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## Performance Highlights

### Major Development

#### New network hospital

Bangkok Hospital Pluak Daeng, a 58<sup>th</sup> hospital under BDMS network, had grand opening in June 2023 with 1<sup>st</sup> phase of 59 beds (from 180 structured beds). It is located at Pluak Daeng, Rayong province, area of Eastern Economic Corridor (“EEC”). It offers tertiary care services such as Internal Medicine, Pediatrics, Surgery, Trauma, Occupational Health, Brain, Radiology, Orthopedic.

Bangkok Hospital Pluak Daeng has collaboration with Bangkok Hospital Rayong, a Center of Excellence in BDMS networks. This helps increase medical treatment capability and refer patients in Eastern part of Thailand given strong demand from increasing population in EEC area.

### 6M23 Performance

#### 1. Operating income

(THB mm)	6M23	6M22	YoY
Revenue from hospital operations	46,225	43,141	7%
Revenue from sales of goods	1,866	1,617	15%
Other income	594	382	56%
<b>Total Operating Income</b>	<b>48,685</b>	<b>45,140</b>	<b>8%</b>

In 6M23, total operating income were Baht 48,685 million, an increase of Baht 3,545 million or increased by 8% YoY, primarily due to

- ◆ Revenues from hospital operations were Baht 46,225 million, an increase of Baht 3,084 million or increased by 7% YoY mainly from higher intensity at COE. In addition, an increase was also mainly from increase in international patient revenues of 30% YoY, driven by an increase of CLMV patients 58% YoY, Middle East patients 57% YoY, and Chinese patients 53% YoY. Thai patient revenues were flat YoY due to an impact from a decline in COVID-19 patient revenues (contributed 15% of hospital revenues in 6M22).

Thailand



Overseas



If excluding COVID-19 revenue, Thai-non COVID-19 revenues would increase 25% YoY. Consequently, revenue proportion between Thai and international patients changed from 77%:23% in 6M22 to 72%:28% in 6M23.

Both hospital in Bangkok & vicinity and hospital outside Bangkok & vicinity increased 4% and 11% YoY, respectively.

The occupancy rate decreased from 75% in 6M22 to 65% in 6M23 due to sharp decline in admission of COVID-19 patients.

- ◆ Revenues from sales of goods were Baht 1,866 million, increased by 15% YoY due to increase in sales of the A.N.B. Laboratories Co., Ltd. and Medicpharma Co., Ltd.
- ◆ Other income was Baht 594 million, increased by 56% YoY due to reopening of Movenpick BDMS Wellness Resort Bangkok in Jan 2023 after temporary closed for renovation.

## 2. Operating expenses

(THB mm)	6M23	6M22	YoY
Cost of hospital operations and others	30,554	28,598	7%
Administrative expenses	9,509	8,225	16%
<b>Total Operating Expenses (Including depreciation)</b>	<b>40,063</b>	<b>36,823</b>	<b>9%</b>

In 6M23, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 40,063 million, increase of Baht 3,240 million or 9% YoY mainly from higher doctor fees, clinical & non-clinical staff expenses together with an increase in marketing, utility and other administration expenses.

## 3. Other major items

- ◆ **Finance expenses** decreased to Baht 298 million in 6M23 or decreased by 4% YoY from debentures redemption.
- ◆ **Corporate income tax** in 6M23 were Baht 1,692 million, increased by 6% YoY due mainly to increase in pre-tax profit in 6M23.

## 4. Profitability analysis

(THB mm)	6M23	6M22	YoY
EBITDA	11,497	11,293	2%
EBITDA margin	23.6%	25.0%	
EBIT	8,760	8,370	5%
EBIT margin	18.0%	18.5%	
Net profit	6,533	6,107	7%
Net profit margin	13.4%	13.5%	
EPS (Baht)	0.41	0.38	7%

### 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 11,497 million in 6M23, increased by 2% YoY. However, EBITDA margin decreased from 25.0% in 6M22 to 23.6% in 6M23.

Net profit in 6M23 was Baht 6,533 million, increased by 7% YoY with net profit margin of 13.4%, similar to 6M22. EPS was Baht 0.41 per share in 6M23.

# Summary of Balance Sheets

(Unit : THB mm)	Jun-23	Dec-22	Chg %
Total Assets	138,662	141,543	(2)%
Total Liabilities	43,610	47,830	(9)%
Total equity attributable to company's shareholders	91,783	89,879	2%
Total shareholders' equity	95,051	93,713	1%

As of 30 June 2023, the Company and its subsidiaries reported total assets of Baht 138,662 million, decreased by 2% from 31 December 2022 due mainly to decrease in cash & cash equivalents Baht 2,226 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 6,211 million mainly consisted of (1) intangible assets which mainly were computer software of Baht 1,703 million (2) other current financial assets which were investment in fixed deposits and mutual funds of Baht 1,038 million, and (3) other non-current financial assets which were investment in equity and debt instruments of Baht 1,134 million.

Total consolidated liabilities as of 30 June 2023 were Baht 43,610 million, decreased by 9% from 31 December 2022 due mainly to a decrease in debentures of Baht 5,000 million.

Total consolidated shareholders' equity as of 30 June 2023 was Baht 95,051 million, slightly increased by 1% from 31 December 2022.

Financial Analysis	6M23	6M22
<b>Returns (%)</b>		
Return on Asset	9.6	8.7
Return on Equity	14.6	13.3
<b>Liquidity (x)</b>		
Current Ratio	1.3	1.3
Quick Ratio	1.1	1.1
<b>Asset &amp; Liabilities Management (Days)</b>		
Average Collection Period	41.9	39.4
Average Inventory Period	11.9	11.8
Average Accounts Payable	31.0	29.6
<b>Leverage Ratio (x)</b>		
Interest Coverage	37.3	33.0
Debt service coverage ratio	6.9	2.4
Current portion of IBD to IBD (%)	18.4	46.4
Loan from financial institution to IBD (%)	22.0	20.8
Total IBD to EBITDA	0.8	0.9
Net IBD to EBITDA	0.3	0.2
<b>Debt to Equity Ratio (x)</b>	<b>Jun-23</b>	<b>Dec-22</b>
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 6M23 increased from 6M22 as a result of an increase in profit from operations.

Current ratio and quick ratio were unchanged from 6M22.

Average collection period increased from 39.4 days in 6M22 to 41.9 days in 6M23 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 slightly increased from 11.8 days in 6M22 to 11.9 days in 6M23. 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 increased from 29.6 days in 6M22 to 31.0 days in 6M23.

**For leverage ratios analysis**, interest coverage ratio increased from 33.0x in 6M22 to 37.3x in 6M23 mainly from good performance during the last 12 months. Debt service coverage ratio (DSCR) also increased from 2.4x in 6M22 to 6.9x in 6M23 due to lower current portion of interest bearing debt.

#### Remark

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

Net interest bearing debt to EBITDA slightly increased from 0.2x in 6M22 to 0.3x in 6M23.

**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 30 June 2023 while net interest bearing debt to equity as of 31 December 2022 and 30 June 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:-



innovest<sup>x</sup>

- ◆ On 30 May 2023, BDMS joined 19<sup>th</sup> Goldman Sachs & InnovestX Securities Thailand Corporate Day (Zoom) and met with 14 international institutional investors.



- ◆ On 26 June 2023, BDMS joined Bank of America & Kiatnakin Phatra Securities 2023 Thailand Investment Conference (Zoom) and met with 26 international institutional investors.

Morgan Stanley

- ◆ On 28 June 2023, BDMS joined Morgan Stanley Virtual ASEAN Conference 2023 (Zoom) and met with 12 international institutional investors.

## Virtual Analyst Meeting 2023 Results



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. Kongkiat Kespechara**, CEO - Group 3 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 same day, BDMS Investor Relations together with Citi hosted Virtual Results Call in the afternoon for more than 40 foreign analysts and fund managers.

Presentation material and webcast also posted on our website at [www.bangkokhospital.com](http://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 138,662 million in assets as of June 2023. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 56 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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