

## INSIDE THIS ISSUE:

Major Development	1
9M20 Performance	2
Summary of Balance Sheets	4
Rewards & Recognition	6
IR Activities	7

## Performance Highlights

### Major Development

#### Tris Rating affirmed the Company rating and senior unsecured debentures rating at “AA”

On 26 October 2020, TRIS Rating affirmed the Company and senior unsecured debenture ratings at “AA” with stable outlook. The ratings reflect Company’s leading market position as the largest private hospital operator in Thailand, with extensive network and strong franchise of hospital brands. The rating also take into consideration the Company’s satisfactory operating performance, moderate financial risk profile and adequate liquidity. Key consideration factors are as follow:-

- ♦ Strong market position and solid competitive edge, backed by leading market position as the largest private hospital operator in Thailand, extensive network and diverse range of healthcare services together with the largest pool of doctors and nurses in the industry.
- ♦ Signs of recovery in local patient numbers although it has not yet fully resumed. Company has a large base of Thai patients and has put more efforts to draw new local patients, by introducing promotional campaigns and collaborating with insurance companies. Moreover, with Thailand’s competitive strengths in quality healthcare services, location and lower price compared with other countries, a large number of foreigners remain keen to come to Thailand for medical treatment.
- ♦ Moderate financial leverage and adequate liquidity with ability to comply with key financial covenants.

Thailand



Overseas

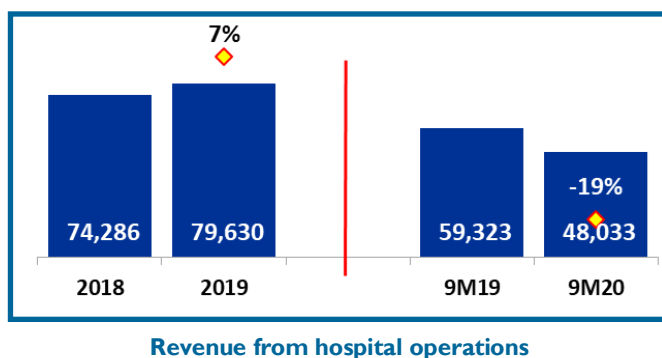


## 9M20 Performance

### 1. Operating income

In 6M20, total operating income were Baht 33,980 million, decrease of Baht 6,427 million or 16% yoy, primarily due to

- ◆ Revenues from hospital operations were Baht 48,033 million, decrease of Baht 11,290 million or 19% yoy. Such decrease was mainly from decrease in patient volume which affected by COVID-19 outbreak. Hence, revenue from international patients decreased 40% yoy mainly from a decrease in Middle East patients 74% yoy, Myanmar patients 65% and Australia patients 54% yoy. Revenue from Thai patients also decreased 10% yoy. The revenue proportion between Thai and international patients changed from 69%:31% in 9M19 to 78%:22% in 9M20.



Hospital in Bangkok & vicinity decreased 21% yoy while outside Bangkok & vicinity hospitals decreased 14% yoy. The occupancy rate decreased from 67% in 9M19 to 49% in 9M20.

- ◆ Revenues from sales of goods and food were Baht 2,213 million in 9M20, slightly decreased by 2% yoy
- ◆ Other income was Baht 710 million, unchanged from 9M19.

### 2. Operating expenses

In 9M20, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 44,233 million, decrease of Baht 8,989 million or 17% yoy

The depreciation and amortization were Baht 4,803 million in 9M20, increased by 13% yoy due mainly to TFRS 16 leases resulting in additional depreciation of Baht 297 million in 9M20. If excluding impact from TFRS 16, depreciation and amortization would increase 6% yoy.

### 3. Others majors items

- ◆ Share of profit from investments in associates were Baht 247 million in 9M20, decreased by 68% yoy. Share of profit from investments in associates were mainly from Bumrungrad Hospital Public Co., Ltd. ("BH") of Baht 184 million (decreased from Baht 712 million in 9M19).
- ◆ Finance expenses decreased to Baht 661 million or decreased by 9% yoy due mainly to decrease in liabilities from redemption of CB in September 2019.
- ◆ Taxes in 9M20 were Baht 1,214 million, decreased from Baht 3,280 million in 9M19, due mainly to decrease in pre-tax profit in 9M20 and high tax expense in 9M19, given non-recurring items of Baht 1,379 million mainly from divestment of all investment in Ramkhamhaeng Hospital Public Co., Ltd. ("RAM"). (Details are shown in non-recurring items)

#### 4. Non-recurring items

During 9M20, the Company and its subsidiaries disposed investment in BH totaling 1,250,100 shares, totaling amount of approximately Baht 125 million. As a result, the Company's interest in BH decreased from 22.94% to 22.78%. The Company and its subsidiaries recognized gain on disposal of investment in the associate under equity method in the consolidated financial statements amounting to Baht 13 million.

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

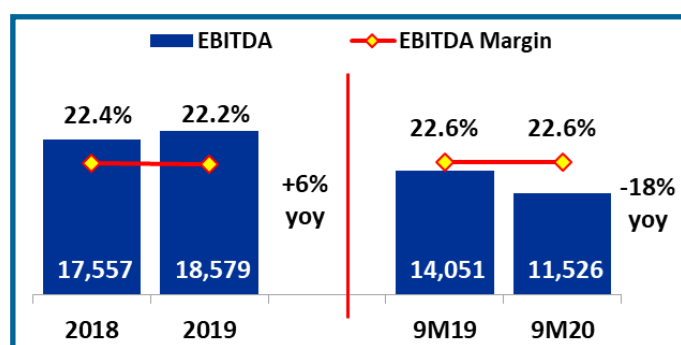
(THB mm)	Amount	Tax	Net of tax
(1) Gain on sales in RAM	7,617	(1,523)	6,094
(2) Provisions for employee benefits	(616)	123	(493)
(3) One-time expenses in finding the land to locate electricity sub-station for Bangkok International Hospital	(110)	22	(88)
(4) Gain on sales in other long-term investment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

#### 5. Profitability analysis

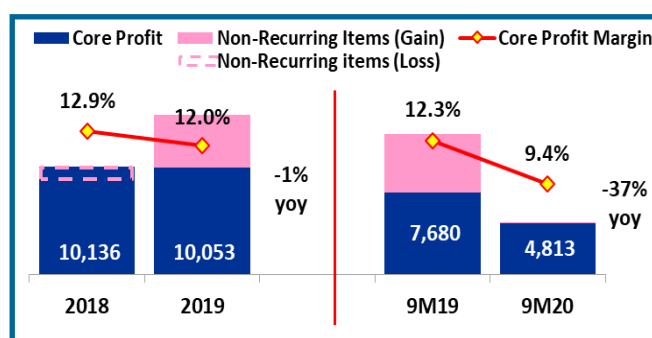
If excluding non-recurring items, core EBITDA decreased from Baht 14,051 million in 9M19 to Baht 11,526 million in 9M20 or decreased by 18% yoy. However, core EBITDA margin remained unchanged at 22.6% in 9M19 and 9M20.

Core profit was Baht 4,813 million, decreased by 37% yoy resulting in decrease in core profit margin from 12.3% in 9M19 to 9.4% in 9M20.

If including non-recurring items, net profit was Baht 4,827 million, decreased by 63% yoy resulting in decrease in core profit margin from 21.2% in 9M19 to 9.5% in 9M20. EPS was Baht 0.30 per share in 9M20 or decreased by 64% yoy.



EBITDA & EBITDA Margin \*



Core Profit & Core Profit Margin

\* Excluding non-recurring items

# Summary of Balance Sheets

(Unit : THB mm)	Sep-20	Dec-19	Chg %
Total Assets	132,896	133,662	(1)%
Total Liabilities	46,543	46,480	0%
Total shareholders' equity	86,353	87,182	(1)%

As of 30 September 2020, the Company and its subsidiaries reported total assets of Baht 132,896 million, slightly decreased from 31 December 2019, due mainly to a decrease in trade and other receivables of Baht 1,959 million, netted with an increase in right-of-use assets of Baht 3,388 million from a new financial reporting standards, TFRS 16 leases.

Total consolidated liabilities as of 30 September 2020 were Baht 46,543 million similar to 31 December 2019 due mainly to increase in net long-term loans from financial institutions of Baht 4,807 million and net liabilities under lease agreements of Baht 3,486 million from TFRS 16 leases together with an increase in bank overdrafts and short-term loans of Baht 1,476 million for liquidity reserve in response to impact of COVID-19, netted with repayment of debentures of baht 5,000 million, decrease in accrued expenses of Baht 2,758 million and trade and other payables of Baht 1,919 million.

Total consolidated shareholders' equity as of 30 September 2020 was Baht 86,353 million, slightly decreased by 1% from 31 December 2019.

Financial Analysis	9M20	9M19
<b>Returns (%)</b>		
Return on Asset	4.8	7.7
Return on Equity	7.7	13.5
<b>Liquidity (x)</b>		
Current Ratio	1.0	0.8
Quick Ratio	0.8	0.7
<b>Asset &amp; Liabilities Management (Days)</b>		
Average Collection Period	43.9	36.7
Average Inventory Period	14.1	11.6
Average Accounts Payable	40.0	34.0
<b>Leverage &amp; Coverage Ratio (x)</b>		
Interest Coverage	17.4	19.4
	<b>Sep-20</b>	<b>Dec-19</b>
Total Debt to Equity	0.3	0.3
Net Debt to Equity	0.3	0.2
Net Debt to EBITDA	1.6	1.1

**Remark**

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

If excluding non-recurring items, ROA and ROE in 9M20 decreased from 9M19 as a result of decrease in profit from operations in 9M20.

Current ratio and quick ratio increased from 9M19 due to no convertible bonds outstanding and a decrease in current portion of long-term loans from financial institutions.

Average collection period increased from 36.7 days in 9M19 to 43.9 days in 9M20 due to COVID-19 resulting in declining operating income and some inconvenience from domestic and international account receivables collection.

Average inventory period increased from 11.6 days in 9M19 to 14.1 days in 9M20 to ensure that inventory is adequate for the current situation. 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 also increased from 34.0 days in 9M19 to 40.0 days in 9M20 as a result of debt management.

Interest coverage ratio decreased from 19.4 in 9M19 to 17.4 in 9M20.

Total interest bearing debt to equity remained unchanged at 0.3x as of 31 December 2019 and as of 30 September 2020. Net interest bearing debt to equity increased from 0.2x as of 31 December 2019 to 0.3x as of 30 September 2020.

Net interest bearing debt to EBITDA also increased from 1.1x as of 31 December 2019 to 1.6x as of 30 September 2020.

The impact of COVID-19 remains a great deal of uncertainty surrounding the trends and duration of the impact, requiring the company to plan for a wide range of scenarios for the remaining of the year. As a result of the operating and financial strategies the company has implemented, the company strongly believes that it has sufficient liquidity and will continue to be able to successfully adapt as the situation evolves.

# Rewards & Recognition

## Thailand Sustainability Investment (THSI)



*Thailand Sustainability Investment (THSI)*  
**"Creating Sustainable Investment Opportunities"**

On 11 November 2020, BDMS is selected to be part of 2020 Thailand Sustainability Investment (THSI) with outstanding performance on Environmental, Social and Governance (ESG) aspects, embracing more sustainable development practices into our business process

## 2020 All-Asia Executive Team from Institutional Investor



BDMS won "Honored Companies in Thailand for a second year in a row ranking 1st in all categories (Best CEO, Best IR Professional, Best IR Program and Best ESG)"

## Money & Banking Awards 2020



BDMS won Best Public Company of the Year 2020 Award in Services Industry



## IR Activities

### Thai Investors Association



สมาคมส่งเสริมผู้ลงทุนไทย  
THAI INVESTORS ASSOCIATION



On 1 October 2020, BDMS welcomed investor from Thai Investors Association (TIA), an organization backed by SEC and Stock Exchange of Thailand to discuss company's vision, operational strategies and update the current situation of industry

### Virtual Analyst Meeting 3Q20 Results (WebEx)



BDMS hosted a virtual analyst meeting for 3Q20 results on 16 November 2020. The meeting was led by Dr. Poramaporn Prasarttong-Osoth, President and CEO - Group I, Khun Narumol Noi-Am, SEVP and CFO, Dr. Trin Charumilind, CMO, Khun Ajaya Intaraprasong, AVP and Khun Jitima Ratanatam, Assistant Director of 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. There are more than 90 investors and analysts joining the session.

Presentation material and webcast also posted on our website at [www.bangkokhospital.com](http://www.bangkokhospital.com) under investor relations.

## IR Activities

### Virtual Results Call Hosted by CLSA for Inter Analyst and Fund Managers



On 16 November 2020, BDMS IR team joined Virtual Results Call hosted by CLSA Securities (Thailand) Limited to update latest performance and business strategy to 57 foreign analysts and fund managers.



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 132,896 million in assets as of September 2020. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 47 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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