

INSIDE THIS ISSUE:

Major Development	1
6M19 Performance	2
Summary of Balance Sheets	4
IR Activities	6

Performance Highlights

Major Development

1. Convertible Bonds

On 18 September 2014, Company issued zero coupon convertible bonds ("CB") to investors outside Thailand for Baht 10,000 million due in September 2019. In the meantime, the CB holders has exercised the put option and conversion rights at Baht 21.045 per share. Details are summarized as follows:-

Status	CB Outstanding (THB mm)	Number of Shares (mm)
Issued CB	10,000	15,491.0
Early Redemption in 2017	(1,560)	-
CB holders exercised		
– In 2018	(3,746)	178.0
– In 2Q19	(383)	18.2
– In July 2019	(90)	4.3
Outstanding as of 29 July 19	4,221	15,691.5

2. Opening of Mövenpick BDMS Wellness Resort Bangkok

On 1 June 2019, the Company together with Mövenpick Hotels & Resorts opened Mövenpick BDMS Wellness Resort Bangkok, an international wellness resort located in the heart of Bangkok in coordination with BDMS Wellness Clinic to provide in-house personalized wellness program and promote prevention and lifestyle improvement. The resort consists of around 290 guest rooms with the restaurants serving with healthy selection of organic food and health-conscious menu.

Thailand



Overseas



3. Opening of Bangkok International Hospital

On 1 July 2019, Bangkok International Hospital, a tertiary care hospital, has opened as our 48th network hospital with total of 172 structured beds. Under the concept of “Rediscover Your Life”, Bangkok International Hospital aims to deliver the next level of patient experience and satisfaction by offering a comprehensive state-of-the-art care. Integrated medical services provided by highly experienced multidisciplinary team specialized in Neurology, Orthopedics and Spine result in the best possible outcomes while taking into consideration of patients and families’ needs and preferences.

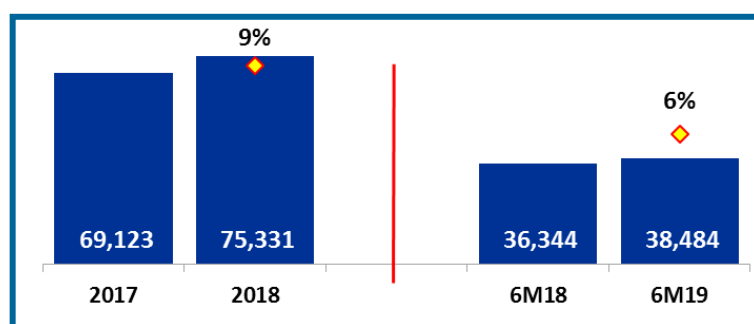
6M19 Performance

If excluding non-recurring item in 6M19, Bangkok Dusit Medical Services Public Company Limited (“Company”) reported consolidated net profit of Baht 4,790 million, decreased by 3% yoy. The summarized 1Q19 consolidated performance is as follows:-

1. Operating income

In 6M19, total operating income were Baht 40,407 million, an increase of Baht 2,162 million or 6% yoy, primarily due to

- ◆ Revenues from hospital operations were Baht 38,484 million, an increase of Baht 2,141 million or 6% yoy, in 6M19. Key growth drivers were an increase in price intensity which was driven by 10 Center of Excellence along with an expansion of insurance patients’ base. In addition, the Company has the Bangkok Emergency Services to coordinate timely patients’ referral in case of accident or patients in critical conditions.



Revenue from hospital operations

Revenue of network hospitals in Bangkok and vicinity grew 5% yoy while revenue of network hospitals in the upcountry grew 7% yoy in 6M19.

Revenue from Thai patients grew 5% yoy while revenue from international patient grew 8% yoy in 6M19. Key drivers were mainly from increase in Emiratis patients 94% yoy, Omanis patients 82% yoy and Cambodian patients 22% yoy. The revenue proportion between Thai and international patients changed from 70%:30% in 6M18 to 68%:32% in 6M19.

- ◆ Revenues from sales of goods were Baht 1,474 million, slightly decreased by 2% yoy due mainly to a decrease in export sales of A.N.B. Laboratories Co., Ltd.
- ◆ Other income were Baht 448 million, increased by 14% yoy.

2. Operating expenses

In 6M19, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 34,937 million, an increase of Baht 2,841 million or 9% yoy due mainly to non-recurring items (before income tax) as follow:-

- (1.) Provisions for employee benefits of Baht 616 million (before income tax). According to legal retirement benefit rates for employees who have worked for an uninterrupted period of 20 years or more, such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate.
- (2.) One-time expenses of Baht 110 million (before income tax) for MEA in finding the land to locate electricity sub-station to accommodate electricity usage at Bangkok International Hospital as current electricity usage at Bangkok Hospital Headquarter (all of our buildings in Soi Soonvijai area) exceeding 15,000 KVA according to rules and regulations of MEA. This transaction is recorded as administrative expenses.

If excluding these non-recurring items, total operating expenses and depreciation would grow 7% yoy.

The depreciation and amortization expenses were Baht 2,766 million in 6MQ19, increased by 5% yoy due mainly to depreciation and amortization of new network hospital, and opening of BDMS Wellness Clinic and Mövenpick BDMS Wellness Resort Bangkok.

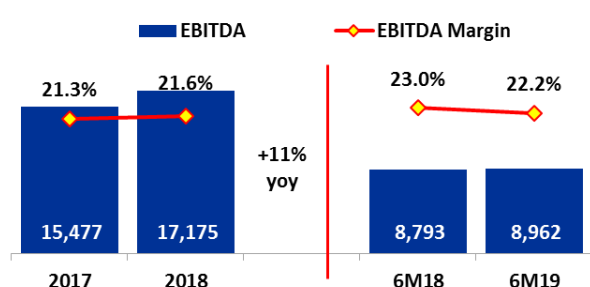
3. Others majors items

- ◆ Share of income from investments in associates were Baht 484 million in 6M19, decrease of 32% yoy due mainly to divestment of all investment in Ramkhamhaeng Hospital Public Co., Ltd. ("RAM") in 1Q19. Share of income from investments in associates in 6M19 were mainly from investment in BH of Baht 449 million.
- ◆ Finance cost decreased to Baht 550 million in 6M19 or decreased by 10% yoy due mainly to a decrease in the outstanding of CB after exercising conversion rights together with repayment of loans from financial institutions during 1Q19.
- ◆ Tax expenses in 6M19 were Baht 2,570 million, decreased from Baht 1,107 million in 6M18, due mainly to tax expenses from non-recurring items totaling of Baht 1,379 million. (Details are shown in non-recurring items)

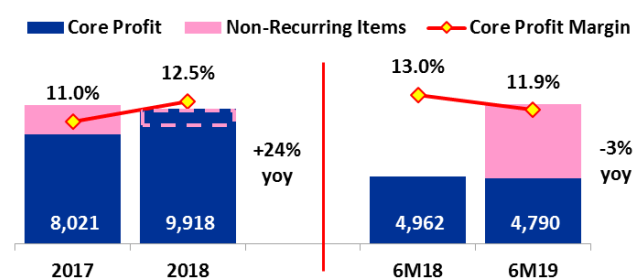
4. Non-recurring items

During 6M19, the Company recorded non-recurring items (net of income tax) of Baht 5,514 million. Details as follows:-

(THB mm)	Amount	Tax	Net of tax
(1) Gain on sales in RAM	7,617	(1,523)	6,094
(2) Provisions for employee benefits	(616)	123	(493)
(3) One-time expenses in finding the land to locate electricity sub-station for Bangkok International Hospital	(110)	22	(88)
(4) Gain on sales in other long-term investment	2	(1)	1
Total	6,893	(1,379)	5,514



EBITDA & EBITDA Margin *



Net Profit & Net Profit Margin *

* Excluding non-recurring items

If excluding non-recurring items, core EBITDA increased from Baht 8,793 million in 6M18 to Baht 8,962 million in 6M19 or slightly increased by 2% yoy. However, core EBITDA margin decreased from 23.0% in 6M18 to 22.2% in 6M19.

Core profit was Baht 4,790 million, decreased by 3% yoy. As a results, core profit margin decreased from 13.0% in 6M18 to 11.9% in 6M19. Core EPS was Baht 0.31 per share in 6M19.

If including non-recurring items, EBITDA was Baht 8,235 million or decreased by 6% yoy resulting in EBITDA margin of 20.4%.

Net profit were Baht 10,304 million, increased by 108% yoy with net profit margin of 25.5%. Such increase was mainly from gain from divestment of all investment in RAM in 1Q19. EPS was Baht 0.66 per share or increased by 105% yoy.

Summary of Balance Sheets

(Unit : THB mm)	<u>Jun-19</u>	<u>Dec-18</u>	<u>Chg %</u>
Total Assets	134,354	133,499	1%
Total Liabilities	53,751	60,061	(11)%
Total shareholders' equity	80,603	73,438	10%

As of 30 June 2019, the Company and its subsidiaries reported total assets of Baht 134,354 million, slightly increased from 31 December 2018, due mainly to an increase in cash and cash equivalents of Baht 4,595 million together with an increase in property, premises and equipment of Baht 1,063 million netted with a decrease in investment in associates of Baht 5,549 million mainly from divestment of all investment in RAM.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2018. Such goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. However, the Company has considered that this goodwill is not impaired.

Total consolidated liabilities as of 30 June 2019 were Baht 53,751 million, decreased by 11% from 31 December 2018 due mainly to decrease in bank overdrafts and short-term loans of Baht 5,847 million.

Total consolidated shareholders' equity as of 30 June 2019 was Baht 80,603 million, increased by 10% from 31 December 2018, due mainly from net profit during the period.

Financial Analysis	6M19	6M18
Returns (%)		
Return on Asset	15.4	8.1
Return on Equity	27.9	15.4
Liquidity (x)		
Current Ratio	0.7	1.0
Quick Ratio	0.7	0.9
Asset & Liabilities Management (Days)		
Average Collection Period	36.7	34.7
Average Inventory Period	11.8	12.3
Average Accounts Payable	34.1	34.0
Leverage & Coverage Ratio (x)		
Interest Coverage	15.0	14.4
	Jun-19	Dec-18
Total Debt to Equity	0.4	0.5
Net Debt to Equity	0.3	0.5
Net Debt to EBITDA	1.4	2.0

Remark

- Assets & Liabilities Management is calculated based on 360 days
- Interest coverage = EBITDA/Interest Expenses
- Debt refers to interest bearing debt

Return on assets ("ROA") and return on equity ("ROE") in 6M19 increased significantly from 6M18 as a results of net gain from divestment of all investment in RAM.

Current ratio and quick ratio also decreased from 6M18 due to an increase in current portion of long-term loans from financial institutions and current portion of convertible bonds.

Average collection period increased from 34.7 days in 6M18 to 36.7 days in 6M19. The Company and its subsidiaries reported the aging of the outstanding trade accounts receivable which most of them aged not over than 3 months. The Company and its subsidiaries report allowance for doubtful accounts for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

Average inventory period decreased from 12.3 days in 6M18 to 11.8 days in 6M19. The Company's inventories were mostly medicines and medical supplies which the Company and its subsidiaries already recorded allowance for the expired medicine and medical supplies to reduce its cost to net realizable value.

Average payable period slightly increased from 34.0 days in 6M18 to 34.1 days in 6M19.

Interest coverage ratio increased from 14.4x in 6M18 to 15.0x in 6M19 due to lower finance cost.

Total interest bearing debt to equity decreased from 0.5x as of 31 December 2018 to 0.4x as of 30 June 2019. Net interest bearing debt to equity also decreased from 0.5x as of 31 December 2018 to 0.3x as of 30 June 2019. The decreases were mainly from the repayment of loans from financial institutions during the period.

Net interest bearing debt to EBITDA decreased from 2.0x as of 31 December 2018 to 1.4x as of 30 June 2019.

The leverage and coverage ratios are well within the financial covenants of the long-term loans and debentures.

IR Activities

Analyst Meeting 2Q19 Results



BDMS hosted the 3/2019 Analyst meeting for 2Q19 results on 15 August 2019. The meeting was led by Khun Narumol Noi-Am, Acting President and CFO, Mr. Raymond Chong Chin Wah, CEO BDMS Wellness Clinic, Mr. Michael Mitchell, Hospital Director of Bangkok International Hospital and Khun Ajaya Intaraprasong, AVP, Investor Relations. The meeting provided the investment community an opportunity to update on the Company's performance and strategic direction together with addressing any questions or comment to the management. This time, participants also have an opportunity for site visit at Bangkok International Hospital, our new hospital network opening in July 2019.

Presentation material and webcast also posted on our website at www.bangkokhospital.com under investor relations.

BDMS Company Visit & IR Workshop



On 19 August 2019, Thai Investor Relations Club (TIRC) together with Thai Listed Companies Association invited Khun Narumol Noi-Am, Acting President and CFO, and Khun Ajaya Intaraprasong, AVP, Investor Relations, to be speakers under the topic of BDMS Company Visit & IR Workshop "Beyond Regulations: Tips for effective MD&A reporting". Participants are management and investor relations officers of small and medium listed companies, on how to prepare effective MD&A, cooperation among relevant parties, process and key highlights to disclose in MD&A.

In this regard, participants also have an opportunity for site visit at Bangkok Hospital Headquarter and Bangkok International Hospital, our 48th hospital network.

IR Activities

dbTISCO Thailand Hotel & Healthcare Sector Corporate Day



On 23 August 2019, BDMS Investor Relations have been invited to join dbTisco Thailand Hotel & Healthcare Sector Corporate Day at Tisco Tower to update on Company's development and strategic direction to more than 10 local fund managers.

Thailand Focus 2019



On 29 August 2019, Khun Narumol Noi-Am, Acting President and CFO, Khun Ajaya Intaraprasong, AVP and Khun Jitima Ratanatam, Assistant Director, Investor Relations joined Thailand Focus 2019 organized by SET in at Grand Hyatt Erawan Bangkok. This conference provided us the opportunity to update our recent development, strategy and outlook to both Thai and International institutional investors.



Bangkok Dusit Medical Services

Thailand



Overseas



Bangkok Dusit Medical Services Public Company Limited (SET Symbol : BDMS) is the largest private hospital operator in Thailand in terms of patient services revenue and market capitalization with approximately THB 134,354 million in assets as of June 2019. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 46 hospitals in Thailand and 2 hospitals in Cambodia. BDMS is focused on Bangkok and various high-growth markets in Thailand and overseas. The Company is committed to be the leading network healthcare provider by meeting the needs of Thai and foreign patients with high quality, internationally-accepted standards, and value for money services together with the state-of-the art medical technology.

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