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Performance Highlights

Major Development

New network hospital

Bangkok Rayong Cancer Hospital, grand opening in February 2023, is a 57th hospital under BDMS network. It offers holistic cancer care such as radiotherapy, chemotherapy, referral cancer patient, palliative care and cancer screening with advanced medical technologies for best possible outcome and to increase accessibility for patients in Eastern part of Thailand.

Bangkok Rayong Cancer Hospital has collaboration with Bangkok Hospital Rayong and Wattanosoth Cancer Hospital, which is our Center of Excellence specialized in Cancer and also has leading international hospital affiliation. This would help increase our medical treatment capability for Bangkok Rayong Cancer to be the refer center for cancer patients in Eastern part of Thailand.

1Q23 Performance

1. Operating income

In 1Q23, total operating income was Baht 24,313 million, an increase of Baht 1,154 million or 5% YoY, primarily due to

(THB mm)	1Q23	1Q22	YoY	QoQ
Revenue from hospital operations	23,084	22,165	4%	2%
Revenue from sales of goods	926	821	13%	2%
Other income	303	173	75%	(17)%
Total Operating Income	24,313	23,159	5%	2%

Thailand



Overseas



- ◆ Revenues from hospital operations were Baht 23,084 million, an increase of Baht 919 million or 4% YoY mainly from growth of COE as a result of higher intensity from returning of international and Thai patients for medical treatment. Overall international patient revenues increased by 38% YoY from recovery of fly-in patients mainly from Middle East and CLMV (Cambodia, Laos, Myanmar and Vietnam). While Thai patient revenues decreased by 6% YoY mainly from a decrease in COVID-19 related revenues as a result of an improving COVID-19 situation in Thailand.

However, if excluding these COVID-19 related revenues in 1Q22, Thai non COVID-19 patient revenues would increase by 23% YoY.

Revenue proportion between Thai and international patients changed from 78%:22% in 1Q22 to 71%:29% in 1Q23.

Overall, revenues from hospital operations in 1Q23 showed good growth in both Bangkok & Vicinity and outside Bangkok at 2% and 7% YoY, respectively.

Outpatient revenues increased by 10% YoY driven by higher volumes of international patients. However, inpatient revenues decreased by 1% YoY due to impact from sharp decline of admission of COVID-19 patients, resulting overall occupancy rate decrease sharply from 80% in 1Q22 to 63% in 1Q23. However, higher patient intensity from COE help lessen the impact and resulting in overall inpatient revenues to decrease slightly from 1Q22.

- ◆ Revenues from sales of goods were Baht 926 million, increased by 13% YoY due mainly to an increase in sales of the A.N.B. Laboratories Co., Ltd. and Medicpharma Co., Ltd.
- ◆ Other incomes were Baht 303 million, increased by 75% YoY mainly from rental income of our retail space in network hospitals.

2. Operating expenses

(THB mm)	1Q23	1Q22	YoY	QoQ
Cost of hospital operations and others	15,122	14,451	5%	3%
Administrative expenses	4,633	4,025	15%	(6)%
Total Operating Expenses (Including depreciation)	19,755	18,476	7%	0%

In 1Q23, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 19,755 million, an increase of Baht 1,279 million or 7% YoY. The total operating expenses & depreciation increased mainly from higher doctor fees given the growth in revenue from hospital operations and higher clinical & non-clinical staff expenses together with an increase in marketing, utility and other administration expenses.

3. Other major items

- ◆ **Share of profit from investments in associates** were Baht 34 million, increased Baht 25 million from 1Q22 due to better performance of associates.
- ◆ **Finance expenses** decreased to Baht 164 million in 1Q23 or increased by 4% YoY.
- ◆ **Corporate income tax** in 1Q23 were Baht 880 million, slightly decreased YoY.

4. Profitability analysis

(THB mm)	IQ23	IQ22	YoY
EBITDA	5,987	6,173	(3)%
EBITDA margin	24.6%	26.7%	
EBIT	4,630	4,705	(2)%
EBIT margin	19.0%	20.3%	
Net profit	3,470	3,443	1%
Net profit margin	14.3%	14.9%	
EPS (Baht)	0.22	0.22	1%

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 IQ23 EBITDA of Baht 5,987 million, decreased from IQ22 resulting in a decrease in EBITDA margin from 26.7% in IQ22 to 24.6% in IQ23 due to lower occupancy rate and economies of scales from a decline in number of COVID-19 patients. Noted that COVID-19 revenues in IQ22 was high at 18% of revenues from hospital operations.

Net profit of Baht 3,470 million, slightly increased YoY due to lower depreciation and positive impact from additional stake in Samitivej Public Company Limited resulting in decrease in non-controlling interests in subsidiaries.

Summary of Balance Sheets

(Unit : THB mm)	Mar-23	Dec-22	Chg %
Total Assets	144,509	141,543	2%
Total Liabilities	47,928	47,830	0%
Total equity attributable to company's shareholders	93,367	89,879	4%
Total shareholders' equity	96,581	93,713	3%

As of 31 March 2023, the Company and its subsidiaries reported total assets of Baht 144,509 million, increased by 2% from 31 December 2022 due mainly to an increase in cash & cash equivalents Baht 3,817 million.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2022. 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 6,221 million mainly consisted of (1) intangible assets which mainly were computer software of Baht 1,690 million (2) other current financial assets which were investment in fixed deposits and mutual funds of Baht 1,299 million, and (3) other non-current financial assets which were investment in equity and debt instruments of Baht 1,077 million.

Total consolidated liabilities as of 31 March 2023 were Baht 47,928 million, similar to those of 31 December 2022.

Total consolidated shareholders' equity as of 31 March 2023 was Baht 96,581 million, increased by 3% from 31 December 2022.

Financial Analysis	IQ23	IQ22
Returns (%)		
Return on Asset	9.2	7.5
Return on Equity	14.0	11.4
Liquidity (x)		
Current Ratio	1.4	1.4
Quick Ratio	1.2	1.2
Asset & Liabilities Management (Days)		
Average Collection Period	42.8	39.2
Average Inventory Period	12.1	12.2
Average Accounts Payable	31.7	30.7
Leverage Ratio (x)		
Interest Coverage	35.7	29.2
Debt service coverage ratio	3.6	4.1
Current portion of IBD to IBD (%)	28.7	30.4
Loan from financial institution to IBD (%)	31.6	6.1
Total IBD to EBITDA	1.0	0.8
Net IBD to EBITDA	0.2	0.2
Debt to Equity Ratio (x)	Mar-23	Dec-22
Total liabilities to equity	0.5	0.5
Total IBD to equity	0.2	0.3
Net IBD to equity	0.1	0.1

ROA and ROE in IQ23 increased from IQ22 as a result of an increase in profit from operations during the last 12 months.

Current ratio and quick ratio was unchanged from IQ22.

Average collection period increased from 39.2 days in IQ22 to 42.8 days in IQ23 as a result of an increase in international patients. 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 12.2 days in IQ22 to 12.1 days in IQ23. 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 slightly increased from 30.7 days in IQ22 to 31.7 days in IQ23.

For leverage ratios analysis, interest coverage ratio increased from 29.2x in IQ22 to 35.7x in IQ23 mainly from good performance during the last 12 months. However, debt service coverage ratio (DSCR) decreased from 4.1x in IQ22 to 3.6x in IQ23 due to higher current portion of interest bearing debt.

Remark

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

Net interest bearing debt to EBITDA remained unchanged at 0.2x in IQ22 and in IQ23

For debt to equity ratio analysis, total interest bearing debt to equity slightly decreased from 0.3x as of 31 December 2022 to 0.2x as of 31 March 2023 while net interest bearing debt to equity as of 31 December 2022 and 31 March 2023 remained unchanged at 0.1x.

The Company and its subsidiaries strongly believe 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 and Physical Conference

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



- ◆ On 10 March 2023, BDMS joined 19th CITIC CLSA ASEAN Forum at Grand Hyatt Erawan and met with more than 50 local and international institutional investors.



- ◆ On 4 April 2023, BDMS joined Maybank IBG China Reopening Thematic Corporate Day Webinar (Zoom) and met with 39 international institutional investors.



- ◆ On 10 April 2023, BDMS joined KS C-Series (MS Team) and met with 43 local institutional investors.

Virtual Analyst Meeting 1Q23 Results (MS Team)



BDMS hosted a virtual analyst meeting for 1Q23 results on 15 May 2023. The meeting was led by **Dr. Poramaporn Prasarttong-Osoth**, President, **Khun Narumol Noi-am**, SEVP and CFO, **Dr. Narintara BoonjongCharoen**, CEO - Group 6 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 60 investors and analysts joining the session



- ◆ On 16 May 2023, BDMS Investor Relations together with CLSA 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 144,509 million in assets as of March 2023. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 55 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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