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Performance Highlights

Major Development

1. BDMS Silver Wellness & Residence Project

On 25 May 2022, the Board of Directors approved the Company entering into the transaction to lease the land (13-0-60.18 rais) located on the corner of Sarasin Road and Lang Suan Road, Lumpini, Bangkok from Crown Property Bureau in order to develop the BDMS Silver Wellness & Residence. This project comprised of Silver Residence (property development) and Silver Wellness (wellness center) and the construction period is expected to be 6.5 years. Total investment cost of the land leasehold and construction is around Baht 23,545 million with land leasehold period of 30 years and renewable of another 30 years. The sources of funds would be from the Company's cash flow, borrowing from financial institutions, and/or the issuance of debentures.

2. Plan to make a tender offer for the delisting of Samitivej Public Company Limited ("SVH") from being securities listed on the Stock Exchange of Thailand ("SET")

On 29 June 2022 the Board of Directors approved the Company which holds 95.76% of total issued shares of SVH to make a tender offer for the remaining shares of SVH at the offering price of Baht 480 per share, totaling approximately Baht 2,033.26 million in order to delist SVH from the SET. This is due to non-compliance of the free float requirement under the rules on qualifications on maintaining the status as a listed company on the SET.

Thailand



Overseas



6M22 Performance

1. Operating income

In 6M22, total operating income were Baht 45,140 million, an increase of Baht 11,462 million or increased by 34% yoy, primarily due to

(THB mm)	6M22	6M21	%YoY
Revenue from hospital operations	65,966	50,628	30%
Revenue from sales of goods	2,492	2,227	12%
Other income	667	981	(32)%
Total Operating Income	69,125	53,836	28%

- ◆ Revenues from hospital operations were Baht 43,141 million, an increase of Baht 11,387 million or increased by 36% yoy. Such increase was mainly from increase in Thai patient revenues of 28% yoy from both COVID-19 related revenues and recovery of non COVID-19 patient revenues. Meanwhile International patient revenues increased 69% yoy mainly from increase of Middle East patients 326% yoy, and CLMV patient 91% yoy. Consequently, revenue proportion between Thai and international patients changed from 82%:18% in 6M21 to 77%:23% in 6M22.

The COVID-19 related revenue increased from 7% in 6M21 to 15% of revenues from hospital operations in 6M22. If excluding this item, revenue from non COVID-19 would increase 24% from 6M21

Both hospital in Bangkok & vicinity and hospital outside Bangkok & vicinity increased 37% and 35% yoy, respectively. The occupancy rate increased from 53% in 6M21 to 75% in 6M22.

- ◆ Revenues from sales of goods were Baht 1,617 million, increased by 13% yoy.
- ◆ Other income was Baht 382 million, decreased by 22% yoy due to Mövenpick BDMS Wellness Resort Bangkok temporary closed for renovation since January 2022.

2. Operating expenses

(THB mm)	9M22	9M21	%YoY
Cost of hospital operations and others	43,577	35,937	21%
Administrative expenses	12,721	10,337	23%
Total Operating Expenses (Including depreciation)	56,298	46,274	22%

In 6M22, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 36,823 million, increase of Baht 7,188 million or increased by 24% yoy which increased at the slower pace than total operating income due to continued cost control program.

3. Other major items

- ◆ Finance expenses decreased to Baht 309 million in 6M22 or decreased by 19% yoy due to redemption of debentures during 1Q22.
- ◆ Corporate income tax in 6M22 were Baht 1,598 million, increased from Baht 713 million in 6M21, due mainly to increase in pre-tax profit in 6M22.

4. Profitability analysis

(THB mm)	6M22	6M21	YoY
EBITDA	11,293	7,208	57%
EBITDA margin	25.0%	21.4%	
EBIT	8,370	4,102	104%
EBIT margin	18.5%	12.2%	
Net profit	6,107	2,791	119%
Net profit margin	13.5%	8.3%	
EPS (Baht)	0.38	0.18	119%

Remark

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

Profitability margin calculated based on operating income

The Company and its subsidiaries recorded EBITDA of Baht 11,293 million in 6M22, increased by 57% yoy resulting in an increase in EBITDA margin from 21.4% in 6M21 to 25.0% in 6M22.

Net profit was Baht 6,107 million, increased by 119% yoy resulting in an increase in net profit margin to 13.5% in 6M22. EPS was Baht 0.38 per share in 6M22.

Summary of Balance Sheets

(Unit : THB mm)	Jun-22	Dec-21	Chg %
Total Assets	133,780	128,454	4%
Total Liabilities	42,817	40,689	5%
Total equity attributable to company's shareholders	86,909	83,845	4%
Total shareholders' equity	90,962	4%	3%

As of 30 June 2022, the Company and its subsidiaries reported total assets of Baht 133,780 million, increased by 4% from 31 December 2021. Such increases were mainly from cash & cash equivalents and Trade & other receivables.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2021. 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 7,044 million mainly consisted of other current financial assets which are investment in fixed deposits and mutual funds of Baht 2,752 million, intangible assets which are computer software of Baht 1,446 million together with investment in associated companies of Baht 937 million.

Total consolidated liabilities as of 30 June 2022 were Baht 42,817 million, increased by 5% from 31 December 2021 due mainly to an increase in short-term loan from financial institutions of Baht 3,000 million.

Total consolidated shareholders' equity as of 30 June 2022 was Baht 90,962 million, increased by 4% from 31 December 2021.

Financial Analysis	6M22	6M21	
Returns (%)			ROA and ROE increased from 6M21 as a result of an increase in profit from operations in 6M22.
Return on Asset	8.7	5.4	
Return on Equity	13.3	8.6	Current ratio and quick ratio decreased from 6M21 as current liabilities increased at the higher pace than current assets. An increase of current liabilities was mainly from an increase of short-term loan from financial institutions, accrued expenses and current portion of debentures.
Liquidity (x)			
Current Ratio	1.3	1.5	
Quick Ratio	1.1	1.3	
Asset & Liabilities Management (Days)			Average collection period increased from 38.1 days in 6M21 to 39.4 days in 6M22. The Company and subsidiaries have credit policies and assess credit limit base on 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 Collection Period	39.4	38.1	
Average Inventory Period	11.8	13.9	Average inventory period decreased from 13.9 days in 6M21 to 11.8 days in 6M22. 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.
Average Accounts Payable	29.6	30.7	
Leverage Ratio (x)			
Interest Coverage	33.0	18.3	
Debt service coverage ratio	2.4	5.3	
Current portion of IBD to IBD (%)	46.4	14.6	
Loan from financial institution to IBD (%)	20.8	5.3	
Total IBD to EBITDA	0.9	1.3	
Net IBD to EBITDA	0.2	0.6	
Debt to Equity Ratio (x)	Jun-22	Dec-21	
Total liabilities to equity	0.5	0.5	
Total IBD to equity	0.2	0.2	
Net IBD to equity	0.1	0.1	Average payable period also decreased from 30.7 days in 6M21 to 29.6 days in 6M22 as a result of debt management.

Remark

- Assets & Liabilities Management based on 360 days
- Calculated by using last twelve months' performance
- IBD means interest bearing debt

For leverage ratios analysis, interest coverage ratio increased from 18.3x in 6M21 to 33.0x in 6M22 mainly from good performance in 6M22. However, debt service coverage ratio (DSCR) decreased from 5.3x in 6M21 to 3.6x in 6M22 due to higher current portion of interest bearing debt.

Net interest bearing debt to EBITDA decreased from 0.6x in 6M21 to 0.2x in 6M22 due to decrease in net interest bearing debt (from higher cash & cash equivalents) together with increase in EBITDA in 6M22.

For debt to equity ratio analysis, total interest bearing debt to equity and net interest bearing debt to equity as of 30 June 2022 and 31 December 2021 remained unchanged at 0.2x and 0.1x, respectively.

The Company and its subsidiaries strongly believes that it has sufficient liquidity to repay its debt within the covenants 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 June 2022, BDMS joined Nomura Investment Forum Asia 2022 and met with 9 international institutional investors.



- ◆ On 10 June 2022, BDMS joined UBS OneASEAN Conference 2022 and met with 12 international institutional investors.



- ◆ On 15 June 2022, BDMS joined Credit Suisse Asia Healthcare Corporate Day and met with 12 international institutional investors.



- ◆ On 1 July 2022, BDMS joined Bualuang Securities Thai Corporate Day and met with 29 local institutional investors and High-Net Worth.



- ◆ On 8 July 2022, BDMS hosted group meeting with Krungsri Asset Management

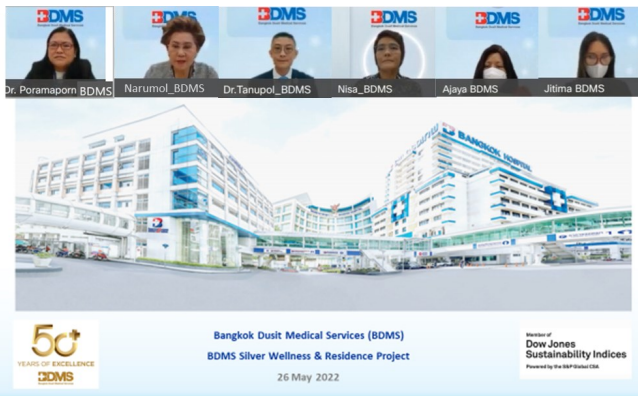


- ◆ On 8 July 2022, BDMS hosted group meeting with Tisco Asset Management



- ◆ On 18 July 2022, BDMS joined CLSA Thailand Healthcare Access Day 2022 and met with 18 international institutional investors.

Virtual Analyst Meeting for BDMS Silver Wellness & Resort Project



BDMS hosted a virtual analyst meeting for BDMS Silver Wellness & Resort Project on 26 May 2022. There were 2 session as follow:-

- ◆ Local session: There were over 100 participants including analysts, fund manager, bankers and rating agencies
- ◆ International session: BDMS together with Credit Suisse arrange meeting for more than 30 international analysts and investors.

IR Activities

Virtual Analyst Meeting 2022 Results (WebEx)



BDMS hosted a virtual analyst meeting for 2Q22 results on 16 August 2022. The meeting was led by Dr. Poramaporn Prasarttong-Osoth, President, Khun Narumol Noi-Am, SEVP and CFO and Khun Ajaya Intaraprasong, Head 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



In addition, BDMS Investor Relations together with Tisco Securities hosted Virtual Results Call in the afternoon for more than 30 foreign 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 133,780 million in assets as of June 2022. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 52 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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