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Performance Highlights

IQ21 Performance

1. Operating income

(Baht mm)	IQ21	IQ20	YoY	QoQ
Hospital operations	15,311	18,882	(19)%	(11)%
Sales of goods	716	858	(17)%	3%
Other income	253	263	(4)%	(7)%
Total operating income	16,281	20,003	(19)%	(10)%

Comparing with IQ20 (YOY)

In IQ21, total operating income were Baht 16,281 million, decrease of Baht 3,722million or decreased by 19% yoy, primarily due to

- ◆ Revenues from hospital operations were Baht 15,311 million, a decrease of Baht 3,571 million or 19% yoy mainly from decrease in patient volume especially international patients which affected by travel restriction since 2Q20 resulting in decrease in revenue from international patients of 49% yoy.

Revenue from Thai patients also decreased 7% yoy mainly from the second wave of COVID-19 outbreak. However, in March 2021, revenue from Thai patients turned into positive growth comparing to March 2020 as a results of increasing in revenue from domestic contracts together with launching BDMS check-up packages of Baht 990 to celebrate reaching our 50th Anniversary.

Consequently, the revenue proportion between Thai and international patients changed from 71%:29% in IQ20 to 81%:19% in IQ21.

Revenue of Bangkok & vicinity hospitals decreased 18% yoy while revenue of outside Bangkok & vicinity hospitals decreased 21% yoy as the second wave of COVID-19 spreading mostly in outside Bangkok area.

The occupancy rate decreased from 61% in IQ20 to 46% in IQ21.

Thailand



Overseas



- ♦ Revenues from sales of goods were Baht 716 million, decreased by 17% yoy as there was good growth in 1Q20 from sales of COVID-19 protection products.
- ♦ Other incomes were Baht 253 million, decreased by 4% yoy.

Comparing with 4Q20 (QoQ)

Operating income improves gradually since 3Q20. Unfortunately, the operations in 1Q21 affected by the second wave of COVID-19 started late 2020. As a result, operating income decreased Baht 1,820 million or decreased by 10% from 4Q20. This was attributable to decrease in revenue from hospital operations of Baht 1,823 million or decreased by 11% from 4Q20. Revenue from Thai decreased approximately 13% while revenue from international patients slightly decreased approximately 2% from 4Q20. In addition, occupancy rate decreased from 57% in 4Q20 to 46% in 1Q21.

However, in March 2021, revenue growth from both Thai and International patients turned positive comparing to February 2021 reflecting some improvement. Growth of revenue from international patients were mainly from expatriates living in Thailand, namely British, Japanese and French. The occupancy rate also improved to 51% in March 2021.

2. Operating expenses

Comparing with 1Q20 (Y0Y)

In 1Q21, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 14,334 million, decrease of Baht 2,473 million or 15% yoy as a result of continuous cost saving program to managed cost while maintaining quality and standard of care since 2Q20. Although, this year, there would be some increase in personnel expenses to accommodate improving revenue growth trend, the Company and subsidiaries would continue to control on other non-essential expenses such as marketing expenses and utility expenses.

Comparing with 4Q20 (QoQ)

In 1Q21, the Company and its subsidiaries reported total operating expenses & depreciation decreased Baht 1,965 million or decreased by 12% from 4Q20. Cost of hospital operations and others decreased 11% while administrative expenses decreased 16% from 4Q20. Such decreases were partly because of special funds paid to clinical and non-clinical personnel for morale and encouragement of Baht 850 million in 4Q20.

3. Others majors items

- ♦ Share of profit from investments in associates decreased from Baht 218 million in 1Q20 to Baht 3 million in 1Q21 or decreased by 99% yoy mainly from no share of profit due to divestment in all BH investment during 4Q20.
- ♦ Finance expenses decreased from Baht 228 million in 1Q20 to Baht 195 million in 1Q21 due to decrease of long-term loans from financial institutions and liabilities under lease agreements.
- ♦ Taxes in 1Q21 were Baht 330 million, decreased 35% yoy due mainly to a decrease in pre-tax profit.

5. Profitability analysis

(Baht mm)	IQ21	IQ20	YoY
EBITDA	3,527	4,790	(26)%
EBITDA margin	21.7%	23.9%	
Share of profit from associates	3	218	(99)%
EBIT	1,963	3,425	(43)%
EBIT margin	12.1%	17.1%	
Net profit	1,339	2568	(48)%
Net profit margin	8.2%	12.8%	
EPS (Baht)	0.08	0.16	(48)%

Remark

EBITDA = Total operating income – Total operating expenses (Excluding depreciation and amortization)

Profitability margin calculated based on operating income

EBITDA decreased from Baht 4,790 million in IQ20 to Baht 3,527 million in IQ21, decreased by 26% yoy. EBITDA margin also decreased from 23.9% in IQ20 to 21.7% in IQ21.

Net profit was Baht 1,339 million, decreased by 48% yoy due mainly to no share of profit from BH. As a result, net profit margin decreased from 12.8% in IQ20 to 8.2% in IQ21. EPS was Baht 0.08 per share or decreased by 48% yoy.

Summary of Balance Sheets

(Unit : Baht mm)	Mar-21	Dec-20	Chg %
Total Assets	137,009	136,050	1%
Total Liabilities	44,168	44,588	(1)%
Total shareholders' equity	92,841	91,463	2%

As of 31 March 2021, the Company and its subsidiaries reported total assets of Baht 137,009 million, slightly increased from 31 December 2020, due mainly to an increase in cash & cash equivalents of Baht 2,699 million from profits during the period, netted with decrease in trade & other receivables of Baht 1,041 million.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2020. Goodwill were mainly from acquisitions. 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.

Other assets of Baht 4,386 million mainly consisted of intangible assets which are computer software of Baht 1,324 million together with current financial assets which are investment in mutual funds, fixed deposit and treasury bill of Baht 1,462 million.

Total consolidated liabilities as of 31 March 2021 were Baht 44,168 million, slightly decreased 31 December 2020 due mainly decrease in trade and other payables of Baht 514 million.

Total consolidated shareholders' equity as of 31 March 2021 was Baht 92,841 million, slightly increased by 2% from 31 December 2020.

Financial Analysis	1Q21	1Q20	ROA and ROE in 1Q21 decreased from 1Q20 as a result of decrease in profit from operations in 1Q21 mainly from negative impact of COVID-19 and no share of profit from BH. Current ratio and quick ratio increased from 1Q20 due to increase in cash & cash equivalents from divestment in all investment in BH together with decrease in current portion of long-term loans from financial institutions and accrued expenses. Average collection period increased from 38.0 days in 1Q20 to 42.3 days in 1Q21 due to COVID-19 resulting in declining operating income and some inconvenience from domestic and international account receivables collection. The Company and subsidiaries have credit policies and assess credit limit base on hospital's customer creditworthiness. Average credit term for domestic payers are approximately 30-60 days while international payers are approximately 30-90 days. The credit terms are reviewed annually to monitor and control credit risk. Average inventory period increased from 13.0 days in 1Q20 to 15.4 days in 1Q21 to ensure that inventory is adequate for the current situation. The inventories were mostly medicines and medical supplies. The Company and its subsidiaries have appropriate inventory management plan with internal control. The Company and its subsidiaries perform physical inventory count at least once a year and record allowance for the expired, slow-moving and deteriorated inventories to reduce its cost to net realizable value.
Returns (%)			
Return on Asset	4.3	6.9	
Return on Equity	7.0	12.1	
Liquidity (x)			
Current Ratio	2.4	0.8	
Quick Ratio	2.1	0.7	
Asset & Liabilities Management (Days)			
Average Collection Period	42.3	38.0	
Average Inventory Period	15.4	13.0	
Average Accounts Payable	37.5	34.3	
Leverage Ratio (x)			
Interest Coverage	16.3	21.0	
Debt service coverage ratio	3.7	1.5	
Current portion of IBD to IBD (%)	11.8	34.3	
Loan from financial institution to IBD (%)	25.0	13.6	
Total IBD to EBITDA	1.8	1.9	
Net IBD to EBITDA	0.1	1.2	
Debt to Equity Ratio (x)	Mar-21	Dec-20	
Total liabilities to equity	0.5	0.5	
Total IBD to equity	0.3	0.3	
Net IBD to equity	0.02	0.1	

Remark

- Calculated by using last twelve months' performance
- IBD means interest bearing debt

Average payable period also increased from 34.4 days in IQ20 to 37.5 days in IQ21.

For leverage ratios analysis, interest coverage ratio decreased from 21.0 in IQ20 to 16.3 in IQ21.

As a result of decrease in current portion of interest bearing debt, debt service coverage ratio (DSCR) increased from 1.5x in IQ20 to 3.7x in IQ21 while current portion of interest bearing debt to total interest bearing debt ratio decreased from 34.3% in IQ20 to 11.8% in IQ21. Loan from financial institutions to interest bearing debt ratio increased from 13.6% in IQ20 to 25.0% in IQ21.

Total interest bearing debt to EBITDA slightly decreased from 1.9x in IQ20 to 1.8x in IQ21 while net interest bearing debt to EBITDA decreased from 1.2x in IQ20 to 0.1x in IQ21 due to decrease in last twelve months EBITDA.

For debt to equity ratio analysis, the Company and subsidiaries have total liability to equity and total interest bearing debt to equity remained unchanged at 0.5x and 0.3x, respectively as of 31 December 2020 and as of 31 March 2021.

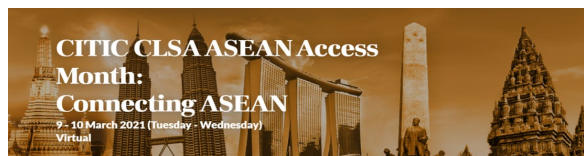
Net interest bearing debt to equity decreased from 0.1x as of 31 December 2020 to 0.02x as of 31 March 2021.

The impact of COVID-19 remains a great deal of uncertainty surrounding the trends and duration of the impact. However, the Company strongly believes that it has sufficient liquidity and will continue to be able to successfully adapt as the situation evolves.

IR Activities

Virtual Conference

Investor Relations team has joined virtual conference to update on our development and strategic direction to both local and international institutional investors as follow:-



- ◆ On 9 March 2021, BDMS joined CITIC CLSA ASEAN Access Months: Connecting ASEAN and met with 14 local and international institutional investors.
- ◆ On 10 March 2021, BDMS management was invited to be speaker for Healthcare Panel Session under the topic of Adopting Telemedicine Amid COVID-19. There was 36 participants for this seminar.



- ◆ On 25 March 2021, BDMS joined Krungsri Healthcare Day and met with 29 local institutional investors.



- ◆ On 31 March 2021, BDMS joined 24th Credit Suisse Asian Investment Conference and met with 29 local and international institutional investors.



- ◆ On 22 April 2021, BDMS joined UOB Virtual Conference and met with 26 local and international institutional investors.



- ◆ On 29 April 2021, BDMS joined UBS Virtual Healthcare Summit 2021 and met with 15 international institutional investors.



- ◆ On 17 May 2021, BDMS joined TISCO Securities Conference and met with 20 local institutional investors.

IR Activities

Virtual Analyst Meeting 1Q21 Results (WebEx)



BDMS hosted a virtual analyst meeting for 1Q21 results on 13 May 2021. The meeting was led by Dr. Poramaporn Prasarttong-Osoth, President, Khun Narumol Noi-Am, SEVP and CFO and Khun Ajaya Intaraprasong, AVP 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 80 investors and analysts joining the session



In addition, BDMS Investor Relations together with CGS CIMB hosted Virtual Results Call in the afternoon for 15 international analysts and fund managers.

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



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 137,009 million in assets as of March 2021. 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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