



Bangkok Dusit Medical Services (BDMS)
Investor Presentation 1Q19 Results

July 2019



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BDMS Overview & Updates

Overview



48 Hospitals



~ 8,000 Beds



10 Centers of Excellence



BDMS Wellness Clinic



**12,000+ Doctors
8,000+ Nurses
14,000+ Staffs**



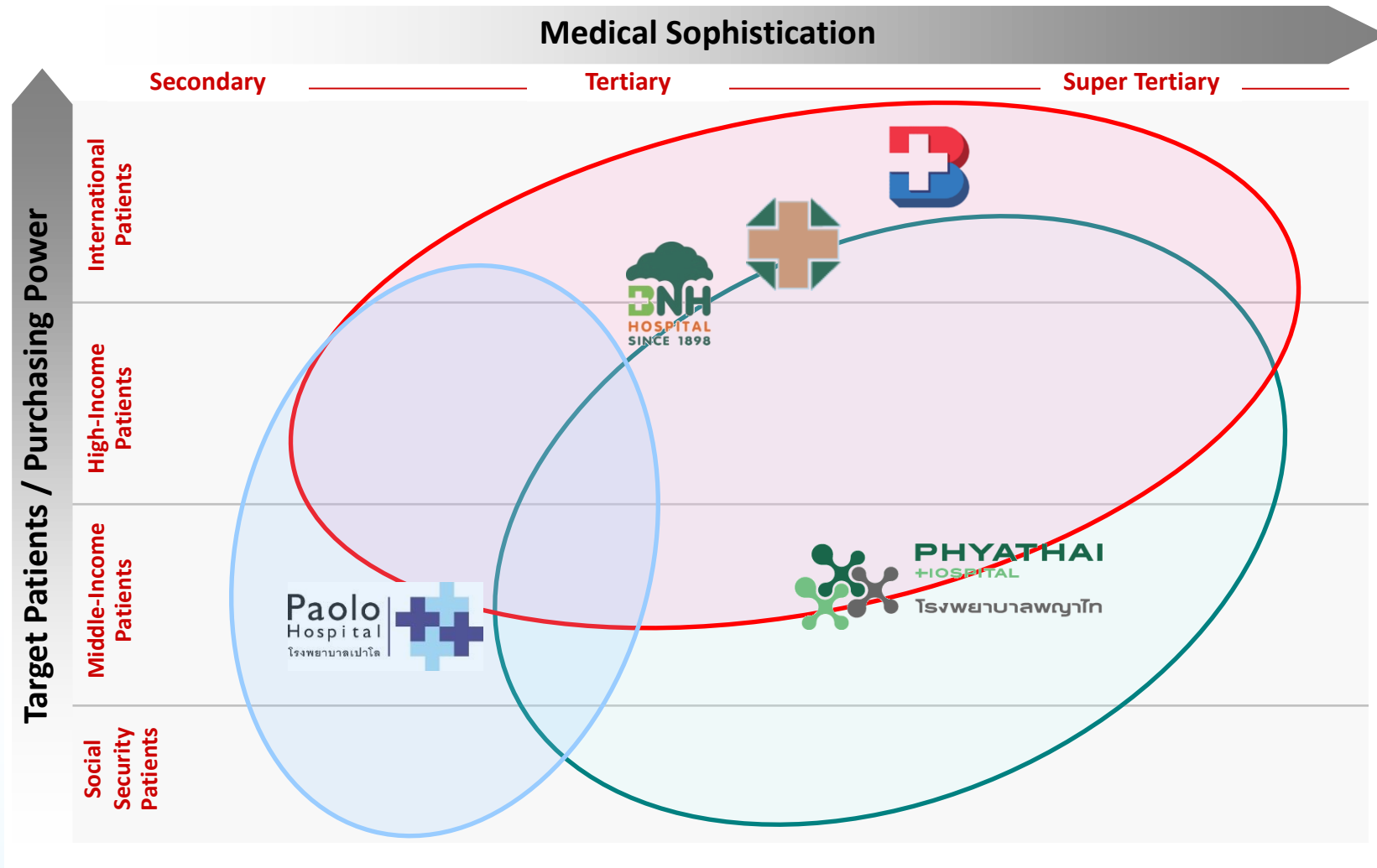
Pharmaceutical manufacturer and drug stores

- Established on February 26, 1972
- Top 5 private hospital operators in the world by market capitalization
- Hub-and-Spoke model with an established patient referral system helps create efficiency through scale

	Brand	No. of Hospitals	No. of Beds*
	Bangkok Hospital	23	3,854
	Samitivej Hospital	6	1,324
	Phyathai Hospital	5	1,241
	Paolo Hospital	6	1,008
	BNH Hospital	1	144
	Royal Hospital	2	130
	Local Hospital	5	598

* Maximum number of beds according to structure of the hospitals

Diversification of Patient Mix



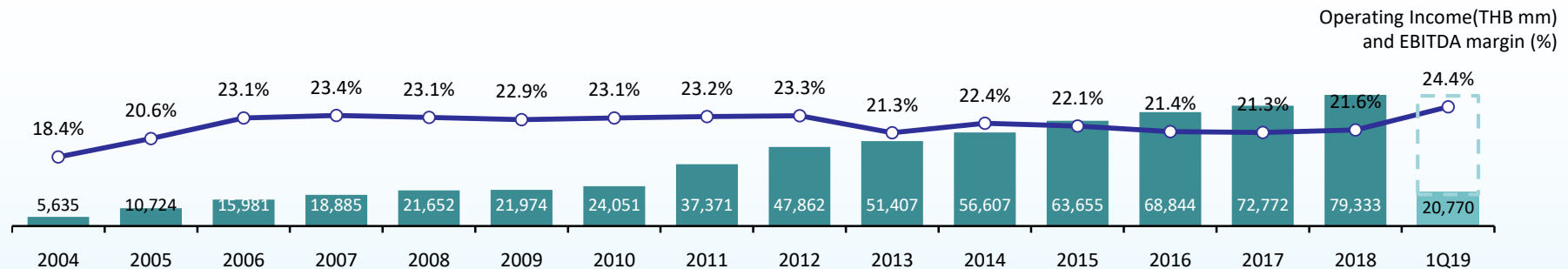
Successful Track Record of Expansion Through M&A and Greenfield Projects

Strong Share Price Performance Backed by a Successful Expansion Track Record



* Transfer of business to our new facility, Royal Phnom Penh

Solid Revenue Growth Over the Past Decade (2004-2018 CAGR of 20.8%) with Resilient EBITDA margin *



Source: Derived from BDMS' financial statements

* Excluding non-recurring items

BDMS has developed 17 new hospitals and acquired a total of 30 hospitals to date

BDMS Complete Continuum of Healthcare



Centers of Excellence



Super Tertiary Care

Tertiary Care

Secondary Care

Promotive

Preventive

Early
Detection

Curative

Transitional

Rehabilitative



BDMS Wellness Clinic



Bangkok International



Chiva Transitional Care Hospital

Non-Hospital Strategic Investment



Sterile Drug Manufacturer & Distributor



Generic Drug Manufacturer



Drug Store

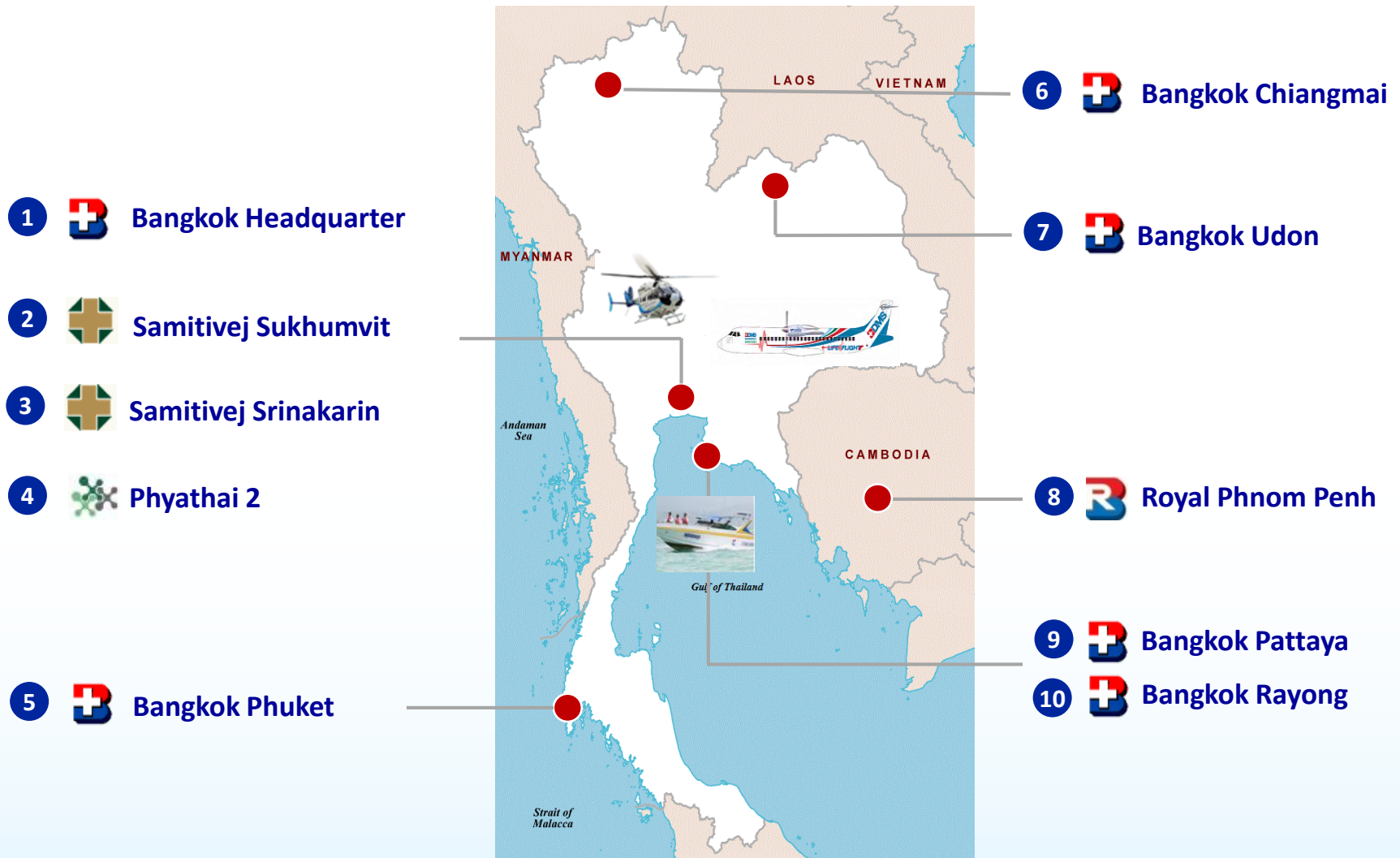
Projects in Pipeline & Strategy

Projects in Pipeline	2019	2020	2021-2023
	<ul style="list-style-type: none"> 48 Hospitals ~ 8,200 beds 	<ul style="list-style-type: none"> ~ 50 hospitals ~ 8,500 beds 	<ul style="list-style-type: none"> ~ 9,000 beds
	<ul style="list-style-type: none"> ✓ Bangkok Hospital Chiangrai (80 beds) ✓ Expansion of Samitivej Sukhumvit (36 beds) ✓ Bangkok International (172 beds) ✓ Mövenpick BDMS Wellness Resort Bangkok (290 rooms) 	<ul style="list-style-type: none"> ○ Jomtien Hospital (233 beds) 	<ul style="list-style-type: none"> ○ Expansion of our Network Hospitals

Strategy	Volume & Margin Driven	Innovation & Digital	Sustainability
	<ul style="list-style-type: none"> Center of Excellence Increase occupancy rate Expand insurance patient base 	<ul style="list-style-type: none"> International medical affiliation Smart Virtual Hospital Health application 	<ul style="list-style-type: none"> Quality & safety standard Good corporate governance Social responsibility

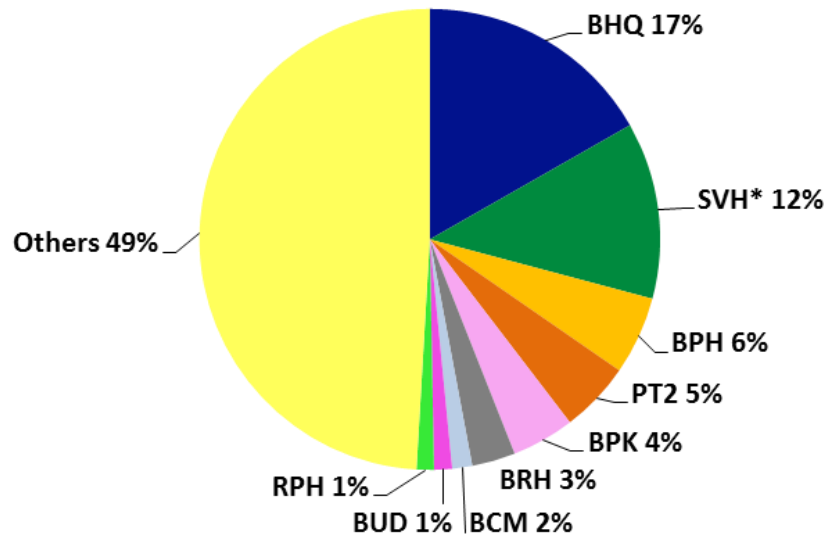
BDMS Centers of Excellence Network

Upgrading Existing 10 Hospitals to Become Centers of Excellence with the Focus on International Patients

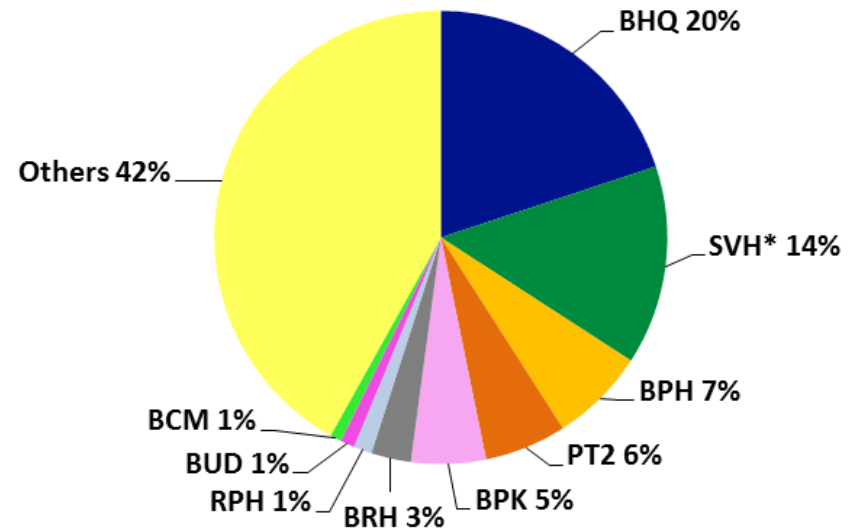


Diversified Sources of Revenues and Profitability

COE Operating Income Contribution in 1Q19



COE Total EBITDA Contribution in 1Q19



Commentary

- In 1Q19, 10 Centers of Excellence (COE) contributed
 - 51% of total revenues
 - 58% of total EBITDA

* SVH also included SNH performance

Remark: - EBITDA is calculated from revenue from hospital operations + revenue from goods + other income – cost from hospital operations – SG&A
- Hospital abbreviation shown on Appendix

Local and International Partnership



- Collaboration for education, training and research on orthopedics



- Collaboration on occupational health, pediatrics, rehabilitation, clinical simulation and informatics



- Others international and local institutions



- Collaboration for education and research on trauma and orthopedics



- Collaboration on Gastrointestinal Medicine



- Collaboration for knowledge sharing on orthopedics



- Research collaboration on the TRFS laser device for brain tumor surgery

Alarm Center: One Number All Access For Life Care



- One number access to entire BDMS network
 **Thailand Domestic Calls 1724**
International Calls +66-2-BANGKOK, +66-2-226-4565



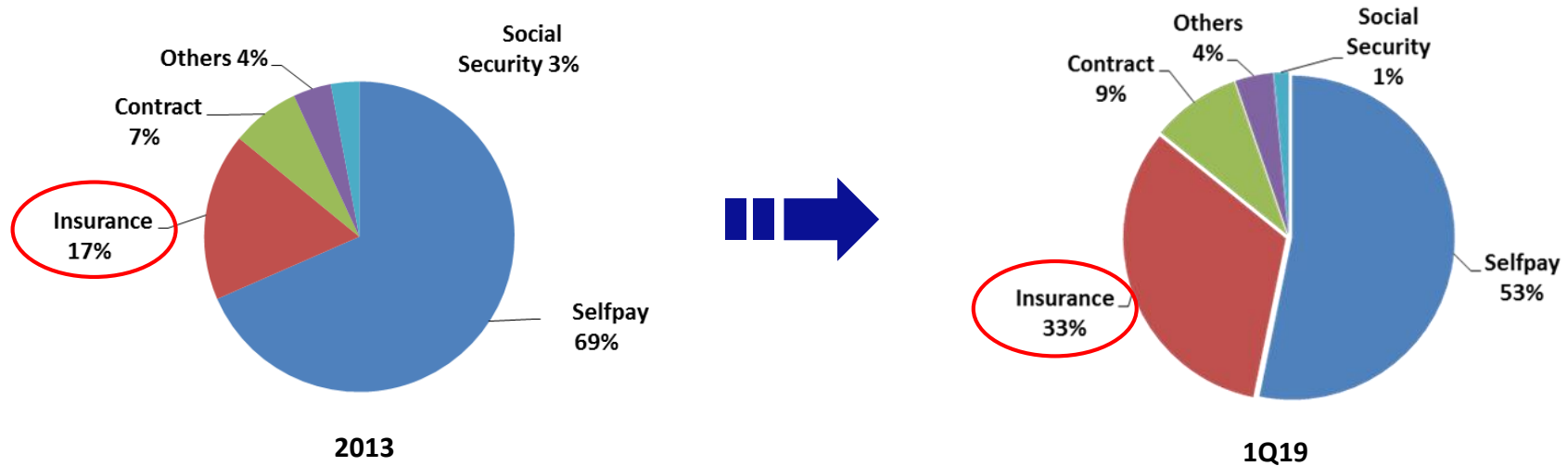
New CAMTS-CAMTS EU: Dual Accreditation Awarded



- BDMS* had received dual accreditation of The Commission on Accreditation of Medical Transport Systems (CAMTS) from USA and EU
- CAMTS is a review organization dedicated to improving quality and safety of medical transportation systems including fixed wing, sky ICU, medical escort, ambulance, motorlance and hydrolance

Expanding Insurance Patient Base

Patient Revenue by Payor: Increasing Insurance Portion



Strategic Focus on Health Insurance

- Launched exclusive health insurance for BDMS network
 - Increase hospital traffic in BDMS network
 - Target insurance payor to increase from 29% in 2018 to 35% in the next few years
- E-Claim & E- Billing
- Utilization management

Exclusive Health Insurance at BDMS Hospital Network

My First Class Healthcare @ BDMS by Allianz Ayudhya



- Maximum benefit per year: THB 80m to THB 100m
- Covering all medical treatments
- Target high-end market

The Viriyah Insurance Program 1 (Gold)



- Maximum benefit for injury or sickness per disability: THB 1m to THB 5m
- Target mid to high-end market

The Viriyah Insurance Program 2 (Deductible Plan)



- Maximum benefit per year: THB 400k to THB 800k
- Choice of THB 20,000/ THB 50,000 deductible per year
- Target employee who already have welfare from company

The Viriyah Insurance Program 3 (Delight)



- Maximum benefit per year: THB 450k to THB 1.5m
- Target mid market

Expansion of Samitivej Sukhumvit



- Soft opening since 4 April 2019 (Grand opening on 4 June 2019)
- Greenfield 36-bed hospital located opposite to Samitivej Sukhumvit
- Focusing on Liver GI, Japanese OPD, Endoscopy and high intensity cases

Expansion of Samitivej Sukhumvit



- Collaborate with Takatsuki Hospital, Japan in terms of strengthen management system and service in Japanese Culture

Expansion of Samitivej Sukhumvit



Japanese Wellness Center



Japanese Internal Medicine



GI & Endoscopy Unit



Exam Room



Overall Services



Teleconsultation Service

- Real time video call
- Operates 24 hours, 7 days a week
- Care by Samitivej nurses and doctors
- Selected specialized care
- Consultation Summary Report



Care at Home

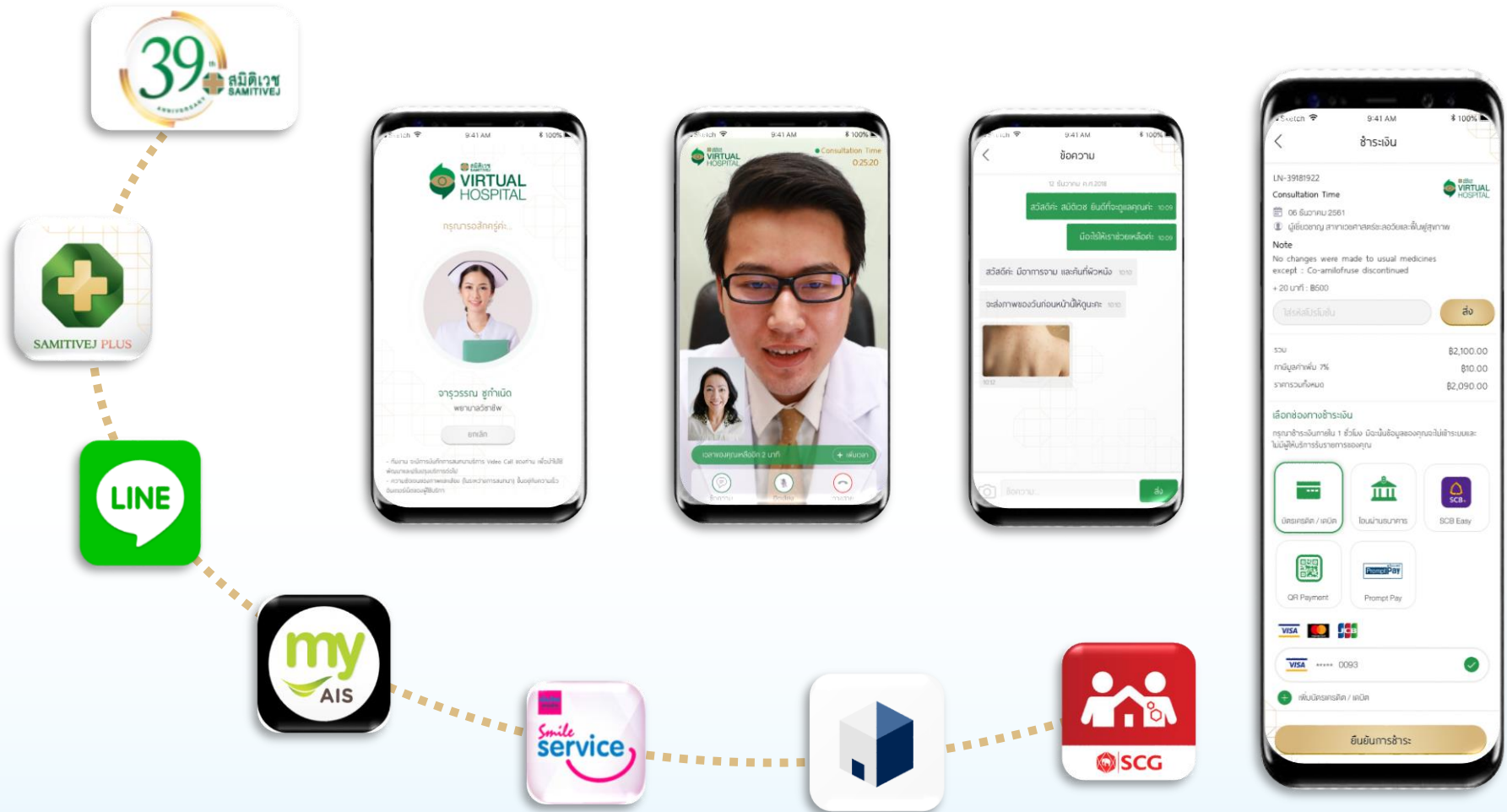
- Blood testing at home
- Vaccine at home
- Care by professional nurses



Medicine Delivery

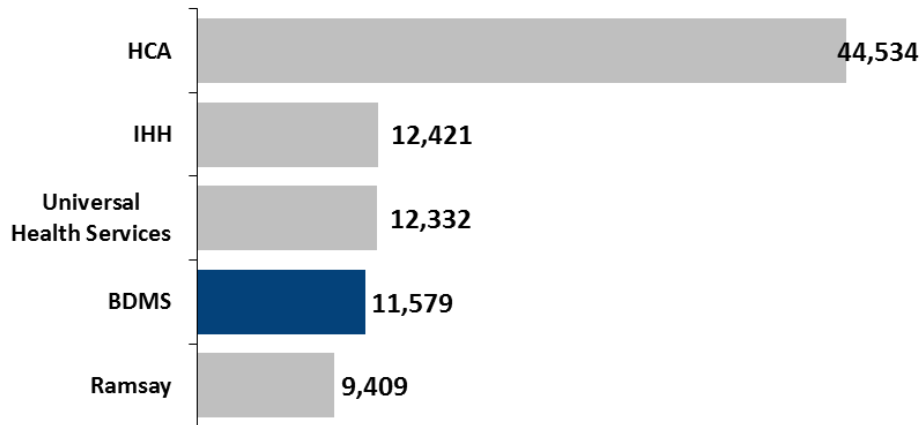
- Same day delivery inside Bangkok
- Next day delivery outside Bangkok

Access Channels

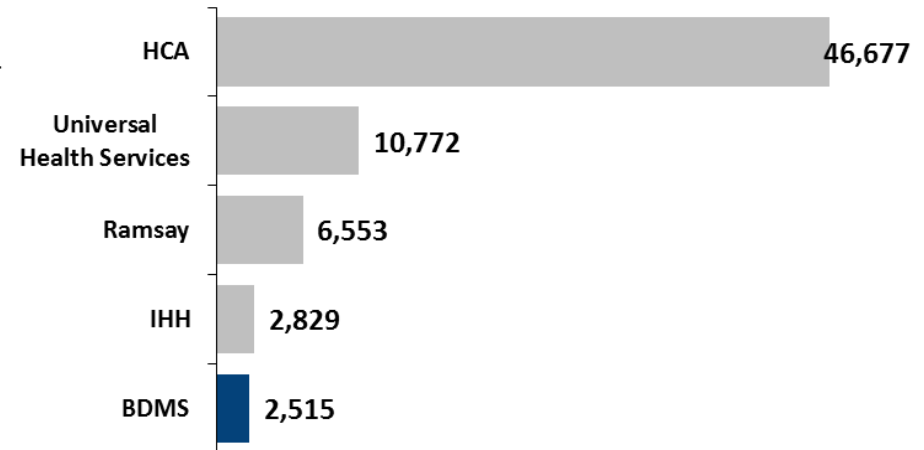


Global Hospital Rankings

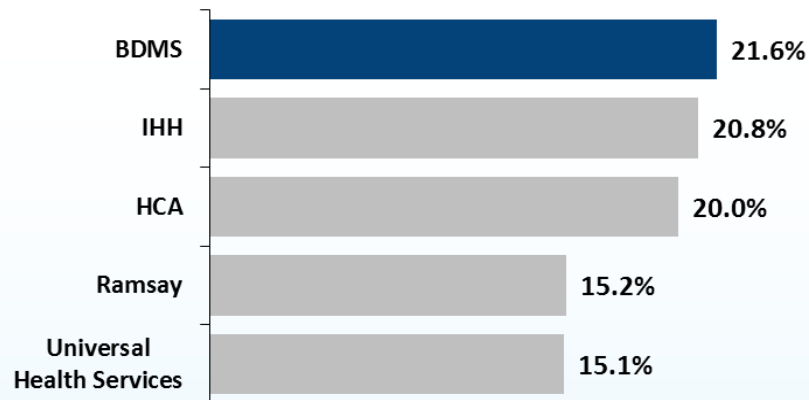
Market Capitalization (USD mm)



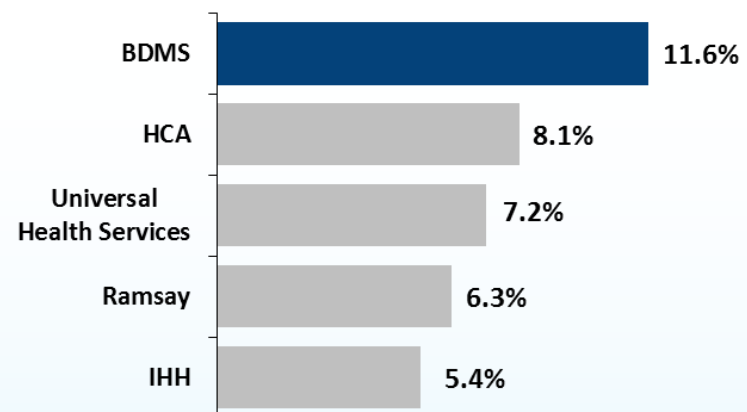
Revenue (USD mm)



EBITDA Margin



Net Profit Margin



Remark: - Market capitalization as of 19 June 2019

- Financial performance for year ended December 2018 except Ramsay for the year ended June 2018

1Q19 in Review

1Q19 Results

	1Q19	
	Chg (yoy)	% to Revenue
Operating income	+5% (THB 20,770 mm)	
Patient revenue	+5% (THB 19,793 mm)	
Breakdown by location		
▪ Bangkok & Vicinity	+4%	57%
▪ Outside Bangkok	+6%	43%
Breakdown by nationality		
▪ Thai	+4%	67%
▪ International	+8%	33%
Breakdown by type of patients		
▪ Outpatients	+7%	45%
▪ Inpatients	+4%	55%

Consolidated Financial Summary

1Q19 Profitability Ratio

<i>(THB mm)</i>	1Q19	1Q18	Chg (yoy)
EBITDA *	5,070	4,933	3%
EBITDA margin *	24.4%	24.9%	
Core profit	2,926	2,919	Flat
Core profit margin	14.1%	14.8%	
Net profit	8,439	2,919	189%
Net profit	40.6%	14.8%	

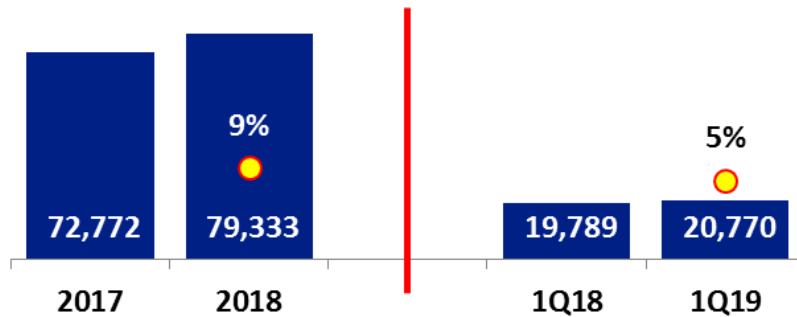
* Excluding non-recurring items

Non recurring items (net of income tax)	THB mm
1. Gain on divestment in Ramkhamhaeng Hospital	6,094
2. Additional provisions for employee benefits	(493)
3. One-time expenses in finding the land to locate electricity sub-station to accommodate the electricity usage at Bangkok International Hospital	(88)
Total	5,513

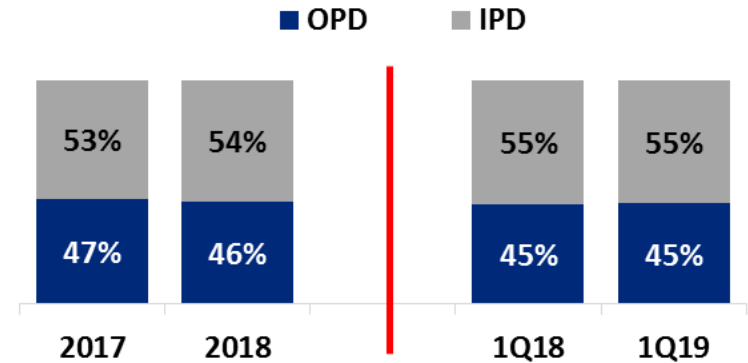
Operational Statistics & Financial Highlights

Operating Income Growth

Operating Income (THB mm)



Revenue Breakdown by Patient Types



Commentary

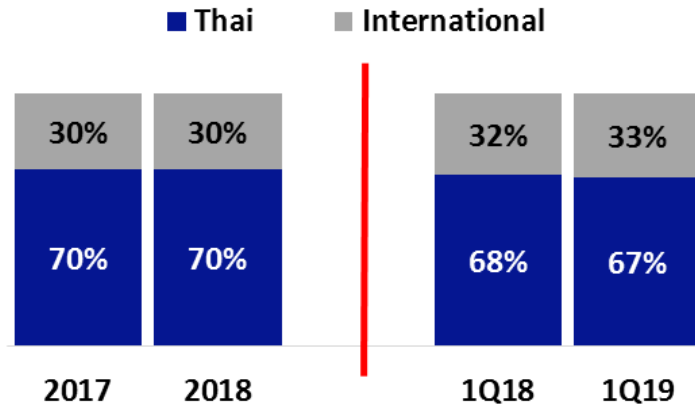
- 1Q19 Operating income increased by 5% yoy mainly from
 - Patient revenue increased 5% yoy, attributed to
 - Higher price intensity from Center of Excellence
 - Strong growth from international patients of 8% yoy
 - Increase insurance patient base from 29% of patient revenue in 1Q18 to 33% in 1Q19

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

Thai and International Patients

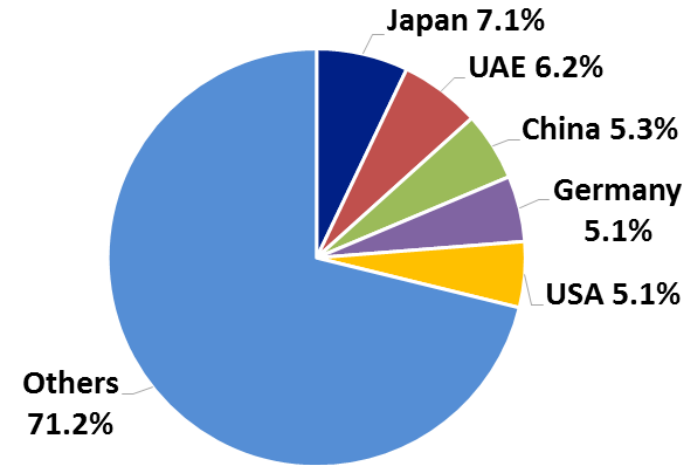
Revenue Contribution by Nationality

% to patient revenue



Top 5 Nationality contribution

% to international patients' revenue

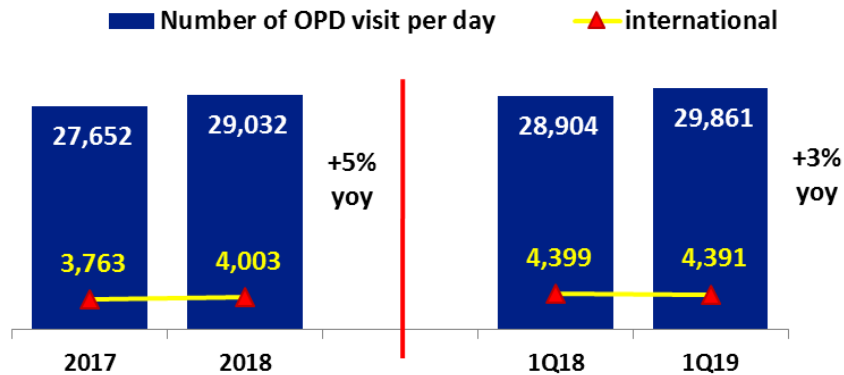


Commentary

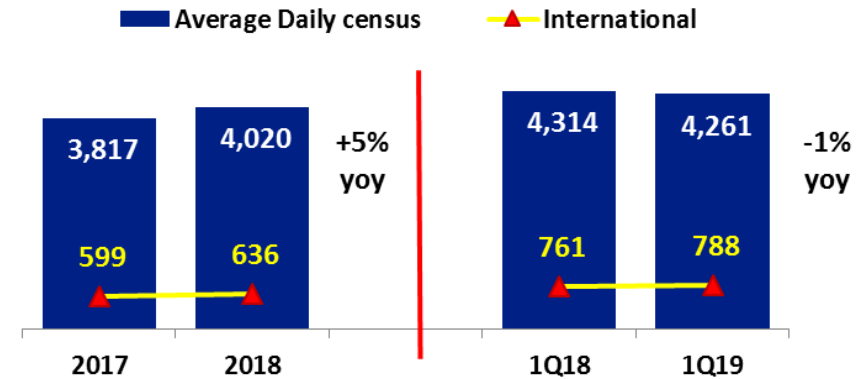
- In 1Q19, strong growth from international patients of 8% yoy
 - Key growth for International patient revenues are UAE (+75%), Oman (+75%) and Cambodia (+22% yoy)
- Thai patients grew 4% yoy due to high base of 1Q18 from high influenza and outbreak

Operational Statistics

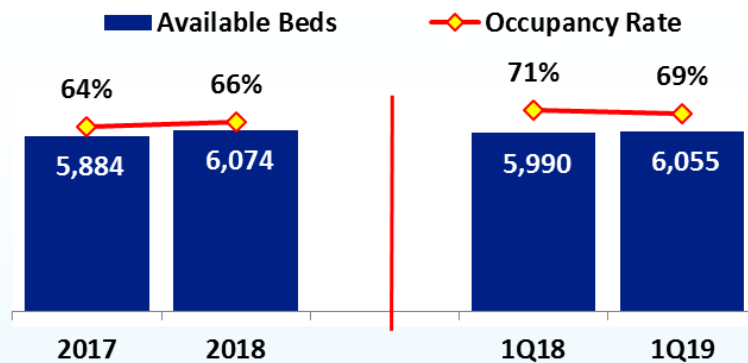
Number of OPD Visits per Day



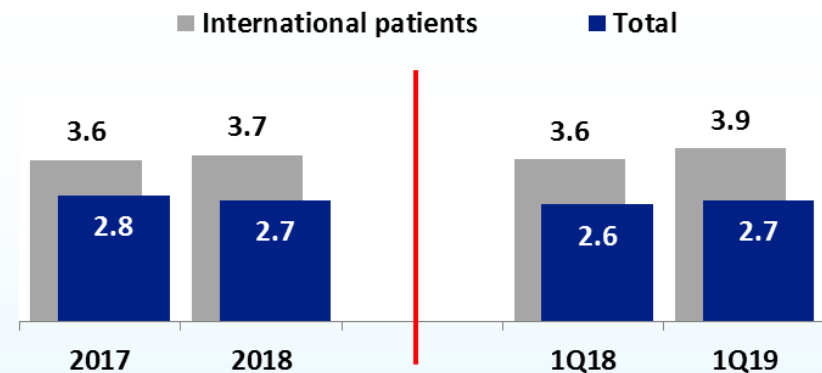
Average Daily Census (ADC)



Occupancy Rate Based on Available Beds

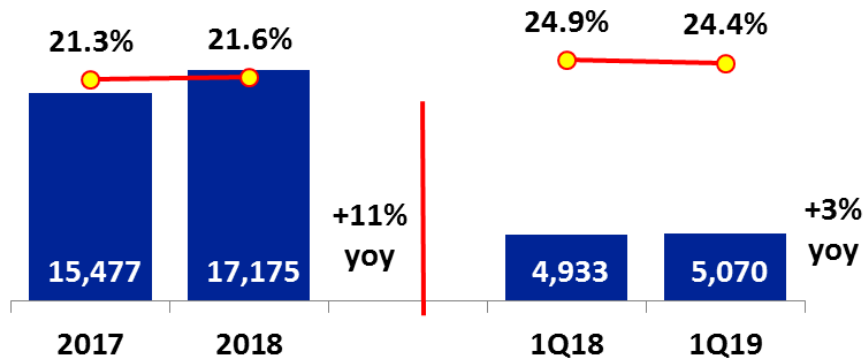


Average Length of Stay (days)

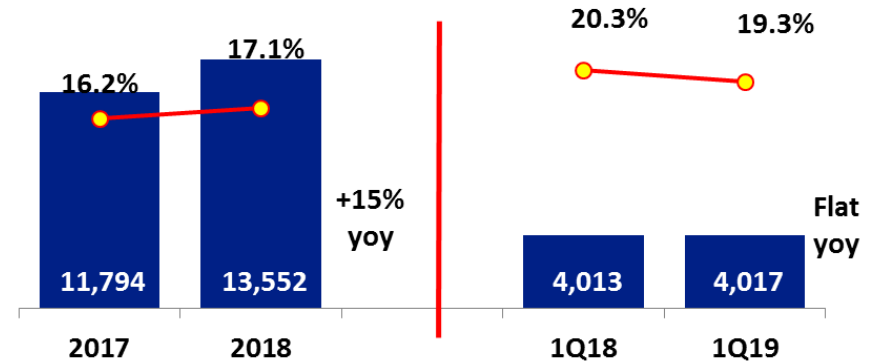


Profitability Trend

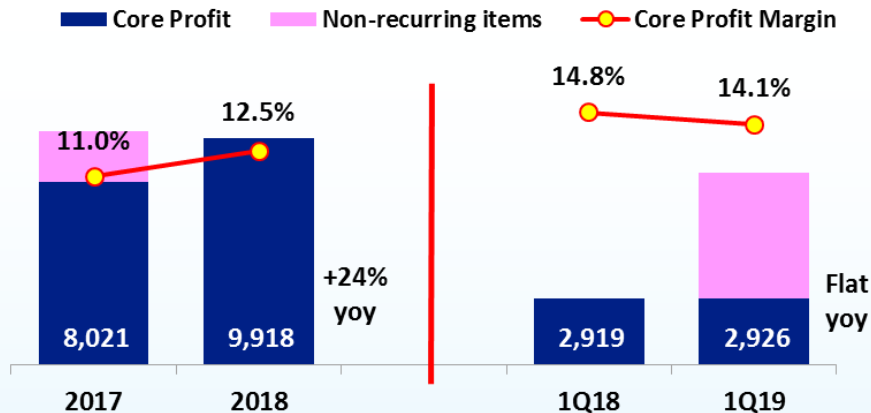
EBITDA & EBITDA Margin * (THB mm)



EBIT & EBIT Margin * (THB mm)



Core Profit & Core Profit Margin * (THB mm)



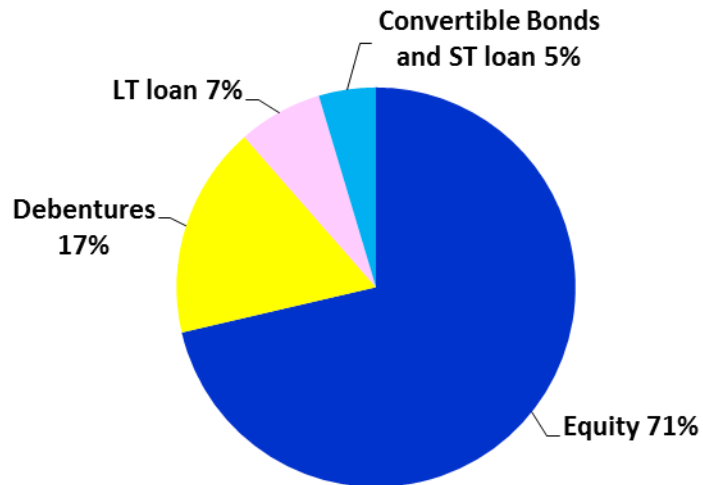
Commentary

- In 1Q19, core profit were THB 2,926 million with net profit margin of 14.1%
- If included non-recurring items totaling of THB 5,513 million, net profit was 8,439 with net profit margin of 40.6%

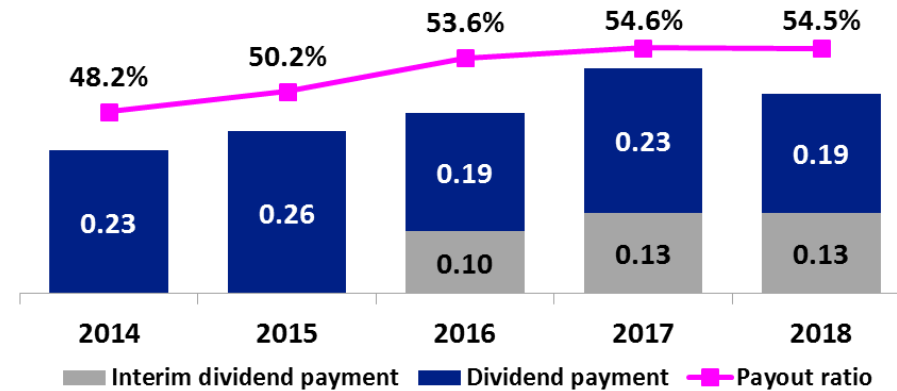
* Excluding non-recurring items

Capital Management

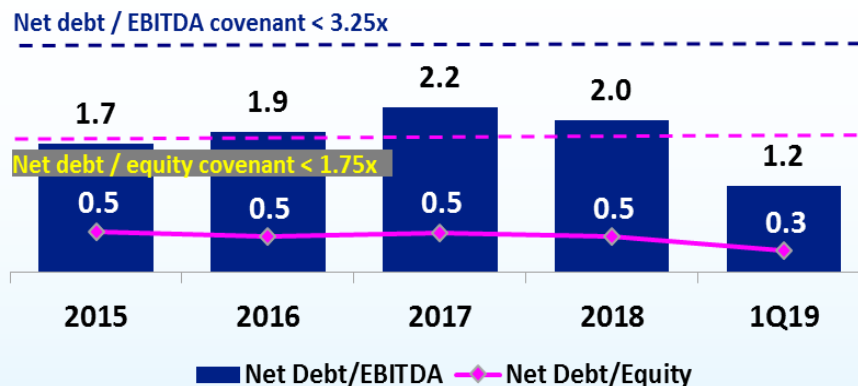
Capital Structure as of March 2019



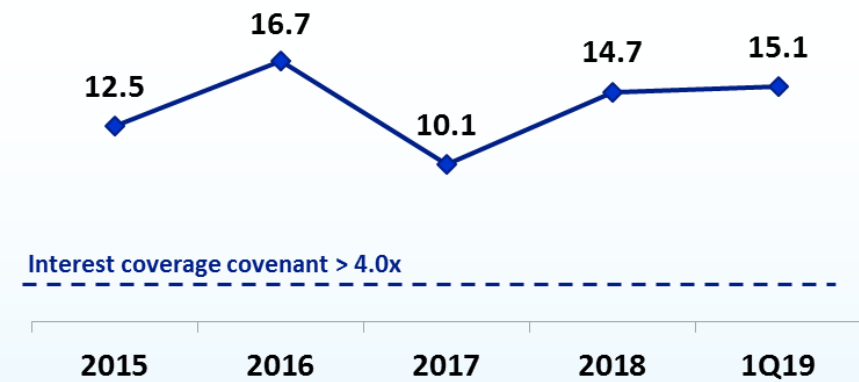
Dividend Payment & Payout Ratio



Gearing Ratios: Well Within Covenants



Interest Coverage



Healthcare Industry

Key Trend for Thai Healthcare Industry

Supportive Demographic and Economic Trends

- Aging demographics and rising income support growth of Thai healthcare
- Thailand as top tourist destination, capable medical personnel, convenient infrastructure & facilities and value for money attract medical tourism

Healthy Trend

- Increase health conscious lifestyle driven demand on preventive care
- Shifting from traditionally treatment-based approach to preventive care which focuses on individual genetic, wellness, early detection, vaccination, diet and exercise including mental health awareness

Health Insurance

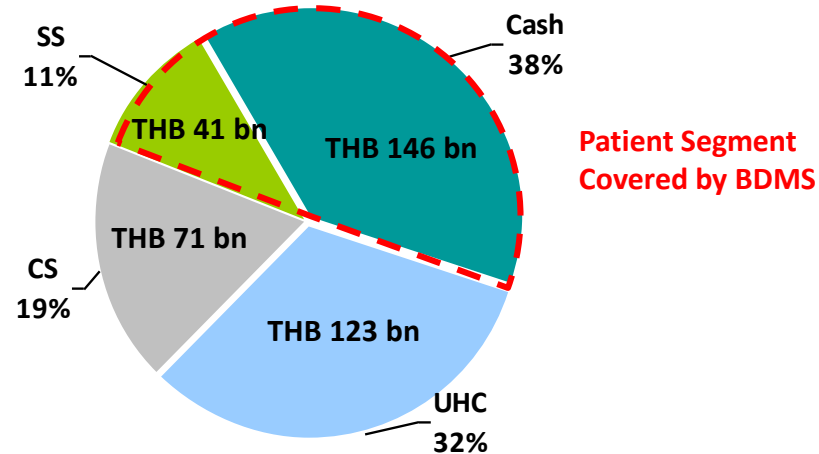
- Insurance companies increase co-operation with local hospitals to increase Thailand's private health insurance penetration
- Thai Government approved tax break on premiums paid for health insurance supporting an increase in healthcare demand

Health Tech

- Mobile health apps would increase health conscious and preventive care
- Support existing healthcare service rather than replacement
- Mostly in searching for doctor and personal health information

Healthcare Segments in Thailand

Total Expenditure for 2016: THB 381 bn



Source: National Health Security Office (NHSO), The Office of the National Economic and Social Development Board (NESDB) and Social Security Office (SSO)

Universal Healthcare Coverage (UHC)	A welfare program for Thai people to receive medical coverage for IPD and OPD care at registered facilities
Civil Servant (CS)	A welfare program provided to employees of governments and state-owned enterprises
Social Security Scheme (SS)	Minimum requirement of healthcare provided to employees of private companies
Private Healthcare (Cash)	Proportion of Thai population not covered or choose not to use public healthcare schemes (UHC, CS and SS), though may have private insurance coverage

Thailand Healthcare Demand and Supply

Healthcare Supply in Thailand (2016)

	# of Hospitals	# of Beds
Private	347	40,720
Public	864	100,782
Total	1,211	141,502

(Number per 10,000 population)	Thailand	Global*
Doctor	5	14
Nurse	24	30
Bed	22	26

* Data as of 2014

Source: WHO, NESDB and NSO

BDMS Market Coverage (2016)

	Total Private Beds	BDMS Registered Beds *	Market Share
Bangkok	17,404	2,869	16%
Central	11,614	2,004	17%
South	3,111	662	21%
Northeast	3,332	337	10%
North	5,259	194	4%
Total	40,720	6,066	15%

* Company data as of October 2018

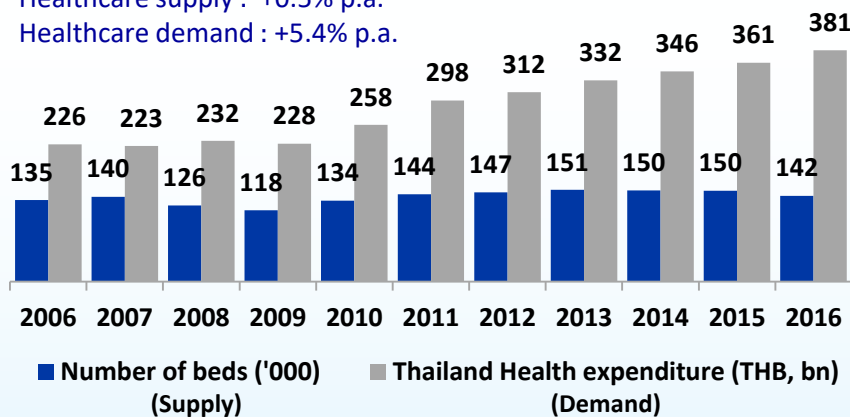
Source: NESDB and NSO

Healthcare Demand Growing Faster than Supply

10 Years CAGR (2006-2016)

Healthcare supply : +0.5% p.a.

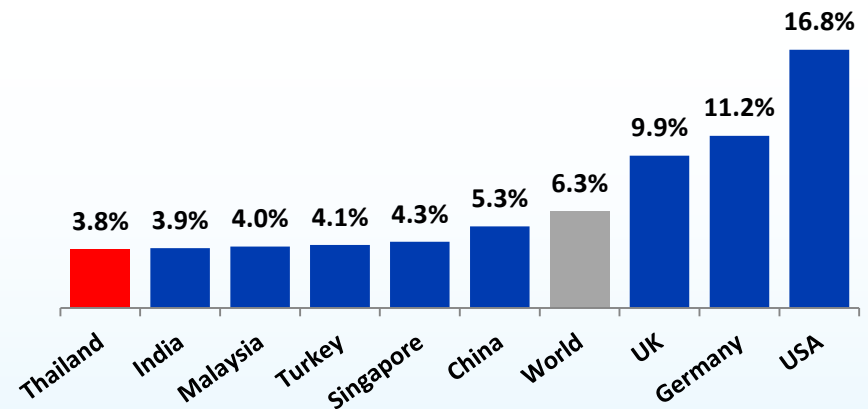
Healthcare demand : +5.4% p.a.



Source : NESDB and NSO

Low Healthcare Penetration

% of Healthcare expenditure to GDP

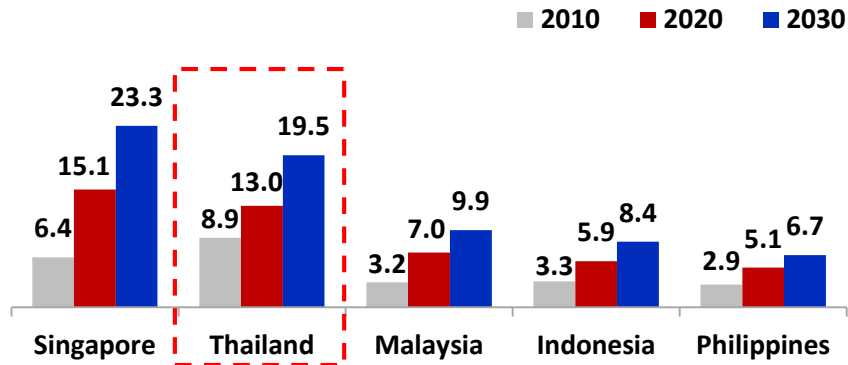


Source: WHO (2015)

Increasing Thailand Healthcare Demand

Population Growth and Aging Profile

Percentage of population above 65 years (%)



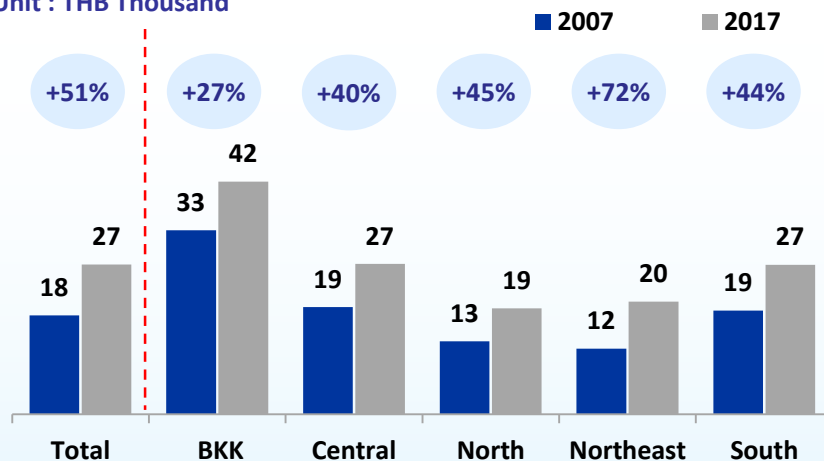
Source: UN Population Database: 2015

Commentary

- Aging population generates greater demand for healthcare expenditure
- Monthly income per household in Thailand increased by 51% during 2007-17. This would support growing demand for healthcare
- Health insurance reduces financial burden of out-of-pocket expense. Increasing trend for health insurance will benefit private hospitals

Thailand Monthly Income per Household

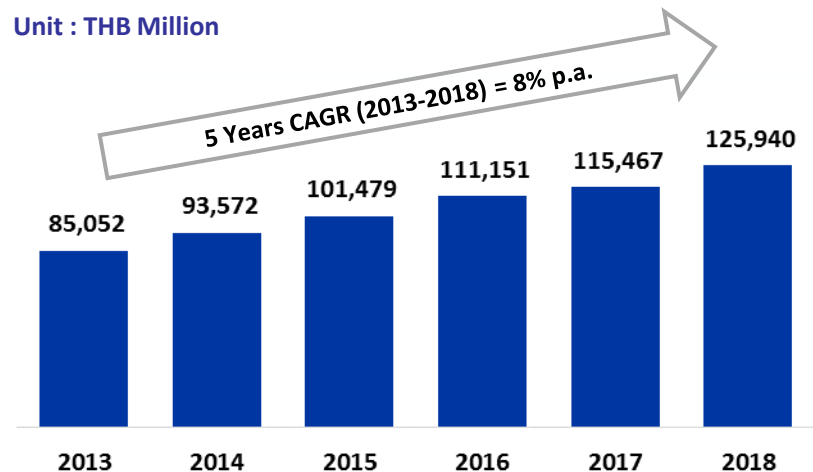
Unit : THB Thousand



Source : NESDB

Health & Personal Accident Insurance Premium

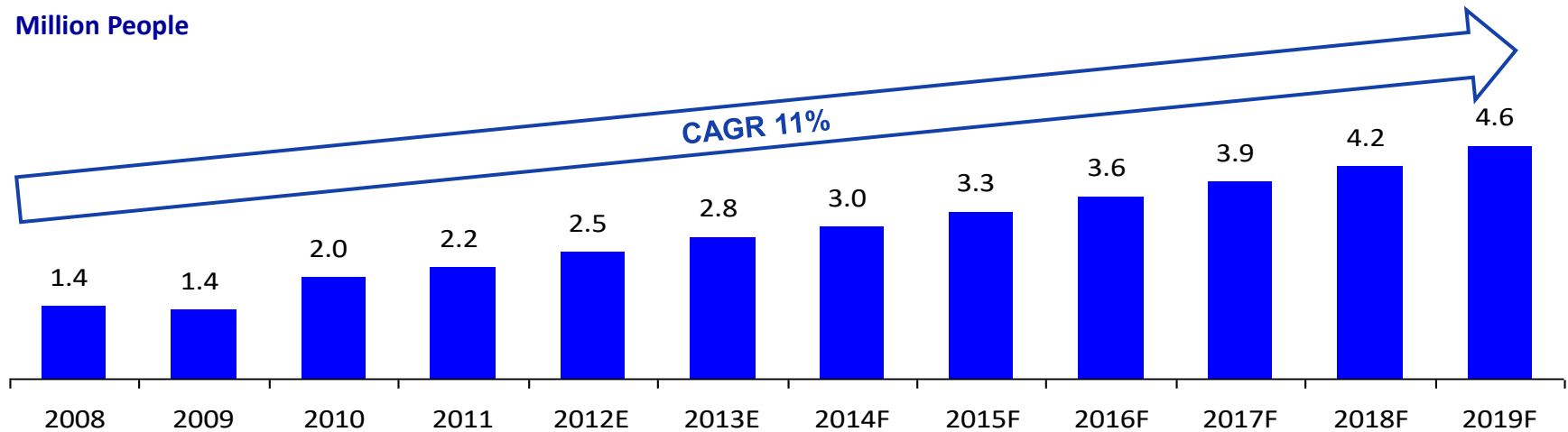
Unit : THB Million



Source: OIC

Increasing Trend of Medical Tourists to Thailand

Million People



Source: EIC, SCB and Ministry of Commerce

Medical Tourism as a Rising Phenomenon

Procedures (In USD)	USA	Singapore*	Thailand	Malaysia*	India
Heart Bypass	123,000	17,200	15,000	12,100	7,900
Heart Valve Replacement	170,000	16,900	17,200	13,500	9,500
Knee Replacement	35,000	16,000	14,000	7,700	6,600
Spinal Fusion	110,000	12,800	9,500	6,000	10,300
IVF Treatment	12,400	14,900	4,100	6,900	2,500

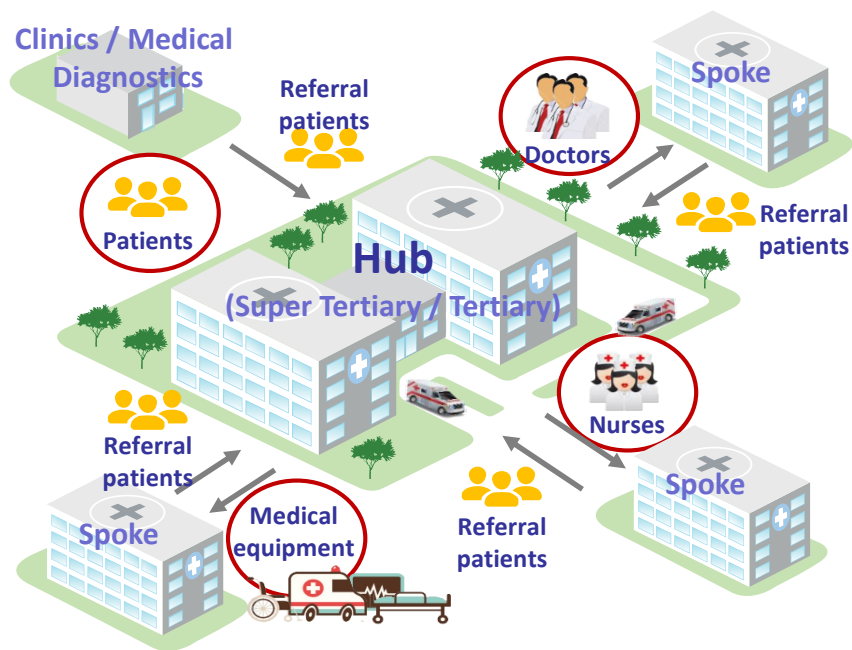
* Excluding doctor fee

Source: Medicaltourism.com (2018)

Company Background

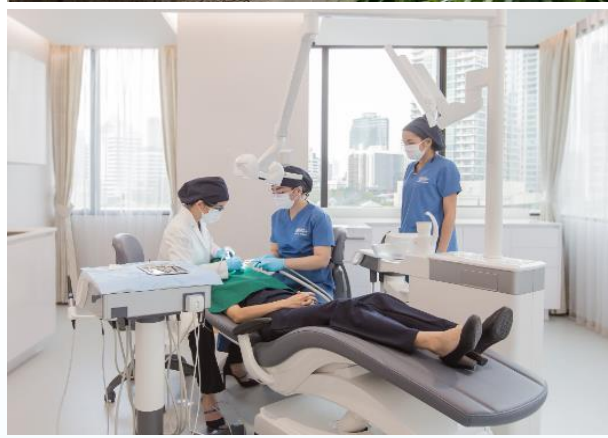
'Hub-and-Spoke' Model

Providing a Proven Patient Referral System and Creating Efficiency Through Scale



- 1 Strong patient referral system within and across each hub and spoke
- 2 Enhances synergies and benefits of scale among hospitals within the group
- 3 Shared supporting services among multiple hubs which enhance efficiency and competitiveness
- 4 Established system provides a platform for future expansion

A Brand New Wellness Clinic Delivering World-Class Services



7 Centers of Preventive Excellence

1

Regenerative Clinic

2

Musculoskeletal and Sports Clinic

3

Cardioscience Clinic

4

Neuroscience Clinic

5

Digestive Wellness Clinic

6

Fertility Clinic

7

Dental Clinic

- BDMS Wellness Clinic signed hotel management contract with Mövenpick Hotels & Resorts in managing “Mövenpick BDMS Wellness Resort Bangkok” which is expected to be opened in 2019
- An international wellness resort with around 290 guest rooms located in the heart of Bangkok in coordination with BDMS Wellness Clinic which is located nearby to provide in-house personalized wellness program and promote prevention and lifestyle improvement

Shareholding Structure

(As of 15 March 2019)

	% of Shareholding
1 Mr. Prasert Prasarttong-Osoth, M.D. and family	22.1%
2 Mr. Wichai Thongtang and family	7.3%
3 Bangkok Airways*	7.2%
4 Thai NVDR Co., Ltd.	6.7%
5 The Viriyah Insurance Co., Ltd.	6.1%
6 Social Security Office	4.1%
7 Mr. Chirothana Suchato, M.D. and family	2.6%
8 Ladpli family**	2.4%
9 South East Asia UK (Type C) Nominess Limited	2.3%
10 Mr. Chuladej Yossundharakul, M.D. and family	1.9%
Total	62.5%

Source: Summary of the information from Thailand Securities Depository Company Limited (TSD)

* Consisted of Bangkok Airways PCL and Bangkok Airways Holding Co., Ltd

** Consisted of Miss Napamas Ladpli, Mrs. Atinuch Malakul Na Ayudhaya and Mr. Parameth Ladpli, M.D.

Investments in Other Hospitals : - Listed Companies

- Bumrungrad Hospital PCL (BH) 24.88%

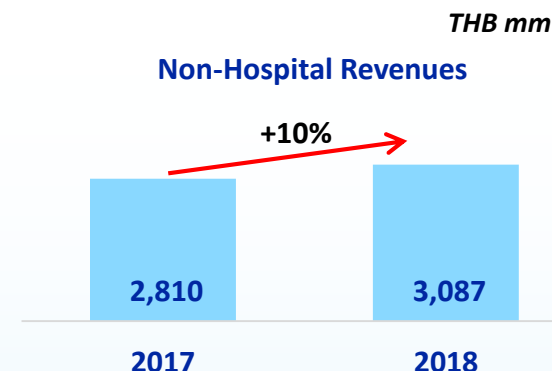
Non- Hospital Strategic Investments *

Pharmaceutical Business

- | | | |
|---------------------------------|------|---|
| ■ A.N.B. Laboratories | 100% | Sterile pharmaceutical product manufacturer & distributor |
| ■ Save Drug Center | 100% | Drugstore |
| ■ The Medicpharma | 87% | Generic pharmaceutical product manufacturer |
| ■ General Hospital Products PCL | 46% | Sterile pharmaceutical product manufacturer |

Other Complimentary Business

- | | | |
|------------------------------------|------|--|
| ■ National Healthcare Systems | 100% | Central lab, central supply chain, procurement & other shared services |
| ■ Greenline Synergy | 100% | Shared IT services |
| ■ Bangkok Premier Insurance Broker | 100% | Health & life insurance broker |
| ■ Bangkok Helicopter Services | 100% | Transportation of patients via helicopter services |



* Not included all BDMS' investments

Your Trusted Healthcare Network

Good Corporate Governance

Practiced good Corporate Governance to ensure long-term growth and sustainability

Employee Well-Being and Human Rights

Fully committed to support diversity and human rights in term of gender and cultural differences

Environmental Friendly

Encouraged reductions of energy use without reducing the quality of care and raised awareness on efficient energy consumption

Social and Community Development

Encouraged donation of medical supplies and equipment to unfortunate person
Provided health check-up to promote health and well-being of communities



BDMS Awards & Recognition in 2018-2019



Asiamoney
(June)

**Asia's Outstanding Companies Poll
– Thailand for 2010s**



FinanceAsia
(May)

**The Best Managed Healthcare
Company in Asia**



**Thailand's Top Corporate Brand
Value 2018 – Healthcare Sector
(September)**
from Chulalongkorn University



**Top Innovative Organization
(October)**
from National Innovation Agency,
SET and MAI






**SET Awards
(November)**
**Outstanding Investor Relations Awards
(Market Cap over THB 100 bn)**








**IR Magazine Awards
(December)**

For More Information:- www.bangkokhospital.com




Group 1 (Bangkok&West&Cambodia) Ownership No. of Beds

1. Bangkok Hospital	} (BHQ)	100%		373
2. Bangkok Heart Hospital		100%		97
3. Wattanosoth Hospital		100%		48
4. Chiva Transitional Care		100%		52
5. Bangkok International		100%		172
6. Bangkok Huahin (BHN)		100%		64
7. Bangkok Sanamchan (BSN)		100%		210
8. Thepakorn (TPK)		44.5%		100
9. Bangkok Phetchaburi (BPR)		100%		255
10. Bangkok Muangraj (BMR)		100%		142
11. Royal Phnom Penh (RPH)		100%		100
12. Royal Angkor International (RAH)		80.0%		30


Group 2

12. Samitivej Sukhumvit (SVH)	95.8%		311
13. Samitivej Srinakarin (SNH)	95.8%		400
14. Samitivej Sriracha (SSH)	70.1%		184
15. Samitivej Thonburi (STH)	63.5%		150
16. Samitivej Chonburi (SCH)	100%		220
17. Samitivej Chinatown (SCT)	100%		59
18. BNH Hospital (BNH)	91.5%		144

Group 3 (East)

19. Bangkok Pattaya (BPH)	97.3%		400
20. Bangkok Rayong (BRH)	100%		220
21. Bangkok Chanthaburi (BCH)	99.7%		170
22. Bangkok Trat (BTH)	99.8%		114
23. Sri Rayong (SRH)	100%		195

Group 4 (North&Northeast)

24. Bangkok Chiangmai (BCM)	100%		175
25. Bangkok Ratchasima (BKH)	91.4%		180
26. Bangkok Pakchong (BHP)	91.4%		31




Group 4 (North&Northeast)

27. Bangkok Udon (BUD)	100%	120
28. Bangkok Phitsanulok (BPL)	100%	195
29. Bangkok Khon Kaen (BKN)	100%	140
30. Bangkok Chiangrai (BCR)	100%	80

Group 5

31. Phyathai 1 (PT1)	100%		224
32. Phyathai 2 (PT2)	99.2%		260
33. Phyathai 3 (PT3)	98.2%		267
34. Phyathai Sriracha (PTS)	75.1%		350
35. Phyathai Nawamin (PTN)	99.8%		140
36. Paolo Paholyothin (PLP)	100%		267
37. Paolo Samutprakarn(PLS)	93.6%		200
38. Paolo Chokchai 4 (PLC)	85.7%		169
39. Paolo Rangsit (PLR)	100%		150
40. Paolo Kaset (PLK)	100%		162
41. Paolo Phrapradaeng (PLD)	84.0%		60

Group 6 (South)

42. Bangkok Phuket (BPK)	99.7%		266
43. Siriroj International (SIH)	100%		151
44. Dibuk (DBK)	99.7%		100
45. Bangkok Hat Yai (BHH)	98.8%		200
46. Bangkok Samui (BSH)	100%		52
47. Bangkok Surat (BSR)	100%		150

Group 7: Non-Hospital

1. National Healthcare System	100%
2. Bio Molecular Laboratories	95.0%
3. The Medicpharma	87.1%
4. A.N.B Laboratories	100%
5. Save Drug Center	100%
6. General Hospital Products	46.0%

Remark:- Number of beds is structured beds