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Performance Highlights

Major Development

1. TRIS Rating upgraded the company rating on BDMS to “AA+” with a “stable” outlook
TRIS Rating upgraded BDMS and its senior unsecured debentures rating to “AA+” from “AA”, with a “stable” outlook. The upgrades reflect BDMS’s better-than-expected operating performance, supported by strong recovery of international patients, its improving efficiency, and enhanced asset utilization. In addition, the ratings reflect BDMS very strong balance sheet and abundant liquidity profile.
2. Grand opening of N Health Novogene Genomic (NNG)
NNG, the private leading next generation sequencing center in Thailand, had a grand opening on 2 September 2022. The company was established by National Healthcare System (N Health), a leading laboratory company in ASEAN region under BDMS group, and Novogene AIT Genomics Singapore Pte. Ltd, the leading commercial provider of genomic services and solutions. NNG will provide comprehensive genomic services covering all applications under collaboration with world class institutes. Its wide ranges of genetic services including prevention, diagnostic and personalized treatment. This aims to enhance the capability of genomic medicine in Thailand for serving Thai and international customers with lower turnaround times and less expenses.

9M22 Performance

1. Operating income

In 9M22, total operating income were Baht 69,125 million, an increase of Baht 15,289 million or increased by 28% YoY, primarily due to

(THB mm)	9M22	9M21	%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%

Thailand



Overseas



- ◆ Revenues from hospital operations were Baht 65,966 million, an increase of Baht 15,339 million or increased by 30% YoY. Such increase was mainly from increase in Thai patient revenues of 22% YoY from both COVID-19 related revenues and recovery of non COVID-19 patient revenues. Meanwhile International patient revenues increased 71% YoY mainly from increase of CLMV and Middle East patients. Consequently, revenue proportion between Thai and international patients changed from 82%:18% in 9M21 to 77%:23% in 9M22.

The COVID-19 related revenues grew 22% YoY while non COVID-19 patient revenues grew faster at 32% YoY in 9M22. Thus, the portion of COVID-19 related revenue to revenue from hospital operations decreased slightly from 14% in 9M21 to 13% in 9M22.

Both hospitals in Bangkok & vicinity and hospitals outside Bangkok & vicinity increased 31% and 30% YoY, respectively. The occupancy rate increased from 57% in 9M21 to 75% in 9M22.

- ◆ Revenues from sales of goods were Baht 2,492 million, increased by 12% YoY.
- ◆ Other income was Baht 667 million, decreased by 32% YoY as Mövenpick BDMS Wellness Resort Bangkok was temporary closed for renovation since January 2022.

2. Operating expenses

In 9M22, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 56,298 million. An increase of Baht 10,024 million or increased by 22% YoY was mainly due to higher doctor fees, drug and medical supply as a result of the growth of revenue from hospital operations together with an increase in staff 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%

3. Other major items

- ◆ Finance expenses decreased to Baht 463 million in 9M22 or decreased by 17% YoY due to redemption of debentures during 9M22.
- ◆ Corporate income tax in 9M22 were Baht 2,422 million, increased from Baht 1,358 million in 9M21, due mainly to increase in pre-tax profit in 9M22.

4. Profitability analysis

(THB mm)	9M22	9M21	YoY
EBITDA	17,293	12,327	40%
EBITDA margin	25.0%	22.9%	
EBIT	12,914	7,637	69%
EBIT margin	18.7%	14.2%	
Net profit	9,493	5,300	79%
Net profit margin	13.7%	9.8%	
EPS (Baht)	0.60	0.33	79%

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 17,293 million in 9M22, increased by 40% YoY resulting in an increase in EBITDA margin from 22.9% in 9M21 to 25.0% in 9M22.

Net profit was Baht 9,493 million, increased by 79% YoY resulting in an increase in net profit margin to 13.7% in 9M22. EPS was Baht 0.60 per share in 9M22.

Summary of Balance Sheets

(Unit : THB mm)	Sep-22	Dec-21	Chg %
Total Assets	133,875	128,454	4%
Total Liabilities	43,586	40,689	7%
Total equity attributable to company's shareholders	86,040	83,845	3%
Total shareholders' equity	90,289	87,765	3%

As of 30 September 2022, the Company and its subsidiaries reported total assets of Baht 133,875 million, increased by 4% from 31 December 2021. Such increases were mainly from trade & other receivables and other non-current assets.

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 10,469 million mainly consisted of (1) other current financial assets which were investment in fixed deposits and mutual funds of Baht 3,214 million, (2) other non-current assets of Baht 3,093 million which mainly were prepayment of long-term land lease for the BDMS Silver Wellness & Residence project of Baht 2,503 million and (3) intangible assets which mainly were computer software of Baht 1,566 million.

Total consolidated liabilities as of 30 September 2022 were Baht 43,586 million, increased by 7% from 31 December 2021 due mainly to an increase in short-term loans from financial institutions of Baht 2,500 million, accrued expenses of Baht 2,379 million and long-term loans from financial institutions of Baht 1,000 million netted with decrease in debenture of Baht 3,099 million.

Total consolidated shareholders' equity as of 30 September 2022 was Baht 90,289 million, increased by 3% from 31 December 2021.

Financial Analysis	9M22	9M21
Returns (%)		
Return on Asset	9.2	5.9
Return on Equity	14.5	9.4
Liquidity (x)		
Current Ratio	1.2	1.3
Quick Ratio	0.9	1.1
Asset & Liabilities Management (Days)		
Average Collection Period	41.1	41.8
Average Inventory Period	12.2	13.2
Average Accounts Payable	31.2	32.1
Leverage Ratio (x)		
Interest Coverage	35.4	20.6
Debt service coverage ratio	2.7	4.7
Current portion of IBD to IBD (%)	44.0	17.7
Loan from financial institution to IBD (%)	23.5	5.2
Total IBD to EBITDA	0.8	1.2
Net IBD to EBITDA	0.4	0.5
Debt to Equity Ratio (x)	Sep-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

ROA and ROE increased from 9M21 as a result of an increase in profit from operations in 9M22.

Current ratio and quick ratio slightly decreased from 9M21 as current liabilities increased at the higher pace than current assets. An increase in current liabilities was mainly from an increase in short-term loan from financial institutions, accrued expenses and current portion of debentures.

Average collection period decreased slightly from 41.8 days in 9M21 to 41.1 days in 9M22. 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 inventory period decreased from 13.2 days in 9M21 to 12.2 days in 9M22. 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 payable period also decreased from 32.1 days in 9M21 to 31.2 days in 9M22 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 20.6x in 9M21 to 35.4x in 9M22 mainly from good performance in 9M22. However, debt service coverage ratio (DSCR) decreased from 4.7x in 9M21 to 2.7x in 9M22 due to higher current portion of interest bearing debt.

Net interest bearing debt to EBITDA slightly decreased from 0.5x in 9M21 to 0.4x in 9M22

For debt to equity ratio analysis, total interest bearing debt to equity and net interest bearing debt to equity as of 30 September 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 18 August 2022, BDMS joined 2022 ASEAN Conference in Singapore and met with 24 international institutional investors.



- ◆ On 24 August 2022, BDMS joined SET Thailand Focus 2022 and met with 12 local and international institutional investors.



- ◆ On 7 September, BDMS joined SCB Non-Deal Roadshow and met with 35 local and international institutional investors.



- ◆ On 8 September, BDMS joined Jefferies Asia Forum 2022 and met with 9 local and international institutional investors.



- ◆ On 9 September, BDMS joined Nomura Thailand Corporate Day met with 10 international institutional investors.

Virtual Analyst Meeting 3Q22 Results (WebEx)



BDMS hosted a virtual analyst meeting for 3Q22 results on 18 November 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 80 investors and analysts joining the session



In addition, BDMS Investor Relations together with Citi Research 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.



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 133,875 million in assets as of September 2022. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 54 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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