton Park Suit Co.,Ltd. comparing at the same period in 2019 representing 18.84% decrease and the cost of selling and service went down 71.51% due to the company has used the facility as a Hospital for COVID-19. The cost of administrative when compared to income from medical treatments went down 3.12 % due to the expenses of CMR increased 4.10% and the separate financial increase 1.78%.

3. The net income decreased 139.28% (Separate financial statement : decreased 52.92 %) due to the decreased n the number of patients from the outbreak of COVID-19 and the share of profit (loss) of associate decreased Baht 102.80 million in previous year.

Please be advised accordingly.

Yours sincerely,

(Mr. Chaisith Viriyamettakul)

Chief Executive Officer