



Bangkok Dusit Medical Services (BDMS)
Analyst Presentation 2Q18&6M18 Results

20 Aug 2018

FinanceAsia



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BDMS Summary & Updates



Consolidated Financial Summary

2Q18 & 6M18 Results

	2Q18		6M18	
	Chg (yoy)	% to Revenue	Chg (yoy)	% to Revenue
Operating income	+9% (THB 18,729 mm)		+12% (THB 38,757 mm)	
Patient revenue	+10% (THB 17,799 mm)		+13% (THB 36,856 mm)	
Breakdown by location				
▪ Bangkok & Vicinity	+7%	59%	+10%	58%
▪ Upcountry	+14%	41%	+16%	42%
Breakdown by nationality				
▪ Thai	+11%	72%	+13%	70%
▪ International	+7%	28%	+10%	30%
Breakdown by type of patients				
▪ Outpatients	+10%	46%	+10%	45%
▪ Inpatients	+9%	54%	+14%	55%

Consolidated Financial Summary

2Q18 & 6M18 Profitability Ratio

(THB mm)	2Q18	2Q17	Chg (yoy)	6M18	6M17	Chg (yoy)
EBITDA	3,853	3,366	+14%	8,786	7,156	+23%
EBITDA margin	20.5%	19.6%		22.7%	20.7%	
Core profit	2,043	1,596	+28%	4,962	3,569	+39%
Core profit margin	10.9%	9.3%		12.8%	10.3%	
Net profit	2,043	3,791*	(46)%	4,962	5,764*	(14)%
Net profit	10.9%	22.1%		12.8%	16.7%	

* Including extra gain of THB 2,195 million (net of taxes) on partial sale of investment in Bumrungrad Hospital Public Co., Ltd. (BH)

Conversion of Convertible Bonds

BDMS Convertible Bonds and Number of Shares Outstanding

Date	Status	Convertible Bonds Outstanding (THB mm)	Number of Share (mm)
18 Sep 14	Issued	10,000	15,490.96
18 Sep 17	Early Redemption	-1,560	-
2Q18	Conversion*	-1,547	+73.51
July-Aug 18	Conversion*	-992	+47.14
Outstanding (End of 14 Aug 2018)		5,901	15,611.60

* Conversion price at THB 21.045 per share

BDMS Group 2

Future

Sustainability

- Build trust
- Expansion

Future

Sustainability: Hospital of Choice ➡ Trust



Asian Hospital
Management Awards

■ **Most Improved Hospital in Thailand 2018**

Future

Sustainability: Awards ➡ Trust



Future

Sustainability: Awards ➔ Trust

8 Awards

Heartfelt gratitude for making us your hospital of choice



8 รางวัลแห่งความสำเร็จ
ขอบคุณที่ทำให้เราเป็นโรงพยาบาลในใจคุณ

- **World's Best Hospitals for Medical Tourists Awards**
- **Top Choice Medical & Wellness from 2017 People's Choice Awards Thailand Voted by Chinese Tourists**
- **Thailand Top Company Awards**
- **The Global Health and Travel Awards**
 - Pediatric Service Provider of the Year
 - Cosmetic Surgery & Aesthetics Services Provider of the Year
- **The Middle East Healthcare Leadership Awards**
 - The Best Physiotherapist
 - The Best Hospital in Pediatrics and Gynecology
- **The Honorary Certificate of Appreciation for "Empower the Disabled" Project**

Expansion plan

Japanese International Hospital

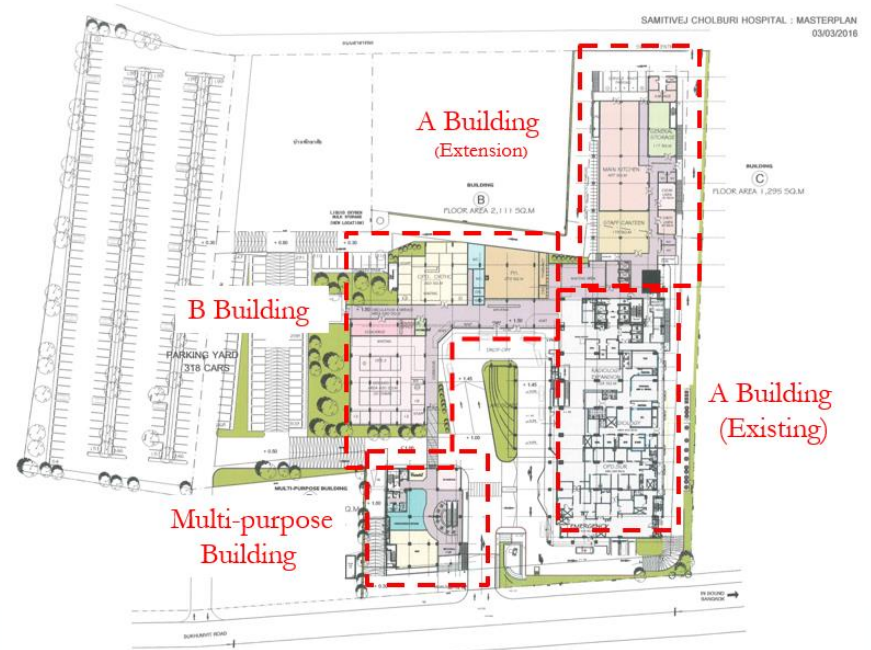


7-storey building (including parking lots), 8,432 sq.m.

- Japanese International Hospital, 36 beds hospital, Japanese style service including design and decoration, located across Samitivej Sukhumvit Hospital
- Focus on Japanese patients. Services: Liver and GI, OPD, Endoscopy and IPD
- Plan to open in 2019

Expansion plan

Samitivej Sriracha and Samitivej Chonburi (EEC)



Samitivej Chonburi B Building → 11-storey building, Building A+B = 200 beds (in 2020)

Operational Statistics

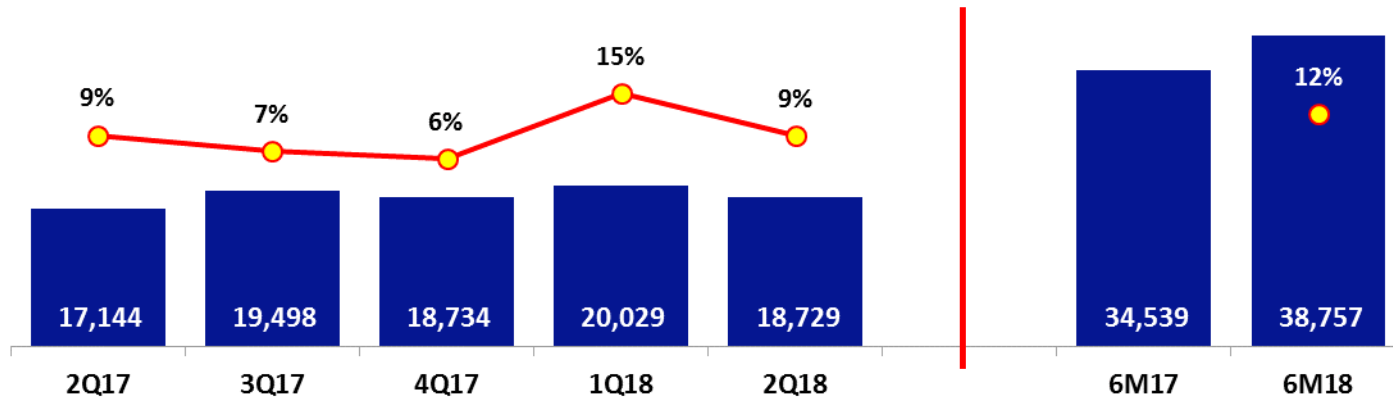


*"Prevention
is the key."*

Operating Income Growth

Operating Income Trend

(THB mm)



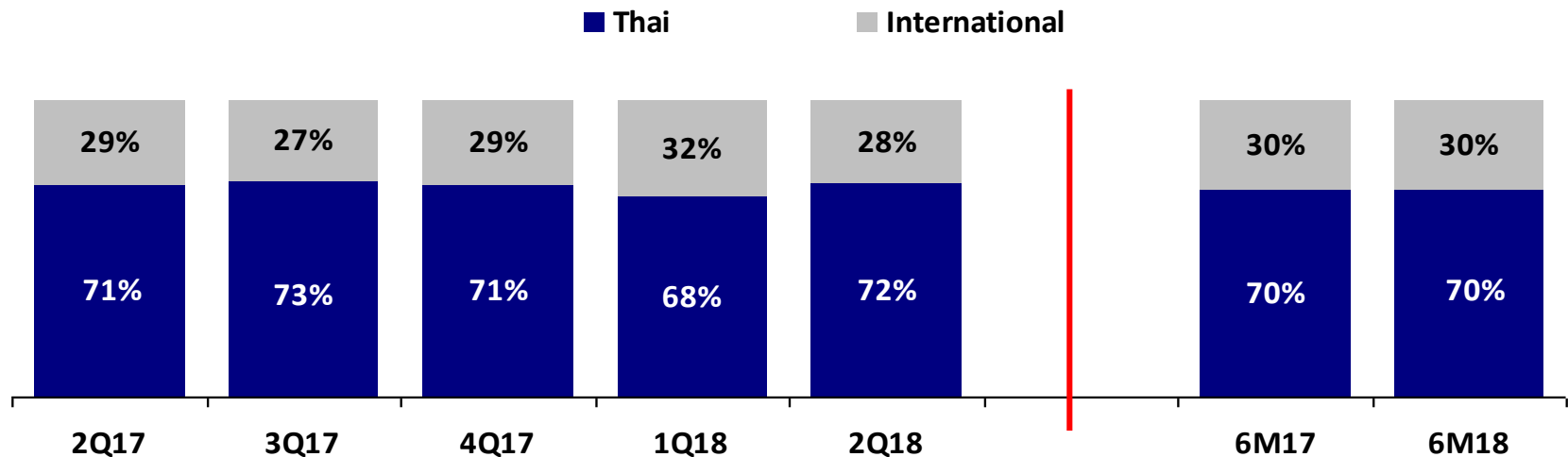
Commentary

- 6M18 Operating income increased by 12% yoy mainly from
 - Patient revenue increased 13% yoy, attributed to
 - Solid growth from Center of Excellence
 - Expansion of insurance patients base
 - Increasing in influenza and outbreak during 1Q18
 - Revenue from sales of goods grew 10% yoy from increase in sales of The Medicpharma, A.N.B. Laboratories and Bangkok Save Drug

Remark:- Operating income is calculated from hospital revenue + revenue from sales of goods and food + other income

Thai and International Patients

Revenue Contribution by Nationality

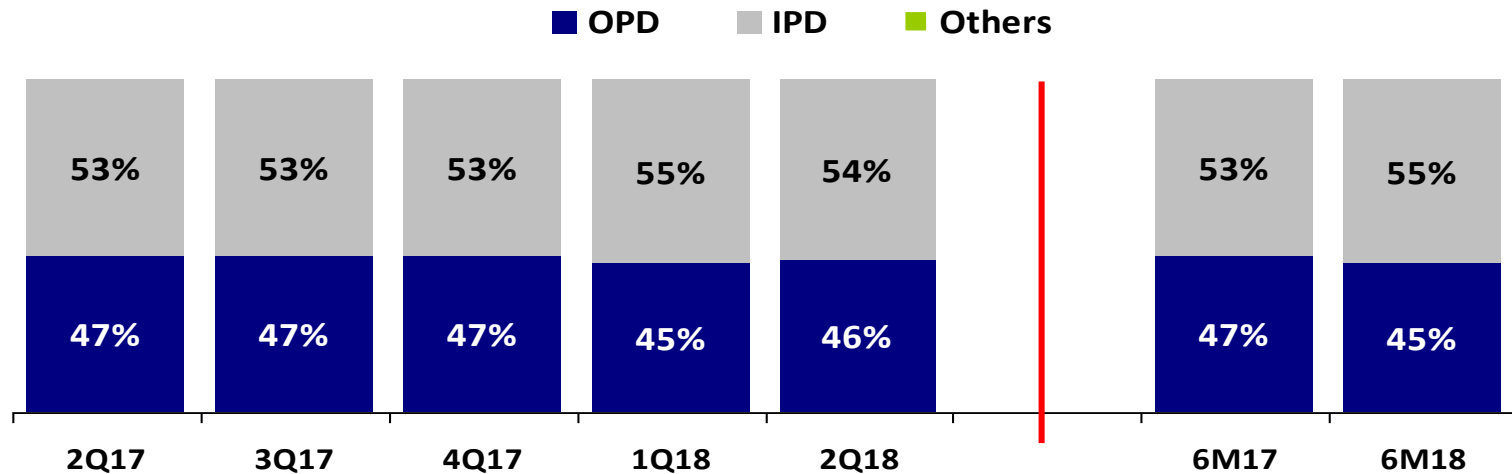


Commentary

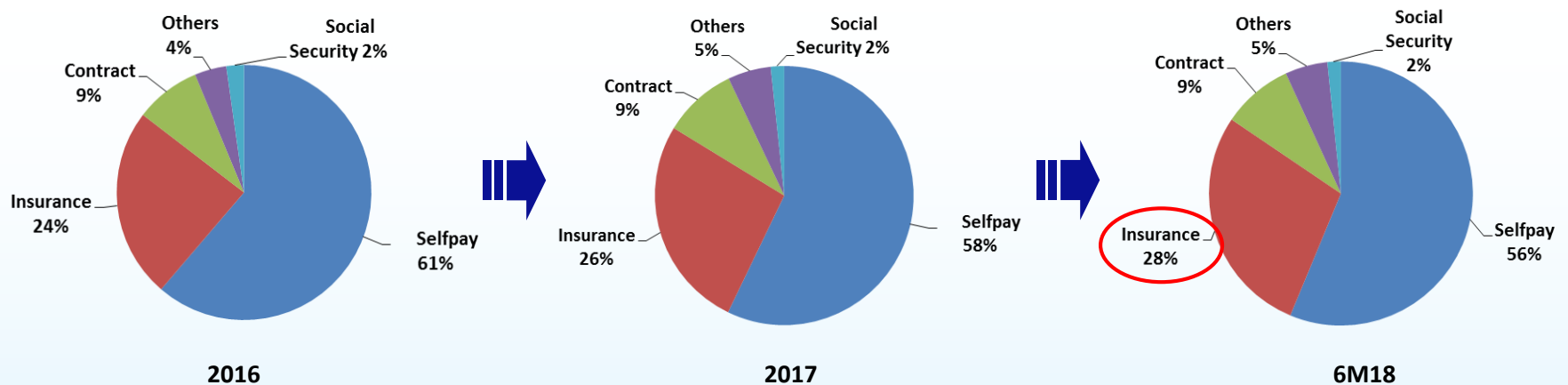
- 6M18 revenues from Thai patients grew 13% yoy while international patients grew 10% yoy
 - Top 5 international patient revenues are from Japan, China, UK, Myanmar and USA which contribute 2.1%, 1.8%, 1.6%, 1.6% and 1.5% of total patient revenues respectively
 - Key growth for International patient revenues are Kuwait (+80%), China (+30%) and Cambodia (+19% yoy)

Patient Mix

Revenue Breakdown by Patient Types

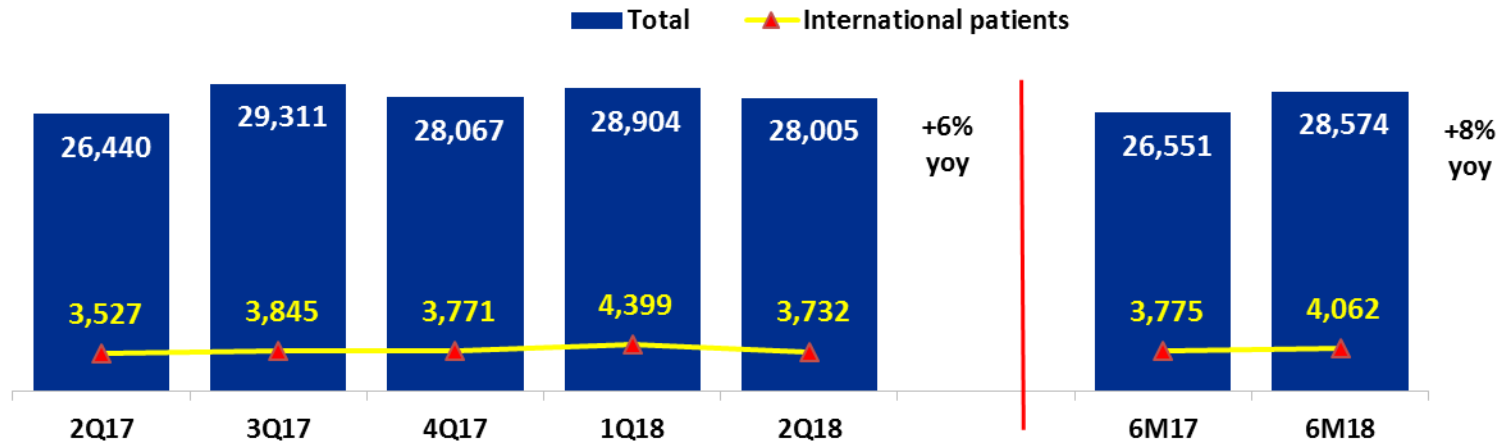


Patient Revenue by Payor: Increasing Insurance Portion

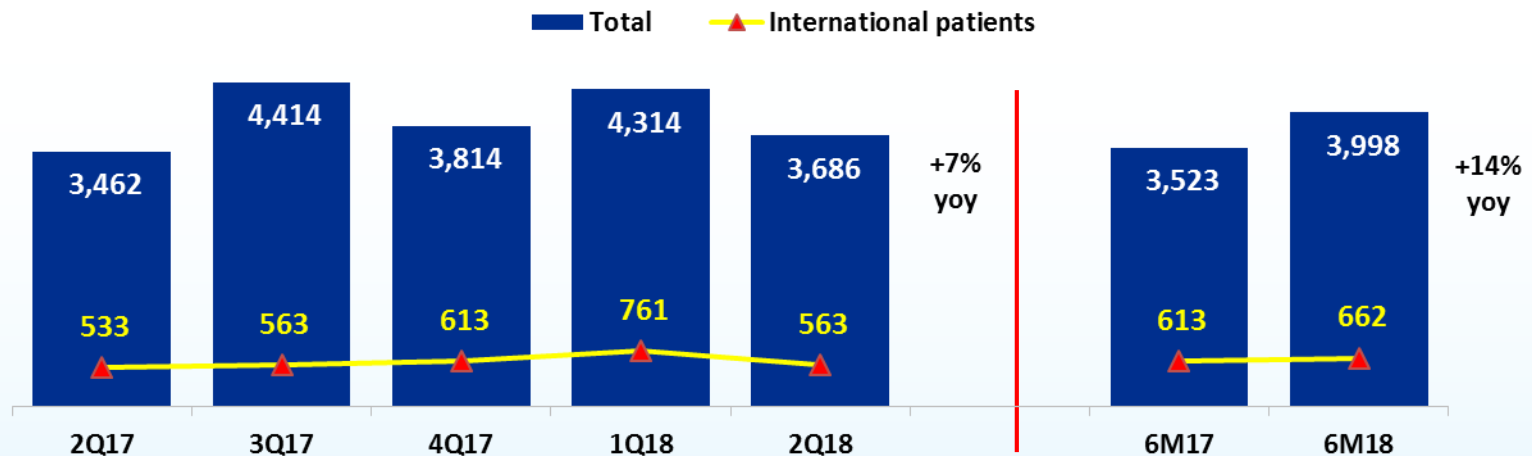


Increasing Patient Volume

Number of OPD Visits per Day



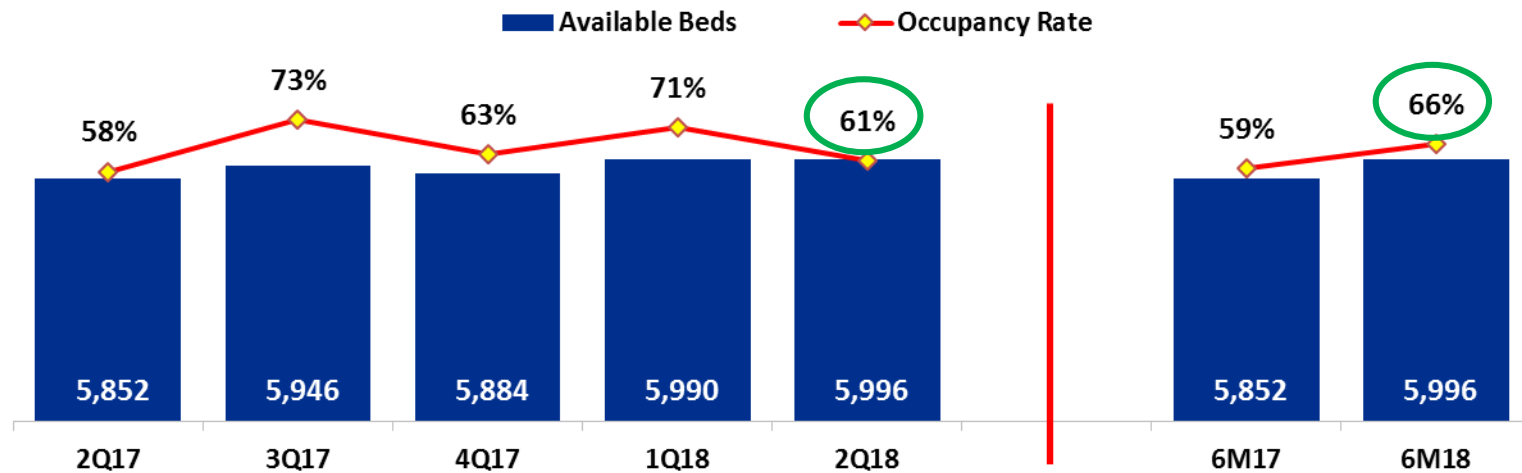
Average Daily Census (ADC)



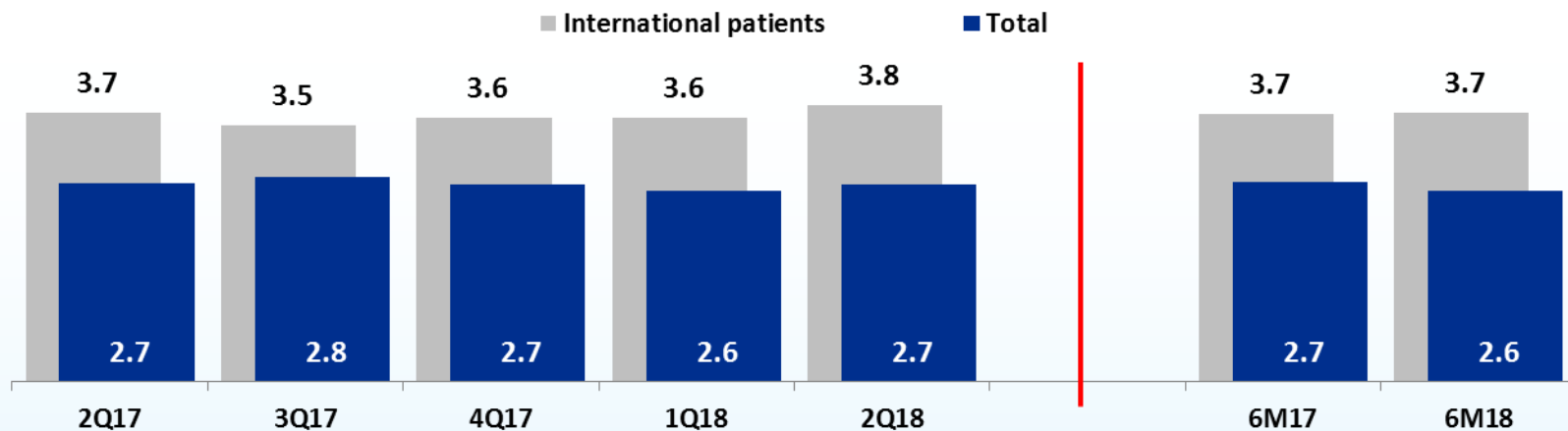
Remarks: - Including social security

Utilization of Beds

Occupancy Rate Based on Available Beds



Average Length of Stay (days)



Remarks:- Including social security patients

Financial Highlights

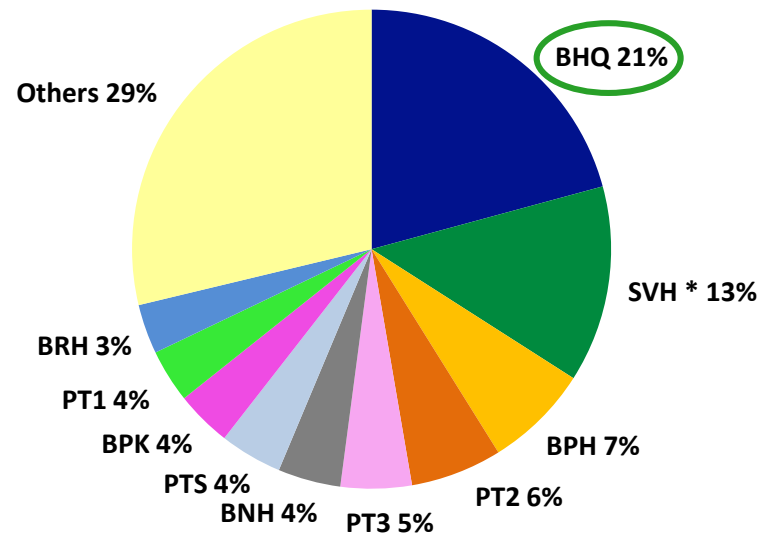
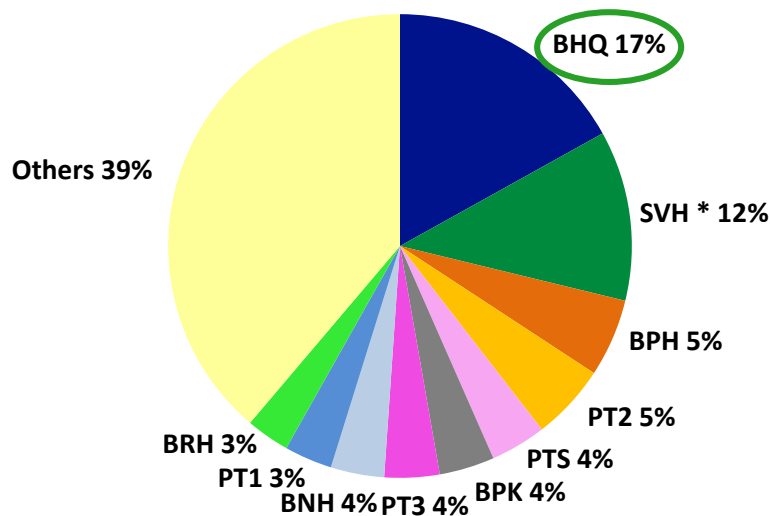


Health Brings Wealth

Diversified Sources of Revenues and Profitability

Operating Income Contribution in 6M18

Total EBITDA Contribution in 6M18



Commentary

- In 6M18, top 5 hospitals contributed 43% of total revenues and 52% of total EBITDA
- Key hospitals that drive revenue growth were SCH (+49%), BKN (+36%), BCM (+27%), BSN (+25%), PT3 (+16%), BRH (+16%), SSH (+15%) and PTS (+14% yoy)

* SVH also included SNH performance

Remark: - Operating income is calculated from hospital revenue + revenue from sales of goods and food + other income

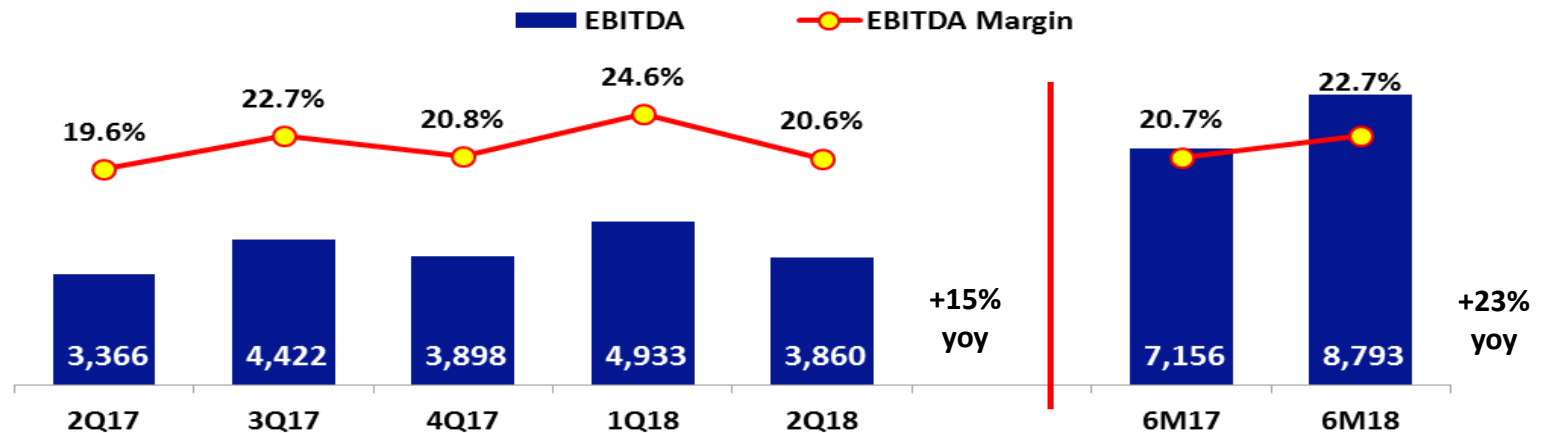
- EBITDA is calculated from revenue from hospital operations + revenue from F&B + other income – cost from hospital operations – SG&A expenses

- Hospital abbreviation shown on Appendix

Profitability Trend

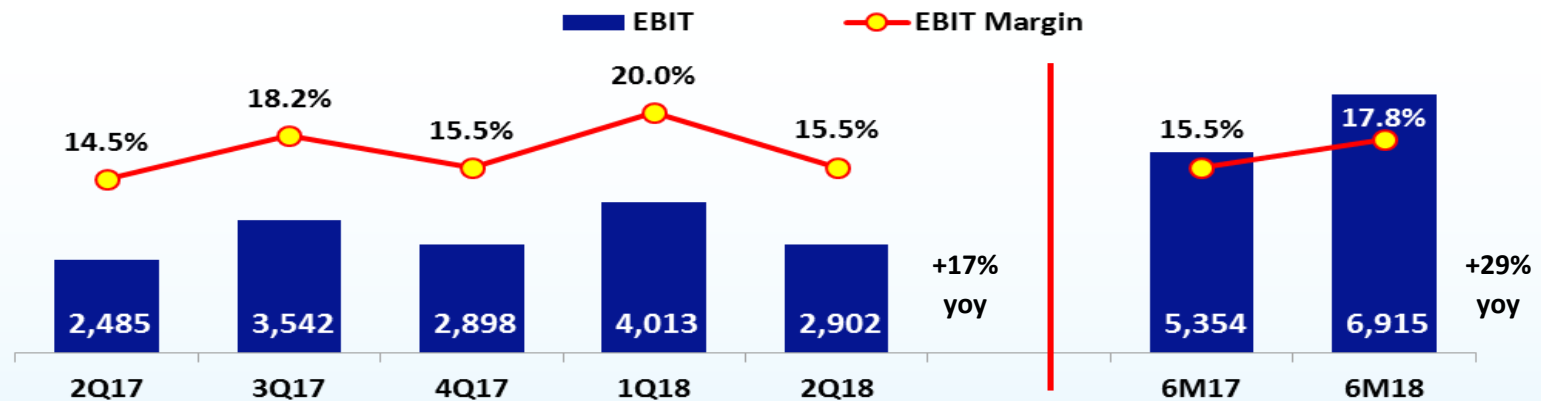
EBITDA & EBITDA Margin

(THB mm)



EBIT & EBIT Margin *

(THB mm)

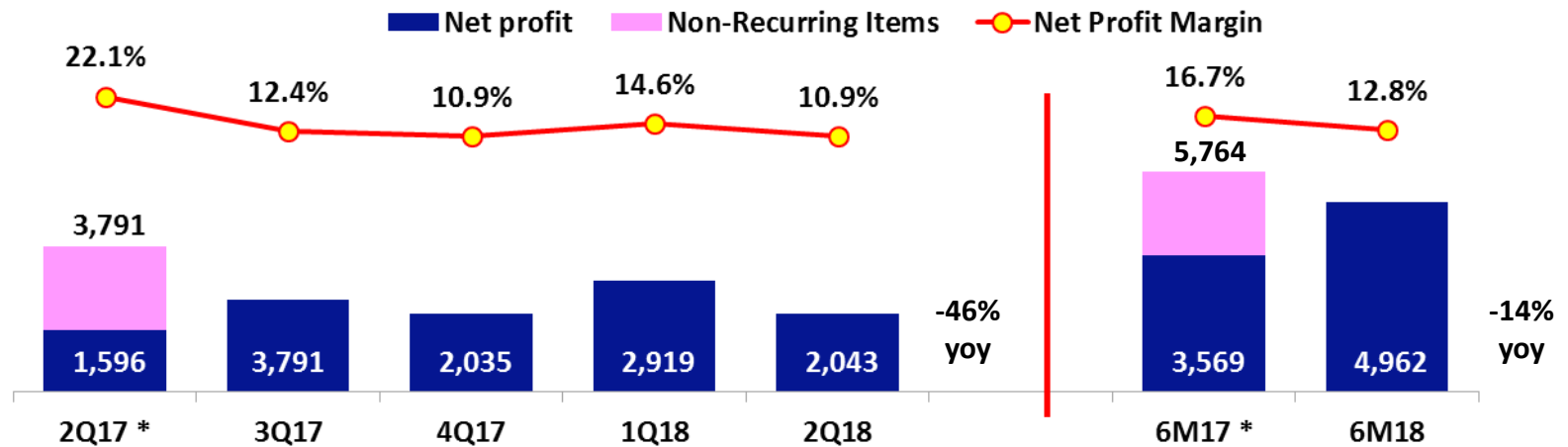


* Excluding non-recurring items

Profitability Trend

Net Profit & Net Profit Margin

(THB mm)



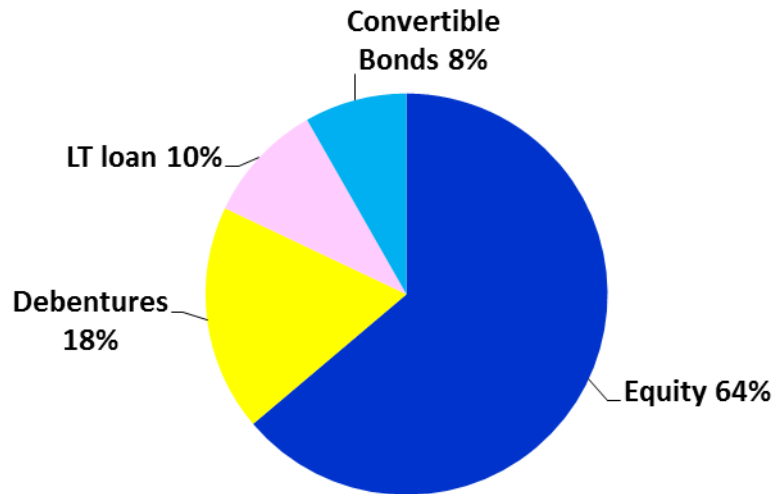
* If excluding non-recurring item, net profit margin in 2Q17 and 6M17 would be 9.3% and 10.3%, respectively

Commentary

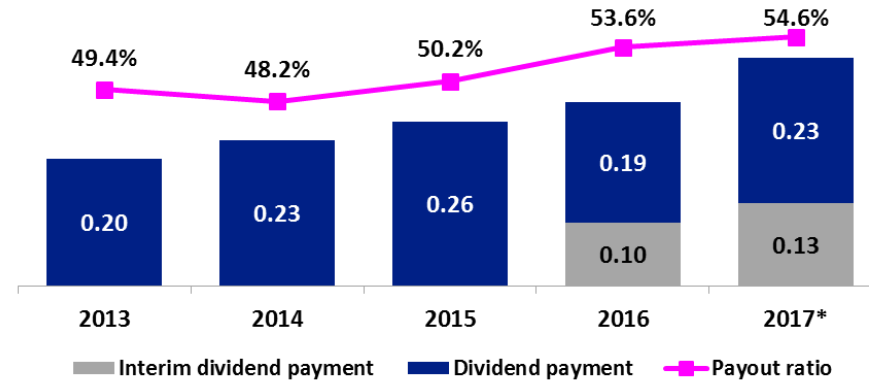
- In 6M18, net profit were THB 4,962 million with net profit margin of 12.8%
- If excluded gain on sales of investment in BH of Baht 2,195 mm in 6M17, net profit grew 39% yoy, mainly from
 - Strong revenue growth
 - Continued cost containment measures
 - Decrease in finance expenses

Capital Management

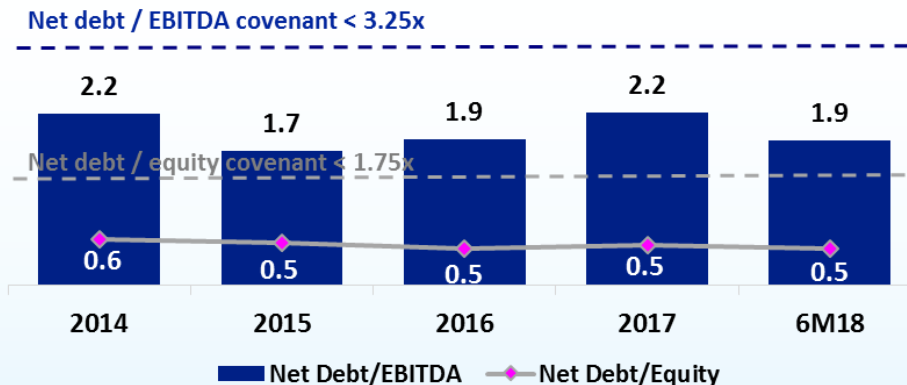
Capital Structure as of June 2018



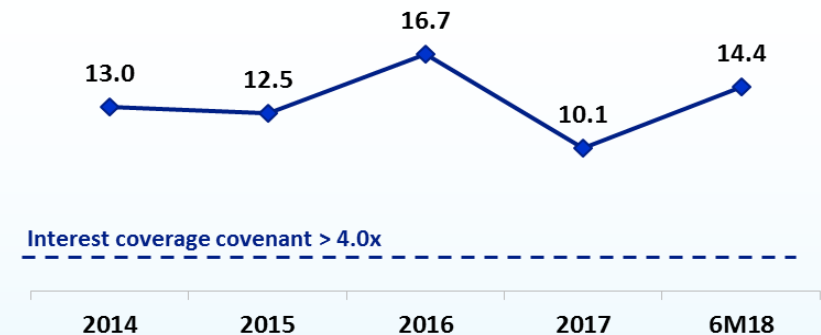
Dividend Payment & Payout Ratio



Gearing Ratios: Well Within Covenants


















Interest Coverage



Appendix

For More Information:- www.bangkokhospital.com

Group 1 (Bangkok&West&Cambodia)			Ownership	No. of Beds	Group 4 (North&Northeast)			Ownership	No. of Beds
1. Bangkok Hospital	} (BHQ)	100%		373	26. Bangkok Udon (BUD)		100%		120
2. Bangkok Heart Hospital		100%		97	27. Bangkok Phitsanulok (BPL)		100%		195
3. Wattanosoth Hospital		100%		48	28. Bangkok Khon Kaen (BKN)		100%		140
4. Bangkok Huahin (BHN)		100%		64	Group 5				
5. Bangkok Sanamchan (BSN)		100%		210	29. Phyathai 1 (PT1)		100%		224
6. Thepakorn (TPK)		44.5%		100	30. Phyathai 2 (PT2)		99.2%		260
7. Bangkok Phetchaburi (BPR)		100%		255	31. Phyathai 3 (PT3)		98.2%		267
8. Bangkok Muangraj (BMR)		100%		142	32. Phyathai Sriracha (PTS)		75.1%		350
9. Royal Phnom Penh (RPH)		100%		100	33. Phyathai Nawamin (PTN)		99.8%		140
10. Royal Angkor International (RAH)		80.0%		30	34. Paolo Paholyothin (PLP)		100%		267
Group 2					35. Paolo Samutprakarn(PLS)		93.6%		200
11. Samitivej Sukhumvit (SVH)		95.8%		275	36. Paolo Chokchai 4 (PLC)		85.7%		169
12. Samitivej Srinakarin (SNH)		95.8%		400	37. Paolo Rangsit (PLR)		100%		150
13. Samitivej Sriracha (SSH)		70.1%		184	38. Paolo Kaset (PLK)		100%		162
14. Samitivej Thonburi (STH)		63.5%		150	39. Paolo Phrapradaeng (PLD)		84.0%		60
15. Samitivej Chonburi (SCH)		100%		220	Group 6 (South)				
16. Samitivej Chinatown (SCT)		100%		59	40. Bangkok Phuket (BPK)		99.7%		266
17. BNH Hospital (BNH)		91.5%		144	41. Siriroj International (SIH)		100%		151
Group 3 (East)					42. Dibuk (DBK)		99.7%		100
18. Bangkok Pattaya (BPH)		97.3%		400	43. Bangkok Hat Yai (BHH)		98.8%		200
19. Bangkok Rayong (BRH)		100%		220	44. Bangkok Samui (BSH)		100%		52
20. Bangkok Chanthaburi (BCH)		99.7%		170	45. Bangkok Surat (BSR)		100%		150
21. Bangkok Trat (BTH)		99.8%		114	Group 7: Non-Hospital				
22. Sri Rayong (SRH)		100%		195	1. National Healthcare System		100%		
Group 4 (North&Northeast)					2. Bio Molecular Laboratories		95.0%		
23. Bangkok Chiangmai (BCM)		100%		175	3. The Medicpharma		87.1%		
24. Bangkok Ratchasima (BKH)		91.4%		180	4. A.N.B Laboratories		100%		
25. Bangkok Pakchong (BHP)		91.4%		31	5. Save Drug Center		100%		
					6. General Hospital Products		46.0%		

Remark:- Number of beds is structured beds