



Bangkok Dusit Medical Services (BDMS)
Analyst Presentation 2Q20 & 6M20 Results

18 August 2020

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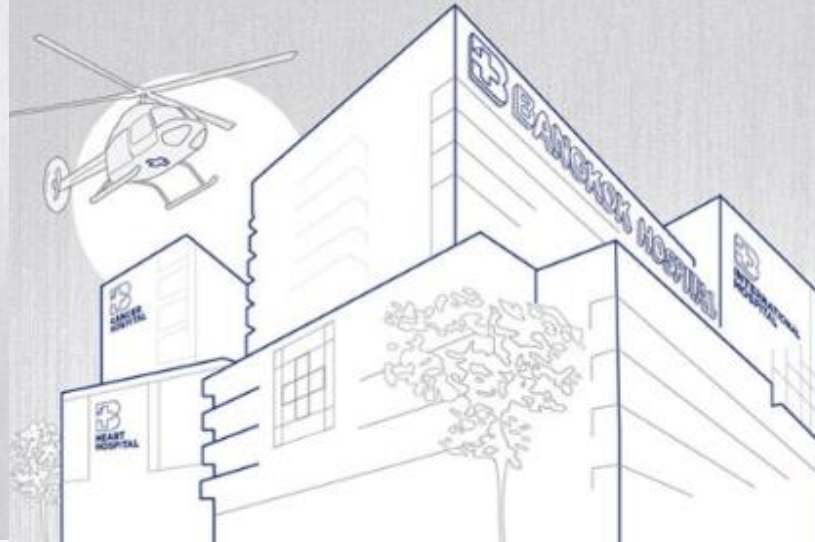
- **Financial Performance**

BDMS Summary & Updates

อันดับ **๑**
โรงพยาบาล
ที่ดีที่สุด
ในประเทศไทยปี ๒๕๖๓

**The Best Hospital In
Thailand**
In 2020

Newsweek



มั่นใจในมาตรฐาน ยึดมั่นในคุณภาพ
“เพราะความเชื่อมั่นของคุณ
คือความภูมิใจของเรา”

โดยมีเกณฑ์พิจารณาดังนี้

- ความพึงพอใจและความปลอดภัยของผู้ป่วย
- อัตราการเกิดภาวะแทรกซ้อนและการเสียชีวิตต่ำ
- การวินิจฉัยและรักษาที่รวดเร็ว
- คุณภาพการรักษาด้วยแพทย์เฉพาะทาง

จากการสำรวจแบบ online ในกลุ่มผู้เชี่ยวชาญทางการแพทย์
ผู้ป่วย และผู้รับบริการตั้งแต่เดือน ก.ย. - พ.ย. ๒๕๖๒

โดยการจัดอันดับของ Newsweek นิตยสารข่าวรายสัปดาห์ของ
ประเทศสหรัฐฯ ร่วมกับ Statista ศูนย์ฐานข้อมูลสถิติของประเทศ
เยอรมนี และ GeoBlue บริษัทประกันภัยชั้นนำระดับนานาชาติ

2Q20 Operational Recap and Financial Summary

2Q20 Highlights

	2Q20	
	% Chg	% to Revenue
Operating income	(29)%	
	THB 13,977 mm	
Patient revenue	(30)%	
	THB 13,080 mm	
Breakdown by location		
▪ Bangkok & Vicinity	(32)%	56%
▪ Outside Bangkok	(25)%	44%
Breakdown by nationality		
▪ Thai	(22)%	82%
▪ International	(58)%	18%
Breakdown by type of patients		
▪ Outpatients	(30)%	48%
▪ Inpatients	(32)%	52%

Remark: - Operating income is calculated from hospital revenue + revenue from sales of goods + other income
 - All operational statistics are from BDMS management report

Profitability and Ratio

(THB mm)	2Q20	2Q19	Chg. (yoy)
EBITDA	2,587	3,892	(34)%
EBITDA margin	18.5%	19.8%	
Share of profit from associates	(37)	199	(188)%
Core profit	458	1,865	(75)%
Core profit margin	3.3%	9.5%	

Remark: - Margin was calculated as a percentage of operating income

Commentary

- Patient revenue decreased by 30% yoy mainly from impact of COVID-19 most notably on inter patients
- Despite strict cost saving initiatives, EBITDA dropped 34% yoy from high portion of fixed cost
- Net profit decreased by 75% yoy mainly from
 - Performance of Bumrungrad Hospital Public Co., Ltd. ("BH")
 - Decrease in share of profit from dilution of BH investment (from 24.99% to 22.94%) as a result of convertible bond exercise

6M20 Operational Recap and Financial Summary

6M20 Highlights

	6M20	
	% Chg	% to Revenue
Operating income	(16)%	
	THB 33,980 mm	
Patient revenue	(17)%	
	THB 31,962 mm	
Breakdown by location		
▪ Bangkok & Vicinity	(19)%	56%
▪ Outside Bangkok	(13)%	44%
Breakdown by nationality		
▪ Thai	(11)%	76%
▪ International	(35)%	24%
Breakdown by type of patients		
▪ Outpatients	(17)%	47%
▪ Inpatients	(18)%	53%

Profitability and Ratio

(THB mm)	6M20	6M19	Chg. (yoy)
EBITDA⁽¹⁾	7,377	8,962	(18)%
EBITDA margin⁽¹⁾	21.7%	22.2%	
Share of profit from associates	181	484	(63)%
Core profit	3,026	4,790	(37)%
Core profit margin	8.9%	11.9%	
Non-recurring items	-	5,514 ⁽²⁾	n.a.
Net profit	3,026	10,304	(71)%
Net profit margin	8.9%	25.5%	

(1) Excluding non-recurring items

(2) non-recurring items in 6M19 were gain on sales in Ramkhamhaeng Hospital Public Co., Ltd. ("RAM"), provision for employee benefits and one-time expenses in finding land to locate electricity sub-station

BDMS Continued Cost Containment Measures in 2H20

Operating Expenses



01 Clinical, Non-clinical Staff & Doctor Related Expenses

- Maintain Zero OT policy and freeze full-time headcount
- Encourage staff to use holiday leave or leave without pay
- Decrease minimum guarantee of doctors

02 Reduction of Non-Essential Expenses

- Continue to decrease marketing, repair & maintenance and other expenses
- Reduction of all meeting allowance

CAPEX



- Reduce normal CAPEX spending of around THB 2 bn in 2020
- Delay some investments especially renovation and supporting projects

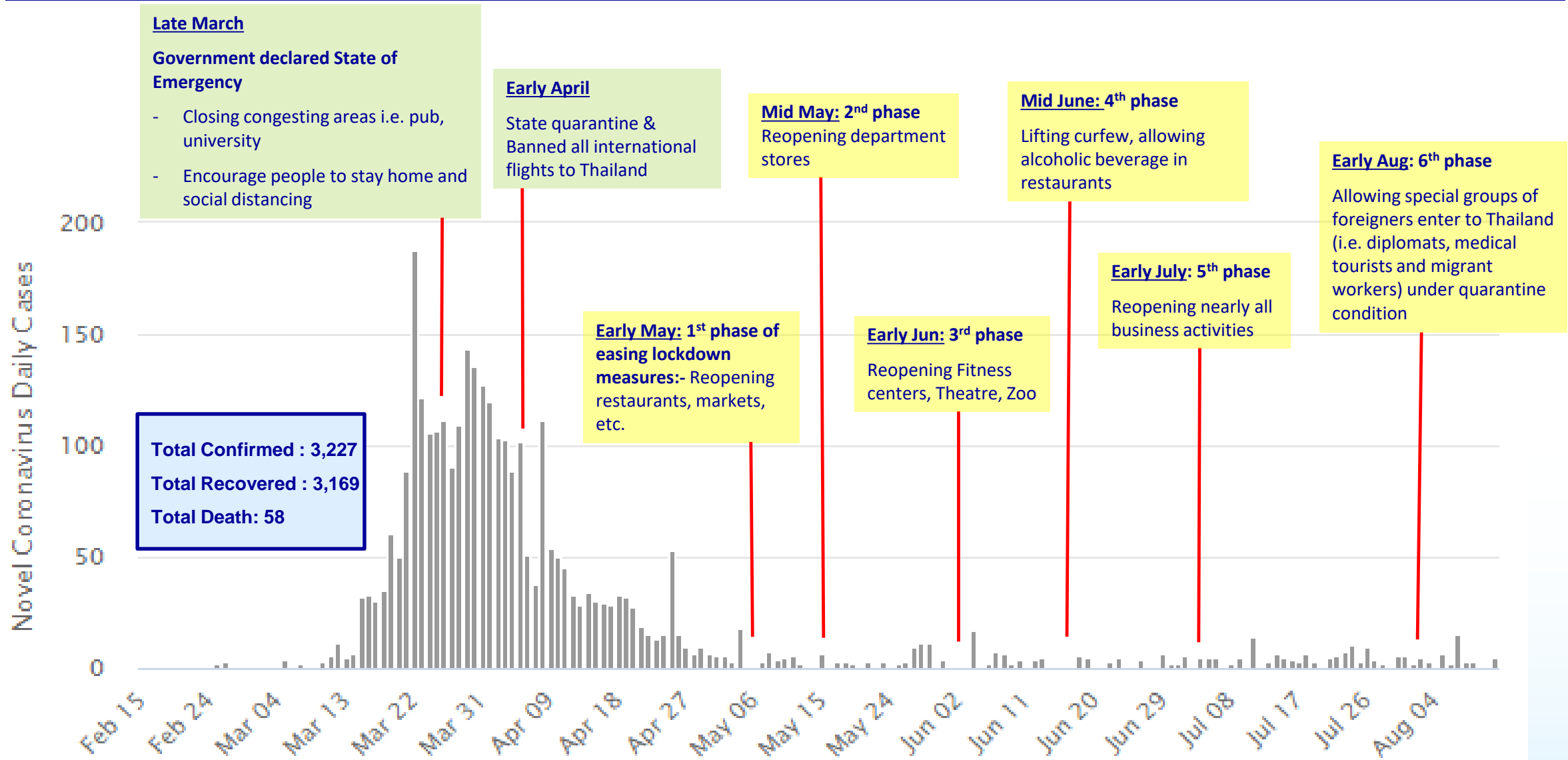
Cash Flow Management



- Cash on hand end of June 2020 was THB 3-4 billion with total uncommitted credit facility from financial institutions of THB 20 billion
- Maintain healthy liquidity level to support on going operations amidst uncertainty

Update COVID-19 Situation in Thailand

Thailand Has No Domestic Infection Almost Three Months; New Cases Seen Only at State Quarantine



BDMS Alternative Hospital Quarantine & Alternative State Quarantine






Alternative
Hospital Quarantine

30
Hospitals

Bangkok
17

-  BHQ, WSH
-  SVH, SNH, STH, SCT
-  BNH
-  PT1, PT2, PT3, PTN
-  PLP, PLK, PLR, PLD, PLS, PLC


East
6

-  BPH, BRH, BTH
-  SCH, SSH
-  PTS

North/Northeast
3

-  BCM, BCR, BUD

South
4

-  BPK, BSI, BHH, BSH



Alternative
State Quarantine

1
Resort

**Mövenpick BDMS
Wellness
Resort Bangkok**
**15 Day Homecoming
Health Watch**



Wellness Suite

Deluxe room



- In May 2020, BDMS opened greenfield 232-bed secondary care hospital, of which 30 beds were opened during first phase
- Jomtien hospital would not only targeting middle income and local patients but also expanding Bangkok Hospital Pattaya patient base

Extended Services to South Pattaya and Jomtien areas



We are ready to take care of you with our multidisciplinary team daily from 8am - 5pm

- Internal Medicine Department
- Surgery Department
- Orthopedic Department
- Obstetrics & Gynecology Department
- Pediatric Department
- Emergency Medical Services Department 24 hours

โรงพยาบาลจอมเทียน
JOMTIEN HOSPITAL

Tel. 0 3825 9977

beside Chic Republic, South Pattaya or opposite Big C South Pattaya

Partnership with Ping An Health (PAH)

To Bolster Chinese Patients to BDMS Hospital Network



- On 29 June 2020, BDMS entered into a joint agreement with Ping An Health Insurance (PAH), the largest insurance company in China in term of market capitalization
- BDMS offers PAH members with a wide spectrum of medical care including basic health check up packages, exclusive elective package, cancer screening and treatment programs, cardiovascular procedures, neurological and orthopedic services
- This partnership would help bolster Chinese patients from 4th largest inter patients in 2019 to be one of the top 3 inter patients in the next 3 years

BDMS New Exclusive Health Insurance – Viriyah Healthcare by BDMS

To Expand Patient Base at BDMS Hospital Network



- BDMS has collaborated with Viriyah Insurance Public Company Limited in promoting another exclusive health insurance policy, namely “Viriyah Healthcare by BDMS”
- Policy offered a low premium with lump sum benefit and unlimited number of services. The benefits continue every year with the protection covering the age range between 16-60 years old and continuing to the age of 80 years old
- This partnership would help support our plan to increase insurance patients portion from ~31% of patient revenue in 2019 to ~ 40% of patient revenue in the next 3 years

BDMS New Exclusive Health Insurance – Viriyah Healthcare by BDMS

Low Premium with Lump Sum Benefit and Unlimited Number of Services, Targeting Thai between 16-60 Years Old

Viriyah Healthcare by BDMS

คุ้มครอง คุ้มค่า ราคาเพื่อคนไทย



เจ็บป่วย วิธีะง่าย BDMS รักษา

	ผลประโยชน์เข้าใจง่าย เหมาจ่ายต่อปีสูงสุด 700,000 บาท
	ค่าห้องสูงสุด 8,000 บาทต่อวัน
	ไม่ต้องสำรองจ่ายเมื่อเข้ารับรักษาที่โรงพยาบาล ในเครือ BDMS ทั่วประเทศไทย
	สามารถต่ออายุได้ถึง 80 ปี*
	พิเศษกับส่วนลดประวัติดี
	ไม่ต้องตรวจสอบสุขภาพก่อนทำประกัน <small>*เงื่อนไขเป็นไปตามที่บริษัทฯกำหนด</small>


BDMS New Exclusive Health Insurance – Viriyah Healthcare by BDMS


Lump Sum Benefit of THB 100,000 – 700,000 with Annual Premium of THB 6,000 – 19,800 According to Age Band

Viriyah Healthcare by BDMS			
ตารางผลประโยชน์ แผนความคุ้มครองเหมาจ่ายต่อปี			
ผลประโยชน์ความคุ้มครอง	ผลประโยชน์ (บาท)		
	แผน 1	แผน 2	แผน 3
ค่ารักษาพยาบาลในโรงพยาบาลหรือสถานพยาบาลเวชกรรม (ผู้ป่วยใน)			
ความคุ้มครองสูงสุดต่อปี	100,000	300,000	700,000
ค่าห้อง ค่าอาหาร และค่าบริการพยาบาลต่อวัน			
●ค่าห้องผู้ป่วยปกติ (สูงสุดไม่เกิน 365 วันต่อการเข้าพักรักษาตัวครั้งใดครั้งหนึ่ง)	3,000	5,000	8,000
●ค่าห้องผู้ป่วยหนัก (สูงสุดไม่เกิน 15 วันต่อการเข้าพักรักษาตัวครั้งใดครั้งหนึ่ง)	6,000	10,000	16,000
ค่ารักษาพยาบาลและค่าบริการทั่วไป			
●ค่ารักษาพยาบาลทั่วไป	จ่ายตามจริง*		
●ค่ารักษาพยาบาลฉุกเฉิน (ER OPD) เนื่องจากการบาดเจ็บภายใน 24 ชม. หลังจากเกิดอุบัติเหตุ รวมทั้งการรักษาต่อเนื่องภายใน 31 วัน หลังจากวันที่ได้รับการรักษาครั้งแรก	จ่ายตามจริง*		
●ค่าบริการรถพยาบาล	3,000	5,000	8,000
ค่าธรรมเนียมแพทย์			
●ค่าแพทย์เยี่ยมไข้, ค่าปรึกษาแพทย์ผู้เชี่ยวชาญเฉพาะโรค และค่าธรรมเนียมแพทย์ผ่าตัด	จ่ายตามจริง*		
ผลประโยชน์การประกันภัยอุบัติเหตุส่วนบุคคล (อ.บ. 2)			
●การเสียชีวิต การสูญเสียอวัยวะ สายตา การรับฟังเสียง การพูดออกเสียง หรือทุพพลภาพถาวรจากอุบัติเหตุทั่วไป อ.บ. 2 (รวมการถูกฆาตกรรมหรือถูกทำร้ายร่างกายและอุบัติเหตุขณะขับขี่หรือโดยสารรถจักรยานยนต์)	10,000	10,000	10,000

ตารางเบี้ยประกันภัย สำหรับรายบุคคล (รวมอากรแสตมป์)
Table of individual subscriptions (Includes stamp duty)


ช่วงอายุ(ปี) Age Band (year)	เบี้ยประกันภัยรายปี Annual Premium		
	100,000	300,000	700,000
16 – 40	6,000	8,700	12,000
41 – 50	8,400	10,800	14,700
51 – 60	11,700	14,700	19,800


วิริยะประกันภัย
THE VIRIYAH INSURANCE


CARE
บริการทางการแพทย์

บริษัท วิริยะประกันภัย จำกัด (มหาชน)
84/1 อาคารวิริยะพินิจ โฮลดิ้ง ถนนเจริญสุขุมวิท แขวงบางพลัด เขตบางพลัด กรุงเทพมหานคร 10700

☎ 0-2197-1557 🌐 www.viriyah.co.th/lp 📞 Line: @aunjairak



Operational Statistics



ANNIVERSARY

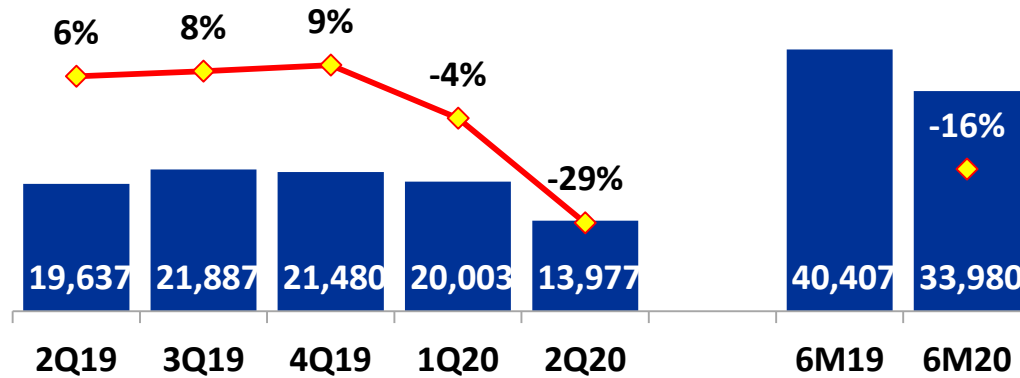
On the occasion of our 48th anniversary, we would like to be a part
of your optimal health and well-being.

“KEEP HEALTHY AND STAY HAPPY”

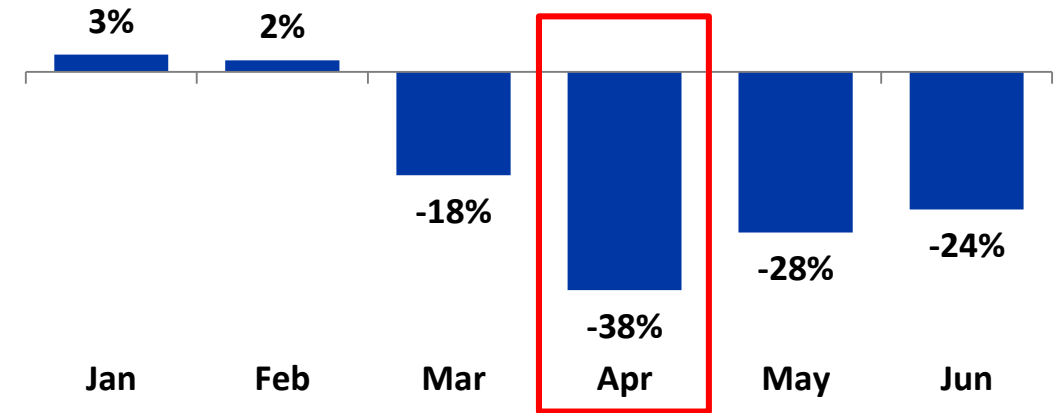
Operating Income Growth

Quarterly Operating Income Trend

(THB mm)



Monthly Patient Revenue Trend in 2020

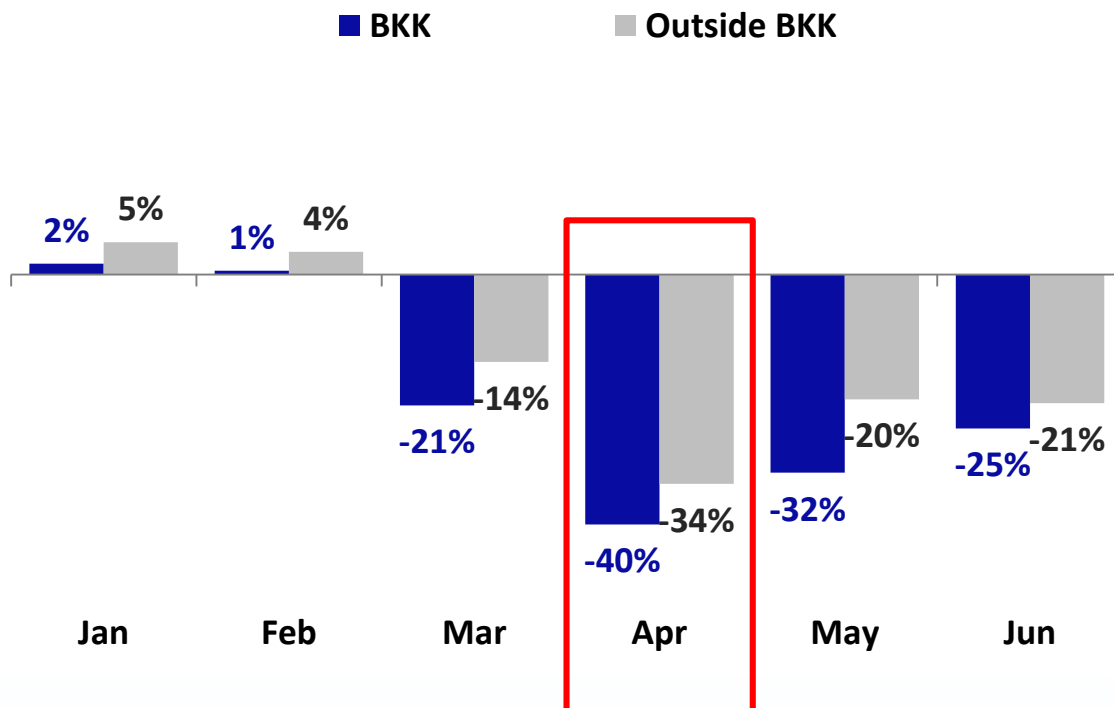


Commentary

- 2Q20 Operating income decreased by 29% yoy mainly from
 - Patient revenue decreased by 30% yoy with the lowest revenue in April 2020 due to a decrease in patient volume both Thai and inter patients which affected by
 - COVID-19 outbreak
 - Travel restrictions
 - Government infection control measures such as state of emergency, home quarantine order (recommendation for people age over 70 years old and below 5 years old to stay home)

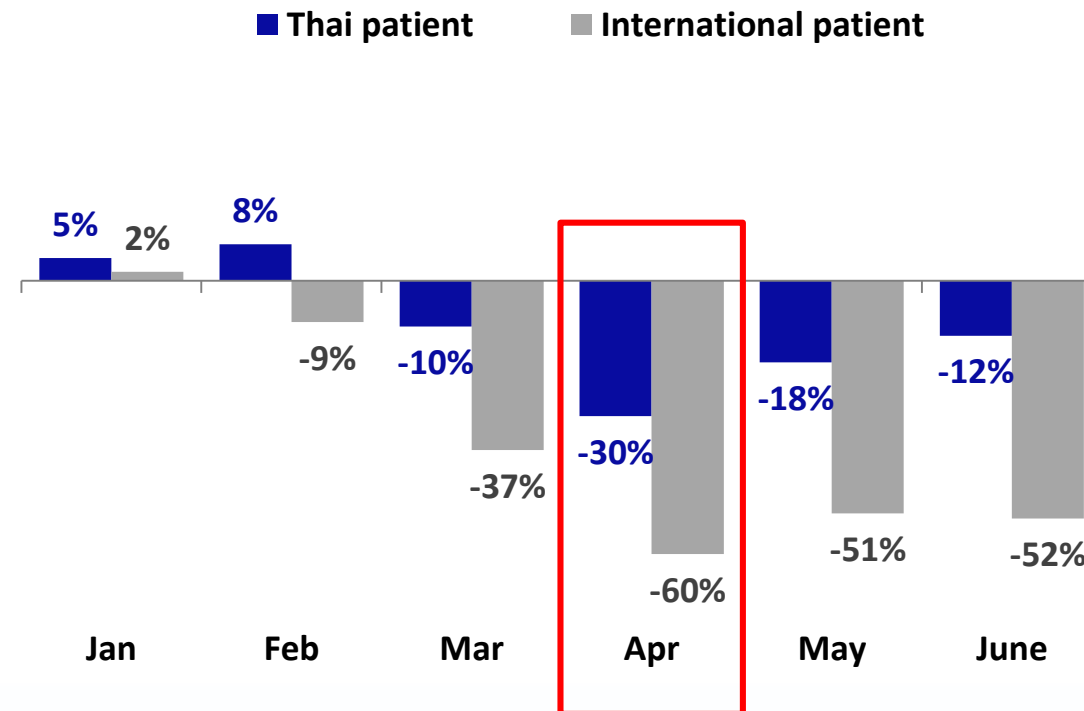
6M20 Hospital Revenue Breakdown

Monthly BKK and Outside BKK Revenue Trend



- In 2Q20, revenue from hospital in Bangkok & vicinity area decreased by 32% while revenue from hospital outside Bangkok decreased by 25% yoy
- Bangkok & vicinity hospitals have affected by COVID-19 more than outside Bangkok hospitals due to higher portion of inter patients

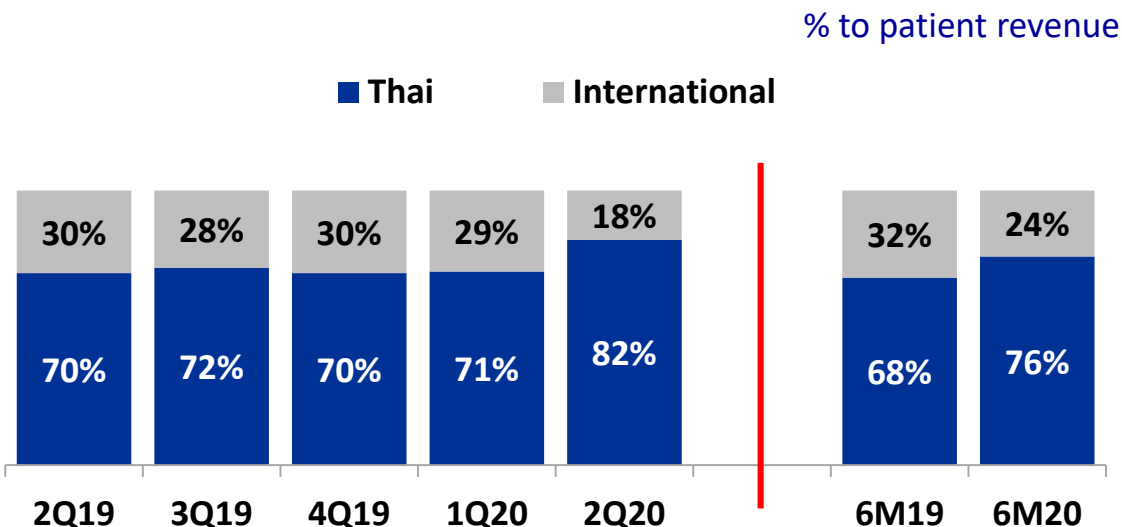
Monthly Thai and International Patient Revenue Trend



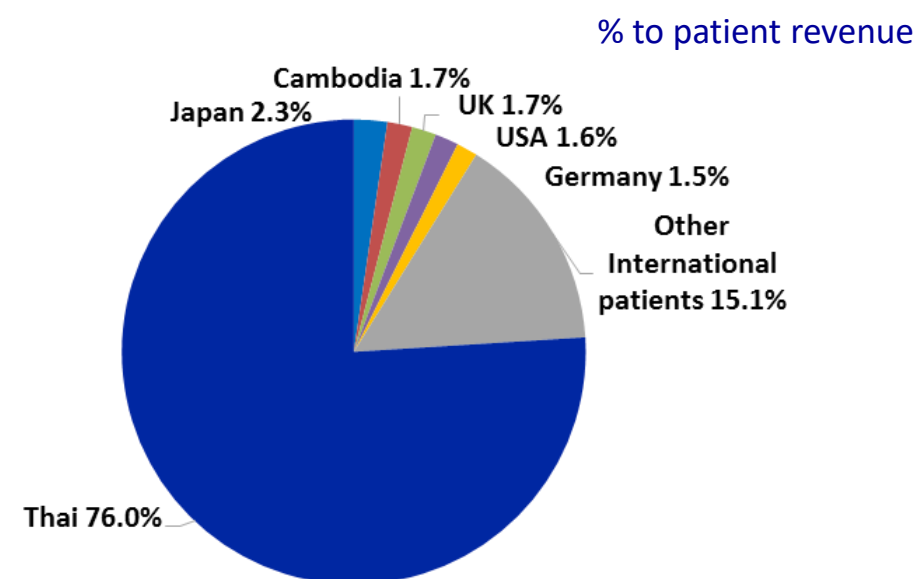
- In 2Q20, revenue from Inter patients significantly decreased by 58% from travel restriction while revenue from Thai patients decreased by 22% yoy as a result of government infection control measures

Thai and International Patients

Revenue Contribution by Nationality



Top 5 Nationality contribution in 6M20

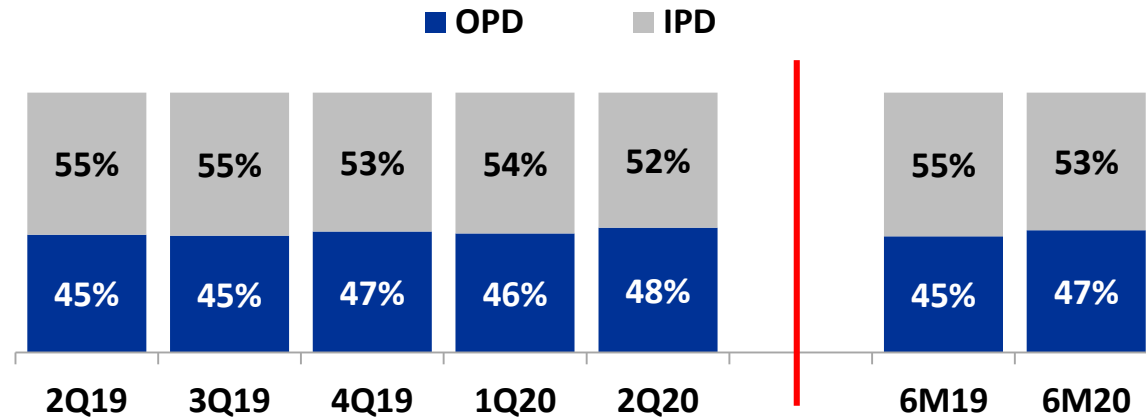


Commentary

- In 2Q20, Inter patients decreased by 58% yoy while Thai patients decreased by 22% yoy
 - Key drivers of negative growth in Inter patient revenue are Middle East (-86%), Australia (-74%) and CLMV patients (-65% yoy)
- In 6M20, Inter patients decreased by 35% yoy while Thai patients decreased by 11% yoy
 - Key drivers of negative growth in Inter patient revenue are Middle East (-63%), China (-45%) and Australia patients (-41% yoy)

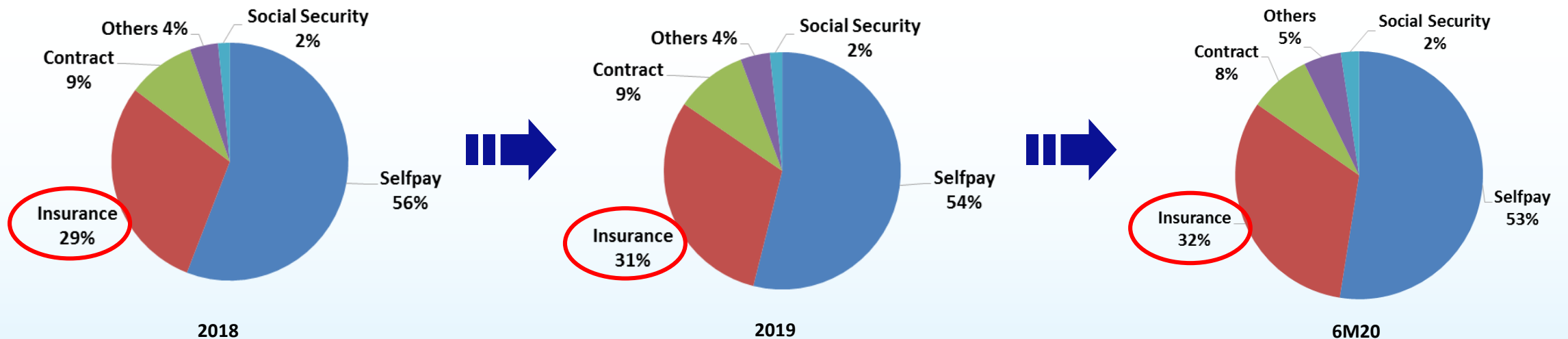
Patient Mix

Revenue Breakdown by Patient Types



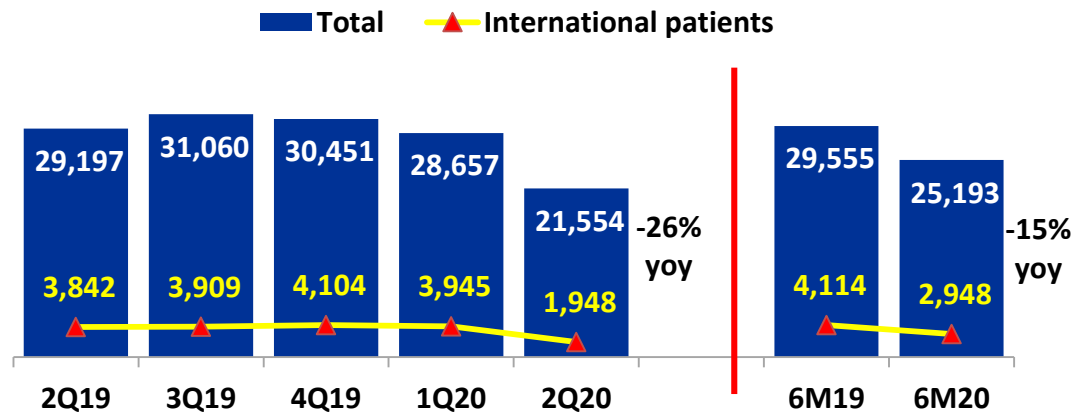
- In 2Q20, OPD revenue decreased by 30% and IPD revenue decreased by 32% yoy
- In 6M20, OPD revenue decreased by 17% and IPD revenue decreased by 18% yoy

Patient Revenue by Payor: Increasing Insurance Portion

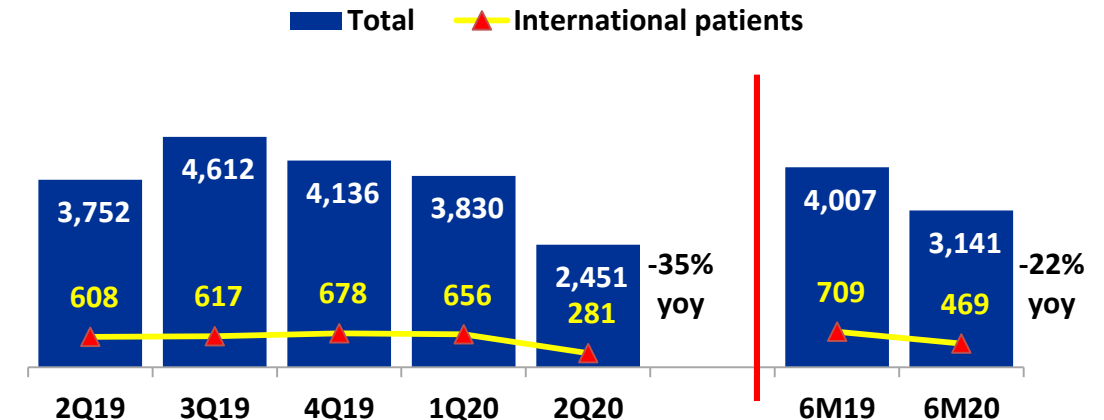


Patient Volume and Occupancy Rate

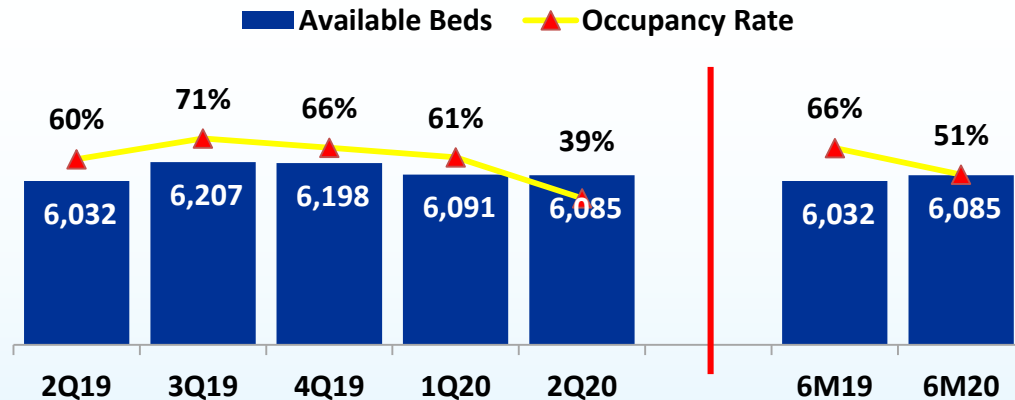
Number of OPD Visits per Day



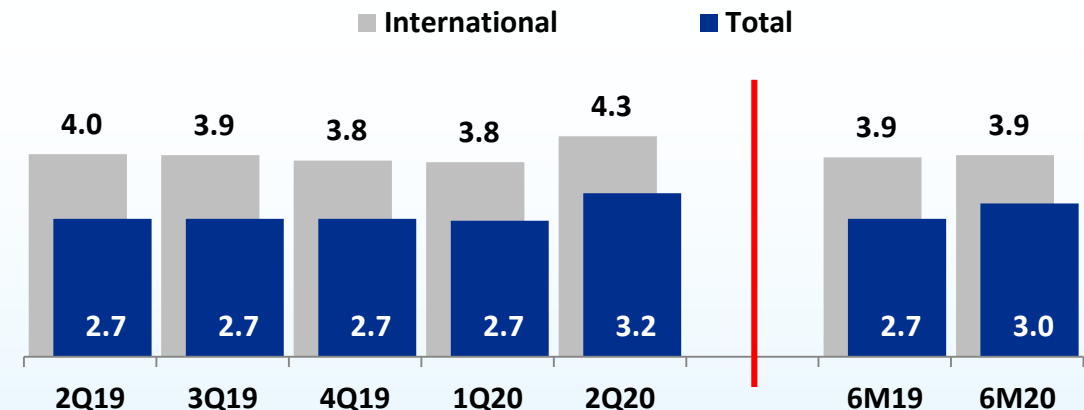
Average Daily Census (ADC)



Occupancy Rate Based on Available Beds



Average Length of Stay (days)



Remarks:- Including social security patients and new born patients

Financial Highlights

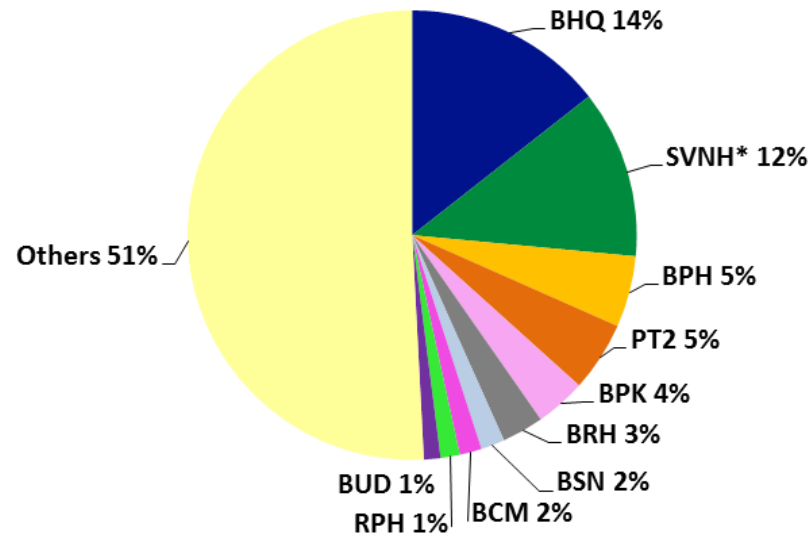


สุขภาพดี
เริ่มต้นที่วัยเด็ก

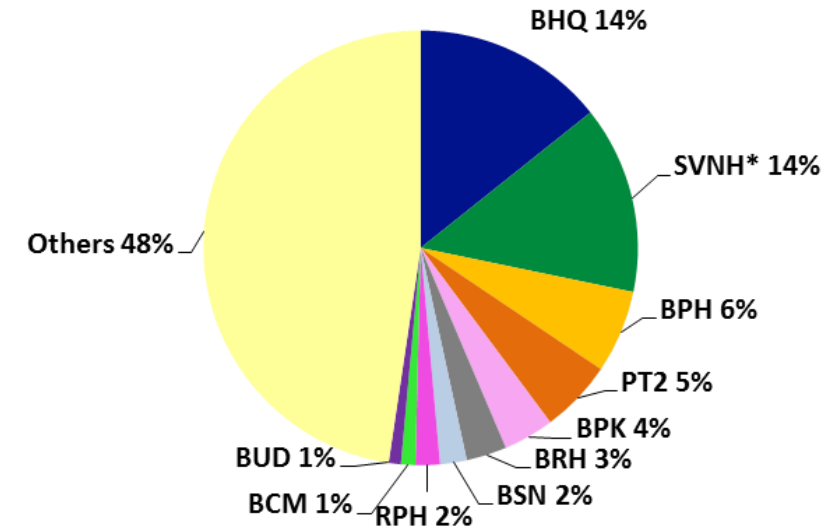


Diversified Sources of Revenues and Profitability

CoE Operating Income Contribution in 6M20



CoE Total EBITDA Contribution in 6M20



Commentary

CoE Revenue	%Growth (yoy)	% of operating Income	% of total EBITDA
2Q20	(34)%	48%	52%
6M20	(21)%	49%	52%

- Revenue from Center of Excellence(CoE) decreased significantly in 2Q20 due to COVID-19 as there was a high portion of inter patients at CoE

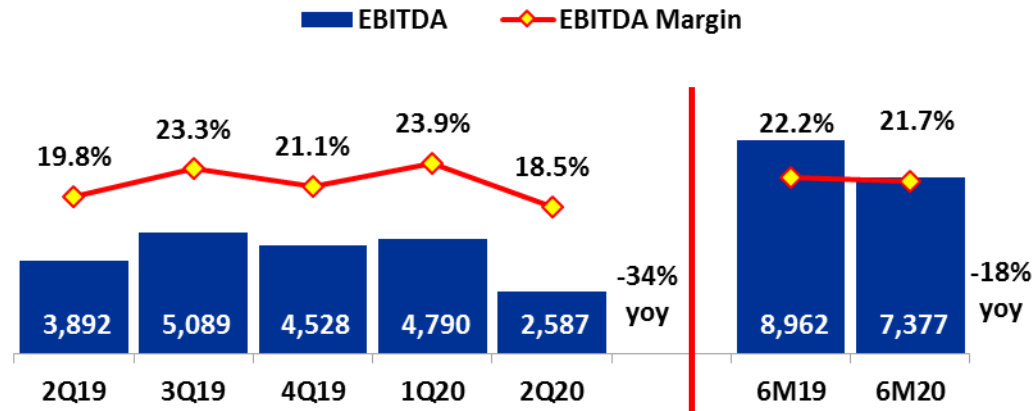
* SVNH included SVH and SNH performance

Remark: - EBITDA is calculated from revenue from hospital operations + revenue from goods + other income – cost from hospital operations – SG&A

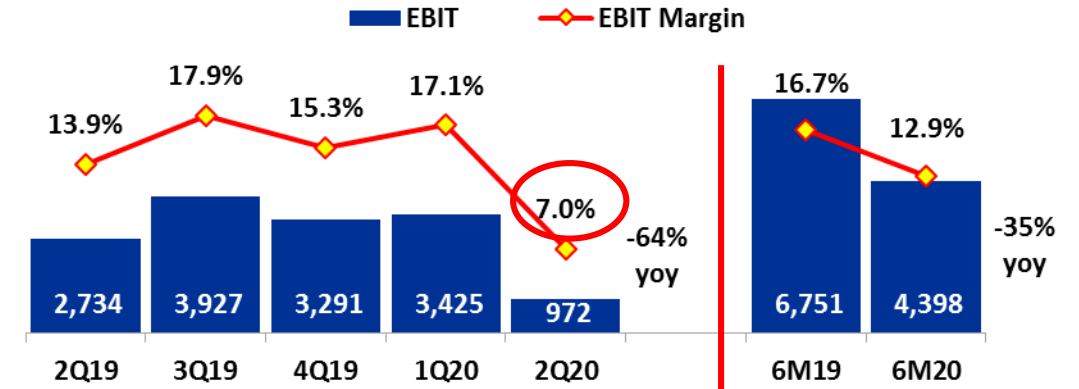
- Hospital abbreviation shown on Appendix

Profitability Trend

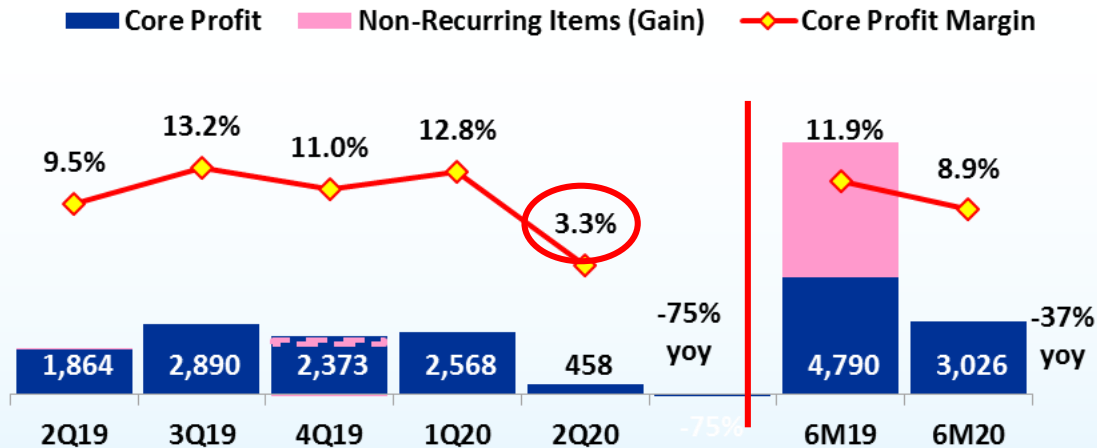
EBITDA & EBITDA Margin * (THB mm)



EBIT & EBIT Margin * (THB mm)



Core Profit & Core Profit Margin (THB mm)

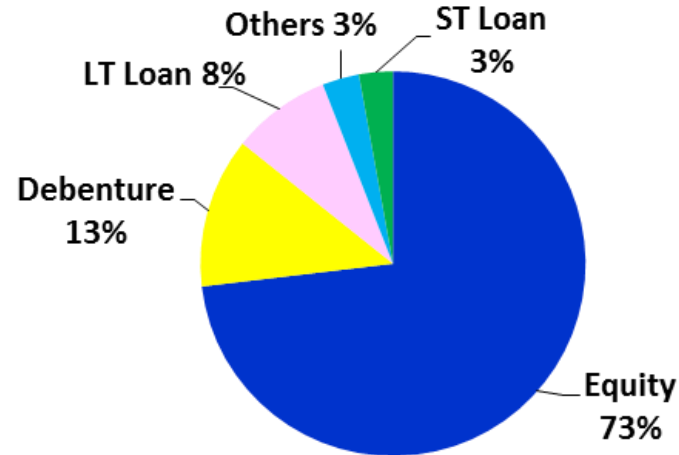


- In 2Q20, core profit was THB 458 million, decreased by 75% yoy mainly from share of loss from associated companies and some depreciation from new investment
- In 6M20, core profit was THB 3,026 million, decreased by 37% yoy. If including non-recurring items of THB 5,513 million in 6M19, net profit decreased 71% yoy

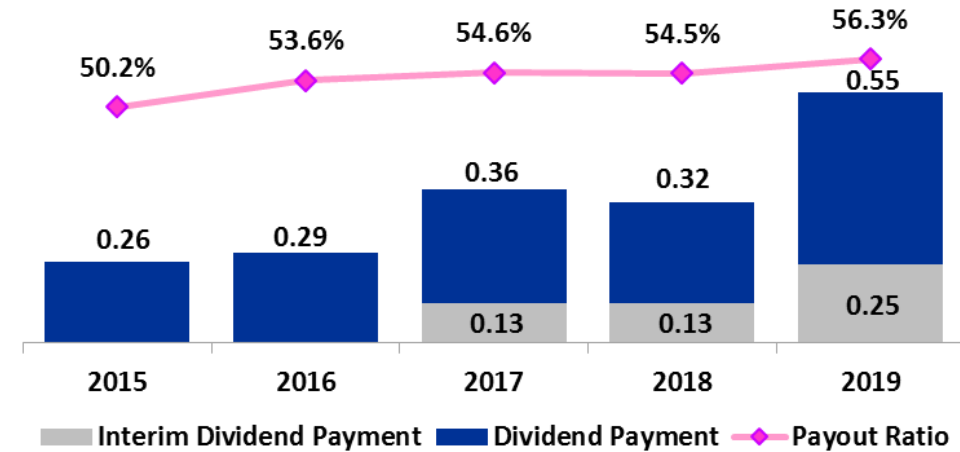
* Excluding non-recurring items

Capital Management

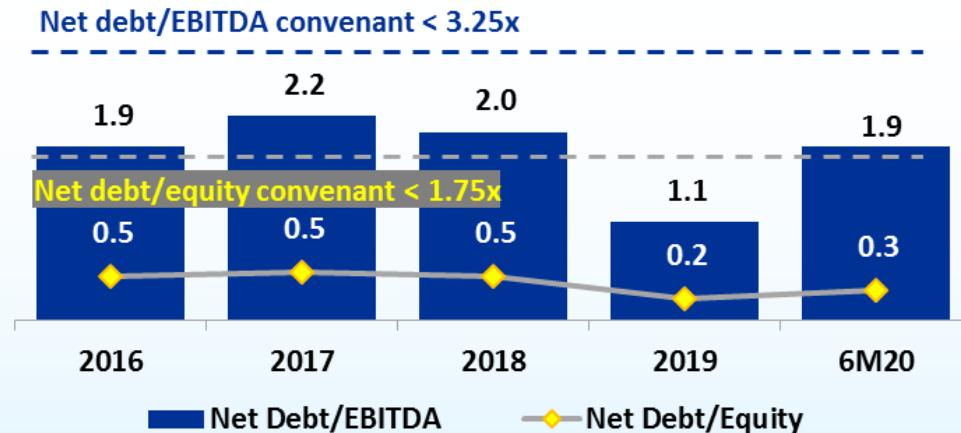
Capital Structure as of June 2020



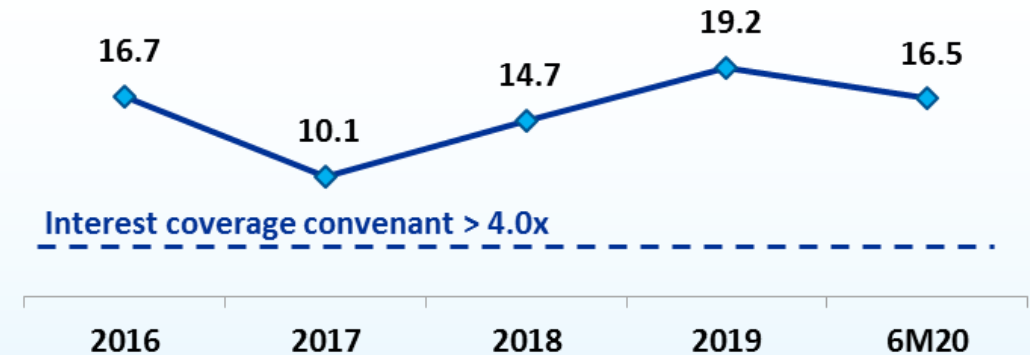
Dividend Payment & Payout Ratio



Gearing Ratios: Well Within Covenants






Interest Coverage







For More Information:- www.bangkokhospital.com



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

1. Bangkok Hospital	100%	373
2. Bangkok Heart Hospital	100%	97
3. Wattanosoth Hospital	} (BHQ)	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)	50.0%	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

13. Samitivej Sukhumvit (SVH)	95.8% 	311
14. Samitivej Srinakarin (SNH)	95.8% 	400
15. Samitivej Sriracha (SSH)	70.1% 	184
16. Samitivej Thonburi (STH)	64.0%	150
17. Samitivej Chonburi (SCH)	100%	260
18. Samitivej Chinatown (SCT)	100%	59
19. BNH Hospital (BNH)	91.5% 	144


Group 3 (East)

20. Bangkok Pattaya (BPH)	97.3% 	400
21. Bangkok Rayong (BRH)	100% 	220
22. Bangkok Chanthaburi (BCH)	99.7%	185
23. Bangkok Trat (BTH)	99.8%	114
24. Sri Rayong (SRH)	100%	195
25. Jomtien (JTH)	100%	232

Group 4 (North&Northeast)




26. Bangkok Chiangmai (BCM)	100% 	175
27. Bangkok Ratchasima (BKH)	91.4%	171
28. Bangkok Pakchong (BHP)	91.4%	31
29. Bangkok Udon (BUD)	100%	120
30. Bangkok Phitsanulok (BPL)	100%	195
31. Bangkok Khon Kaen (BKN)	100%	140
32. Bangkok Chiangrai (BCR)	100%	80

Group 5

33. Phyathai 1 (PT1)	98.6%	224
34. Phyathai 2 (PT2)	97.8% 	260
35. Phyathai 3 (PT3)	97.6%	267
36. Phyathai Sriracha (PTS)	74.2%	350
37. Phyathai Nawamin (PTN)	99.8%	140
38. Paolo Paholyothin (PLP)	100%	267
39. Paolo Samutprakarn(PLS)	93.7%	200
40. Paolo Chokchai 4 (PLC)	85.7%	169
41. Paolo Rangsit (PLR)	100%	150
42. Paolo Kaset (PLK)	100%	162
43. Paolo Phrapradaeng (PLD)	84.0%	60

Ownership No. of Beds

Group 6 (South)

44. Bangkok Phuket (BPK)	99.7% 	266
45. Bangkok Siriroj (BSI)	100% 	151
46. Dibuk (DBK)	99.7%	100
47. Bangkok Hat Yai (BHH)	98.8%	200
48. Bangkok Samui (BSH)	100% 	52
49. 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 (SDC)	100%
6. General Hospital Products	47.0%