



Bangkok Dusit Medical Services (BDMS)
Analyst Presentation 2Q22 & 6M22 Results

16 August 2022

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2Q22 Operational and Financial Summary

2Q22 Highlights

	2Q22	
	% Chg	% to Revenue
Operating income	26%	
	THB 21,981 mm	
Hospital revenue	28%	
	THB 20,976 mm	
Breakdown by nationality		
▪ Thai	18%	76%
▪ International	69%	24%
Breakdown by location		
▪ Bangkok & Vicinity	29%	58%
▪ Outside Bangkok	26%	42%
Breakdown by type of patients		
▪ Outpatients	34%	48%
▪ Inpatients	22%	52%

Profitability and Ratio

(THB mm)	2Q22	2Q21	Chg. (yoy)
EBITDA	5,120	3,681	39%
EBITDA margin	23.3%	21.2%	
EBIT	3,665	2,139	71%
EBIT margin	16.7%	12.3%	
Net profit	2,664	1,450	83%
Net profit margin	12.1%	8.3%	

Commentary

- Hospital revenue increased 28% yoy mainly from
 - Recovery of non COVID-19 revenue (+25% yoy) mainly from return of international patients especially from Middle East, Australia and CLMV
 - Higher COVID-19 patient revenue (~12% of hospital revenue in 2Q22 vs. ~11% in 2Q21)

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

- All operational statistics are from BDMS management report
- Margin was calculated as a percentage of operating income

6M22 Operational and Financial Summary

6M22 Highlights

	6M22	
	% Chg	% to Revenue
Operating income	34%	
	THB 45,140 mm	
Hospital revenue	36%	
	THB 43,141 mm	
Breakdown by nationality		
▪ Thai	28%	77%
▪ International	69%	23%
Breakdown by location		
▪ Bangkok & Vicinity	37%	58%
▪ Outside Bangkok	35%	42%
Breakdown by type of patients		
▪ Outpatients	32%	46%
▪ Inpatients	37%	54%

Profitability and Ratio

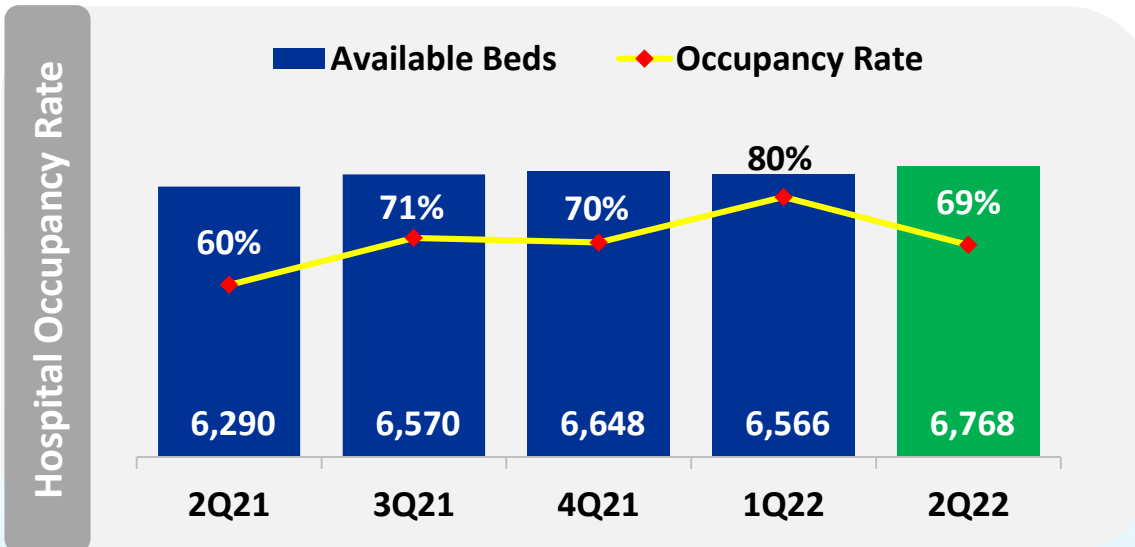
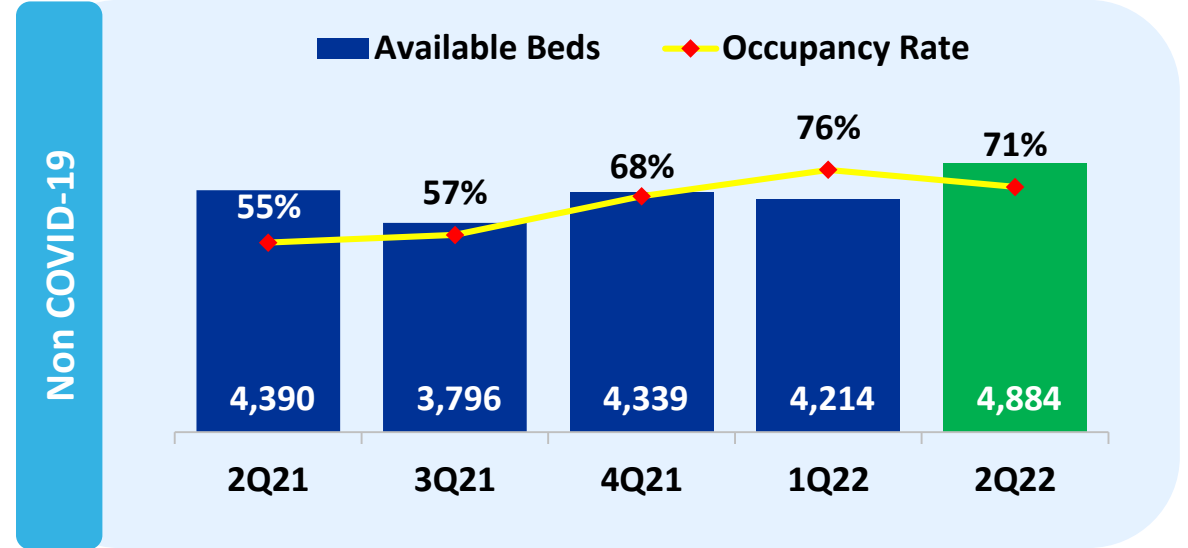
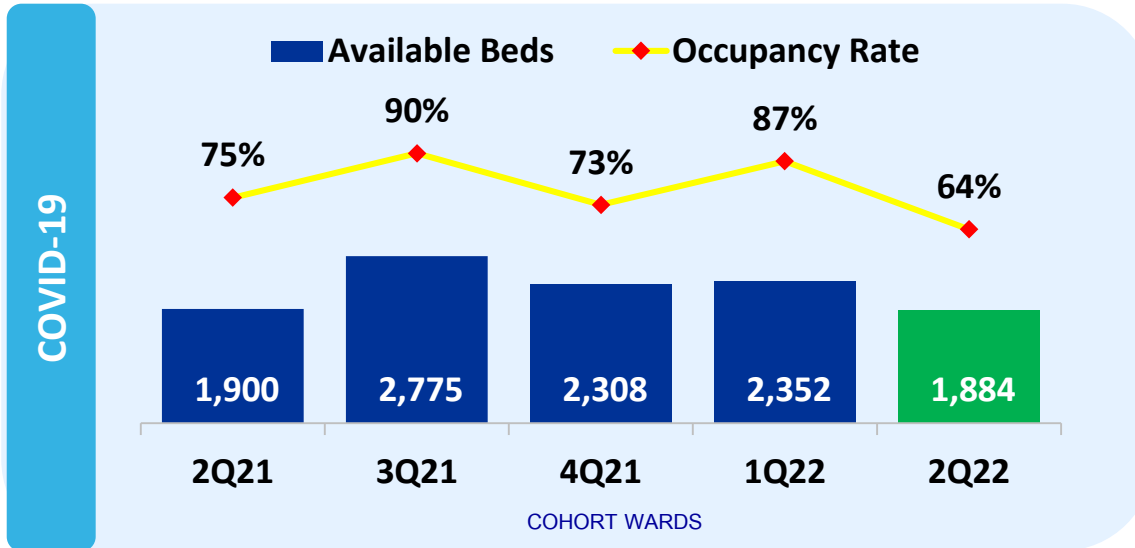
(THB mm)	6M22	6M21	Chg. (yoy)
EBITDA	11,293	7,208	57%
EBITDA margin	25.0%	21.4%	
EBIT	8,370	4,102	104%
EBIT margin	18.5%	12.2%	
Net profit	6,107	2,791	119%
Net profit margin	13.5%	8.3%	

Commentary

- Hospital revenue increased 36% yoy mainly from
 - Increase in non COVID-19 revenue (+24% yoy) from recovery of both Thai and international patients especially from Middle East and CLMV
 - Higher COVID-19 patient revenue (~15% of hospital revenue in 6M22 vs 7% in 6M21)

Hospital Occupancy Rate

Occupancy Rates for Both COVID-19 & Non COVID-19 Wards



In 2Q22, total hospital occupancy rate was 69%

- Cohort wards occupancy rate decreased significantly to 64%
- Non COVID-19 occupancy rate was 71%, increased from 55% during 2Q21 due to an increase in elective surgery and the recovery of fly-in patients

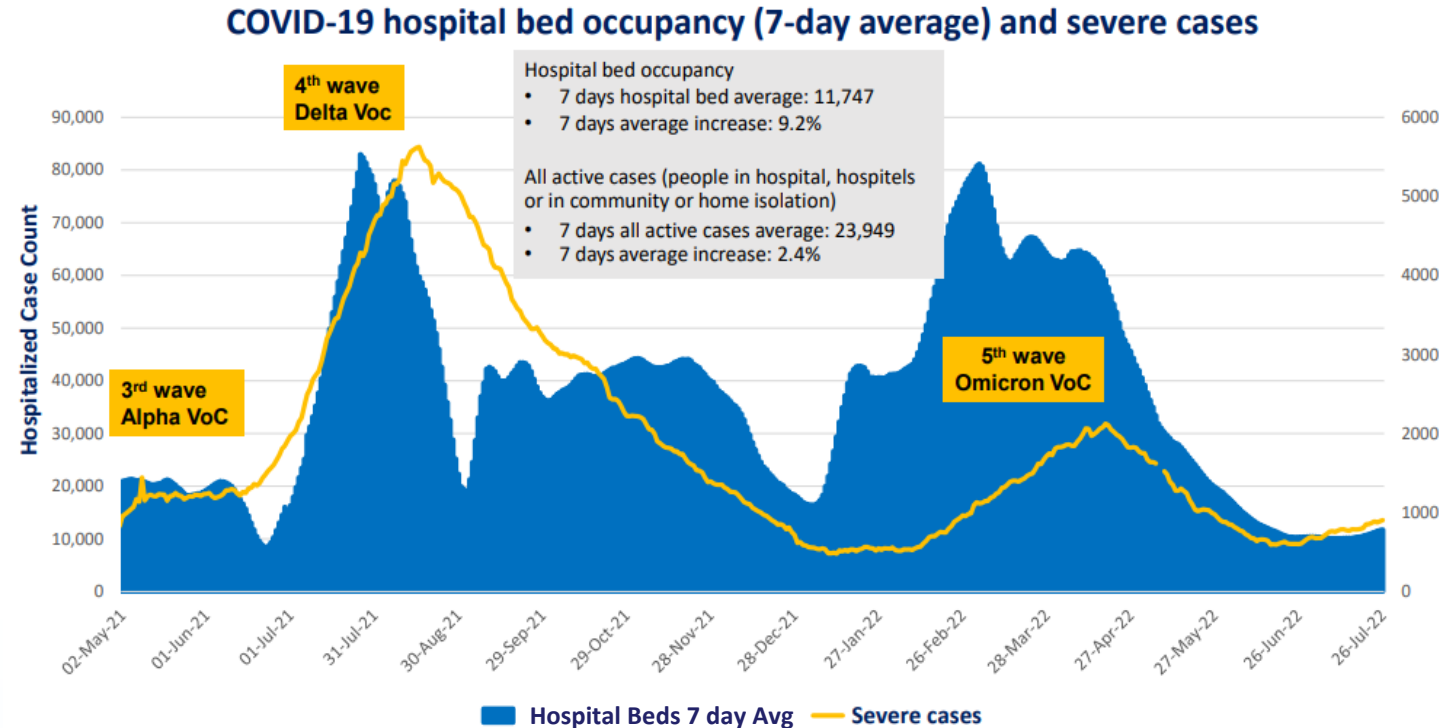
Remark: Excluding hospitel / In 2022 beds excluding Thepakorn Hospital

Company Outlook



COVID-19 Situation in Thailand

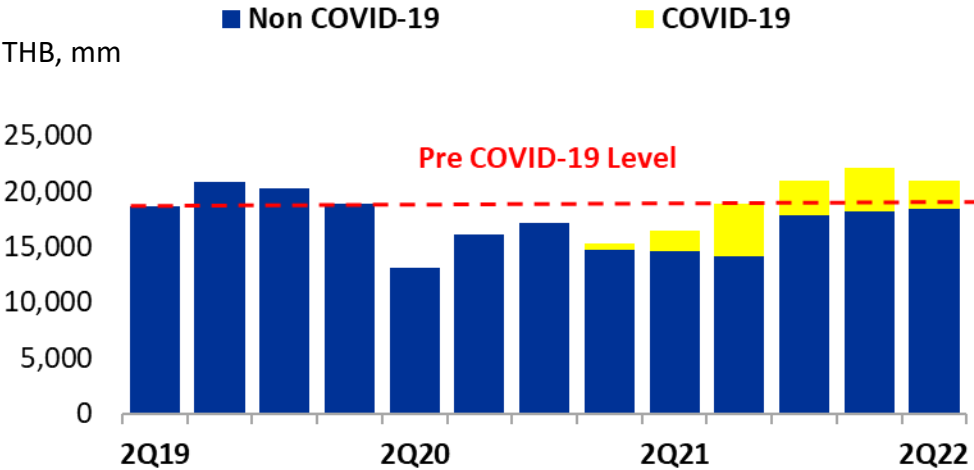
Thailand COVID-19 Hospitalized Cases Dropped Since April 2022



Source: WHO Thailand, MOPH; 26 July 2021

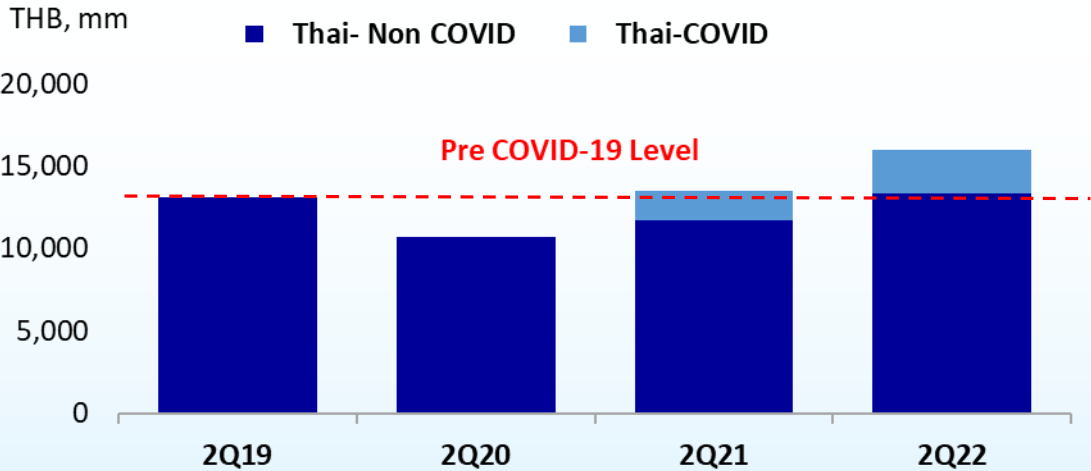
- Most COVID-19 cases in Thailand currently are monitored in home isolation, community isolation and hospitals given mild to moderate symptom
- For hospitalized and severe cases, the number has dropped sharply in May-June 2022 but slightly picking up in July 2022 mainly due to small children after school opening

Non COVID-19 Revenues Recovery to Offset the Decline of COVID-19 Revenues

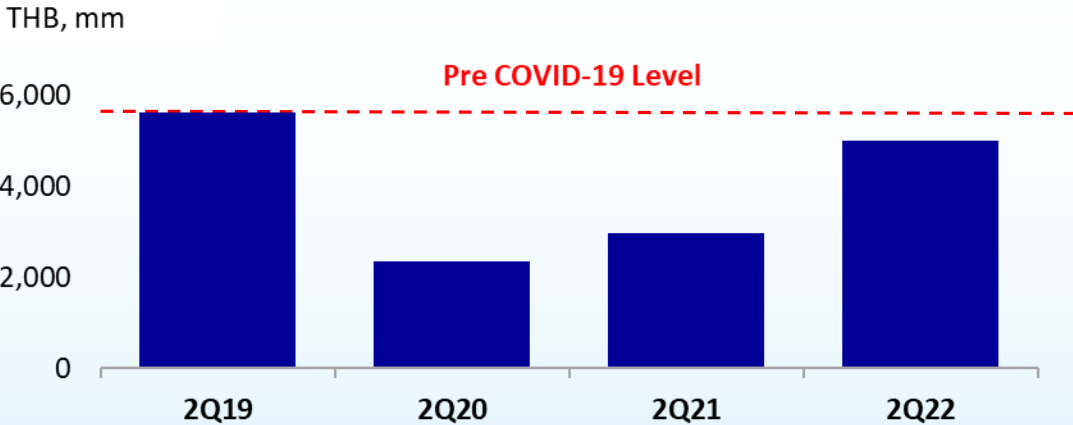


- Non COVID-19 revenues in 2Q22 nearly back to pre COVID-19 level
- Thai Patients: Already reached pre COVID-19 level
- Inter patients: About 90% of pre COVID-19 level

Thai Patient Revenues

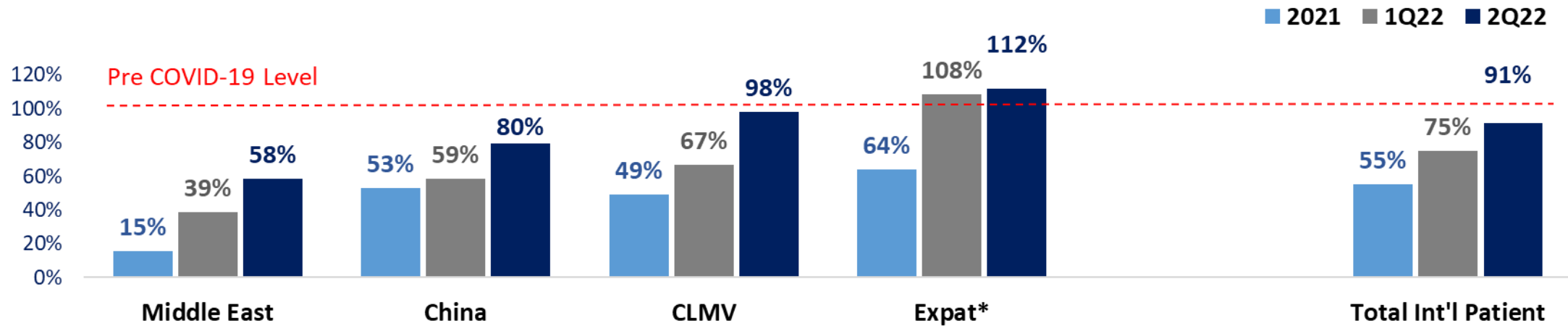


International Patient Revenues



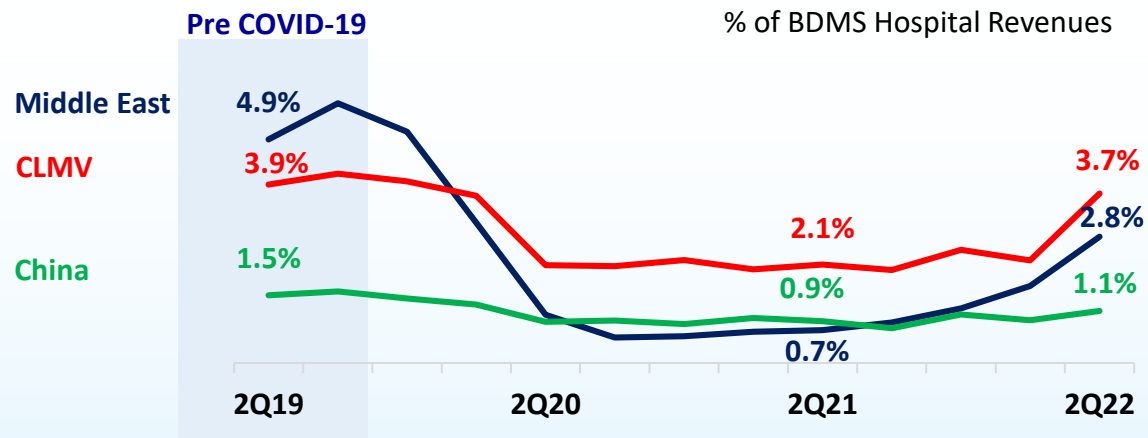
International Patient Revenues Nearly Back to Pre COVID-19 Level

Strong increase of International Patient Revenues in 1H22



Noted: * Selected only Japan, USA and UK

Recovery trend of International Patients



- Fly-in patients seen good recovery in 1H22 after Government further easing travel restrictions and quarantine requirement
- Expat Patents: Japan, USA and UK have already reached Pre COVID-19 level since 1Q22

Strong Demand for International Patients

International Patient Appointments



3,994 patients

As of 31 July 2022

■ CLMV	2,732
■ Japan	247
■ China	236
■ Middle East	174
■ Bangladesh	148
■ Europe & Others	457

- Strong demand for international patients with almost 4,000 patient appointments as of 31 July 2022 (vs. ~700 patients in April 2022)
- More bookings of new patients at our Center of Excellence
- Fly-in patients enter to Thailand easier after Government further easing travel restrictions and quarantine requirement since Nov 2021

*Remark: Nov 2021: 10 days Quarantine exempted for travelers in Sand Box program (need travelling in restricted areas for 7 days); RT-PCR testing on arrival and Day 6
Feb 2022: Quarantine Day 1 and Day 5 for RT-PCR testing
Jun 2022: No quarantine; unvaccinated traveler need to present RT-PCR or ATK result*

Our Response to Rising Inflationary Pressure and Cost Increases

BDMS Mitigation Plan to Create Long-term Value for Our Stakeholders

Impact



Rising Cost of Living

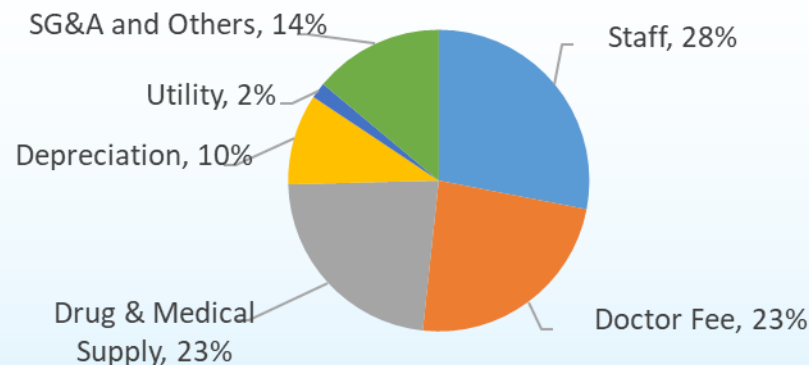


Increasing Utility Costs



Rising Drug and Medical Supply Cost

Operating Expense 2021
Bt64.5bn



Action Plan

Increasing compensation for entry-level clinical & non-clinical staffs to cope with rising cost of living and attracting & maintaining talents

Expanding Patient Volume

- Value-base pricing
- BDMS healthcare ecosystem (tele-consultation and tele-pharmacy)



Process Improvement for Operating Efficiency

- Procurement transformation (i.e. improve usage of generic drugs)
- Supply chain management (i.e. diversification of supply chain with multiple suppliers and increase inventory levels)
- Energy saving project (i.e. solar roof top, cooling tower replacement, using LED)

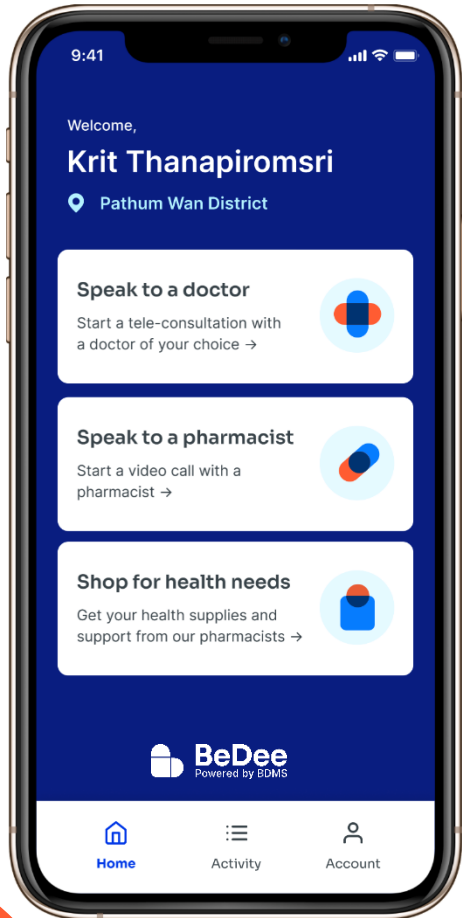


Quarterly Update



Update on BDMS Healthcare Ecosystem

BeDee's Digital Product Offering – Digitally Enabled with Patient at the Center



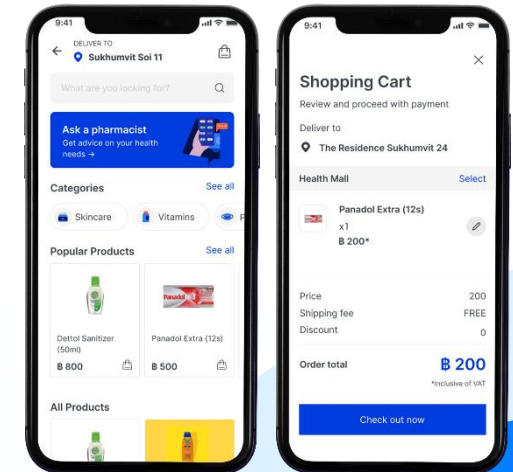
Teleconsultation



Telepharmacy



Health Mall



Commercial Launch by 4Q22

Update on BDMS Healthcare Ecosystem

Samitivej Virtual Hospital: Mitr Mom – All in One Solution, Whatever Mom Need



Hospital Service

Personal health Information
Appointment alert
Samitivej Virtual hospital
Hospital Contact
Emergency call
Hospital Promotions



Target User

- Pregnant Women
- Postpartum Women
- Planning for Pregnancy
- Family
- Samitivej Patients and Outside



MITR MOM WITH SAMITIVEJ PLUS
Easy access to SAMITIVEJ service

Update on BDMS Healthcare Ecosystem

Development of Health Up Super Application for All Phyathai and Paolo Hospitals



Real time Medical Care
with **15 Features**

CURRENT



APPOINTMENT



TELECARE



QUEUE &
NOTIFICATION



HEALTH ARTICLES
& PACKAGES



PERSONAL
HEALTH REPORT



MY LAB RESULTS

NEW



MY IMAGING



MY MEDICINE



SWITCH ACCOUNT
Switch account for parents/children



ONLINE SURVEY



HEALTH
ASSESSMENT



HEALTH REWARD



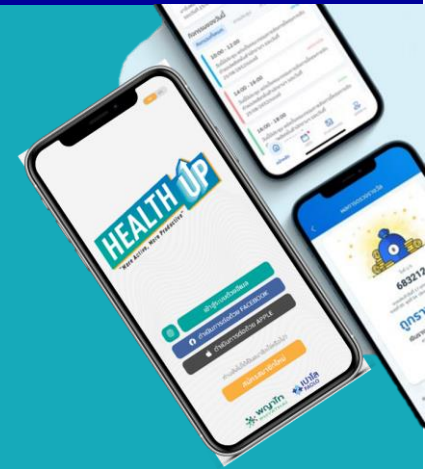
MY VACCINE *



PAYMENTS *



NON-MEDICAL
PRODUCTS *



* Will be launched by 4Q22

BDMS Wellness Clinic Retreat at Celes Beachfront Resort, Samui

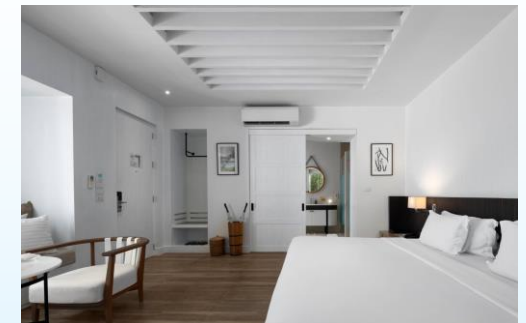
Wellness Tourism Had Gained More Interest from Tourists Around the World, Particularly Since COVID-19 Pandemic



- Expanding BDMS Wellness Clinic services by joining hand with hotel operator in Thailand
- Service offering include **Regenerative & Wellness Program** i.e. preventive check-up, genetic test, IV vitamin drip, personalized exercise program, mental wellness
- Targeting new client base both Thai and international clients in top tourist destinations
- No big investment; asset light strategy
- Leveraging business through our existing network hospitals
- Supporting wellness tourism in Thailand

Asia-Pacific is the world's largest wellness economy.

Global Wellness Institute, Feb 2022



Delisting of Samitivej Public Company Limited (SVH)

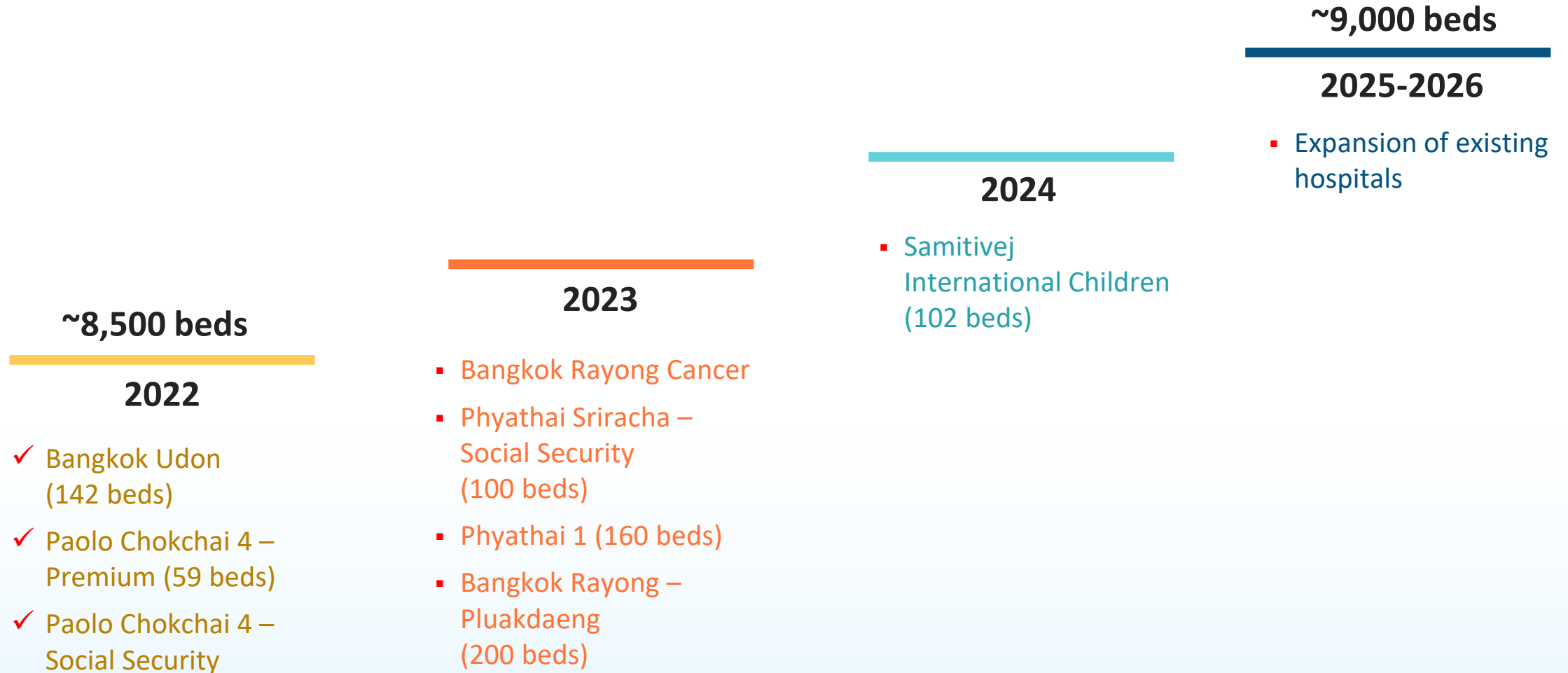
Tender Offer



- On 29 June 2022, BDMS Board of Directors approved the Company which holds 95.76% of total issued shares of SVH to make a tender offer for the remaining shares at the offering price of THB 480 per share, totaling approx. THB 2,033.26 million in order to delist SVH from SET. Delisting of SVH is also subject to the approval from SVH shareholders' meeting and the relevant authorities
- This is due to non-compliance of the free float requirement under the rules on qualifications for maintaining the status as a listed company on the SET

Hospital Projects in the Pipeline

Expanding Bed Capacity at New/Existing Hospitals



Embracing ESG Aspects into Business Process



BEYOND EXCELLENCE

Deliver beyond excellent healthcare services with integrity, transparency, privacy and compliance

- **Participate in Corporate Sustainability Assessment 2022** (e.g. S&P-DJSI, SET-THSI)



DEVELOPMENTAL INNOVATION

Execute innovative healthcare services through innovation culture & global collaboration

- **BDMS Innovation Acceleration Project 2022:** total 281 projects
- **BDMS & Startup PoC for Technology Evaluation:** real-time energy monitoring for chiller system, Chatbot for interpretation for Arabic, Anywhere sleep test for AI diagnosis and new design for medical equipment : Arm Support



MEANINGFUL SUSTAINABLE ENGAGEMENT

Ensure sustainable operations on the basis of eco-friendly healthcare with maximal human capital potential

- **Climate mitigation:** Care the Bear in collaboration with SET (1,010 tonCO₂ equivalent reduced as of June 2022 YTD)
- **BDMS Green Hospital:** Environment Sustainability Project under LEED Criteria
- **Solar Roof:** 18 hospital sites installation plan with reduced 6,220 tonCO₂/year



SOCIAL CONTRIBUTION

Uplift healthcare accessibility & health literacy of the community & society

- **CPR & First Aid Knowledge Sharing** throughout BDMS network targeting up to 15,000 communities' members
- **Support Access to Healthcare** through the construction of medical rooms at schools and community in remote area
- **Office Syndrome Prevention** for all stakeholders provide online health literacy and trainings

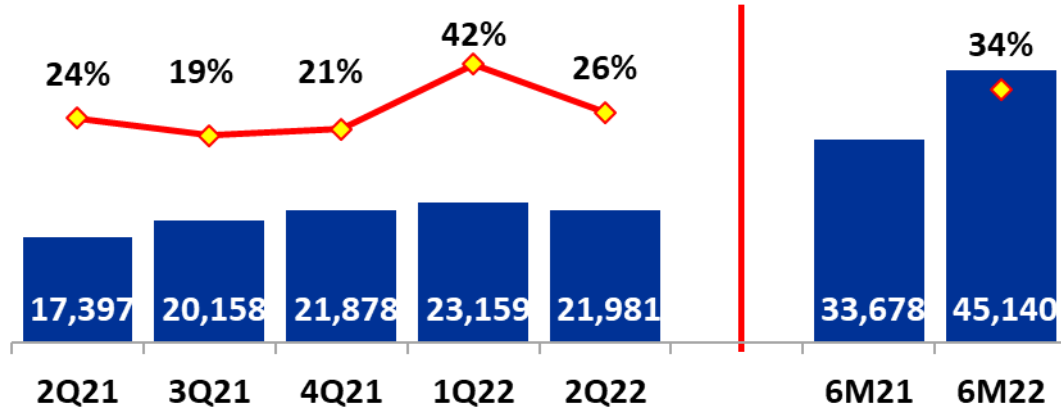
Operational Statistics



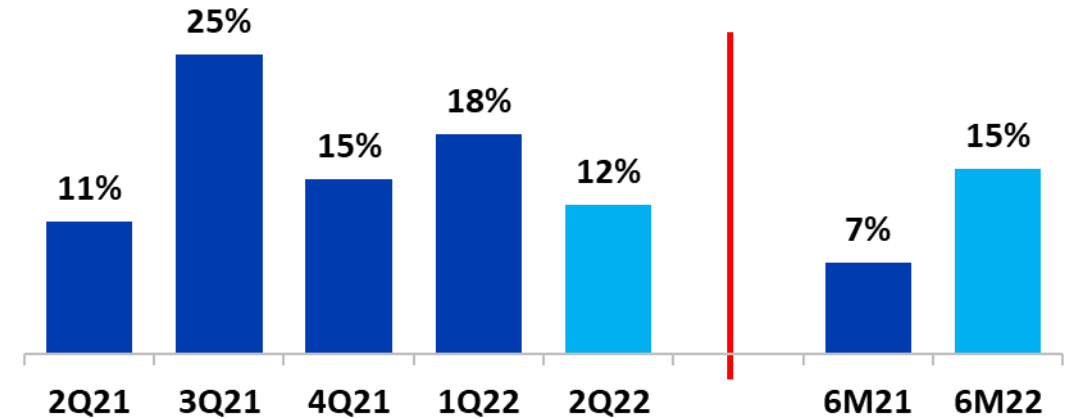
Operating Income Growth

Quarterly Operating Income Trend (THB mm)

Growth YoY



COVID-19 Revenue Contribution to Hospital Revenue

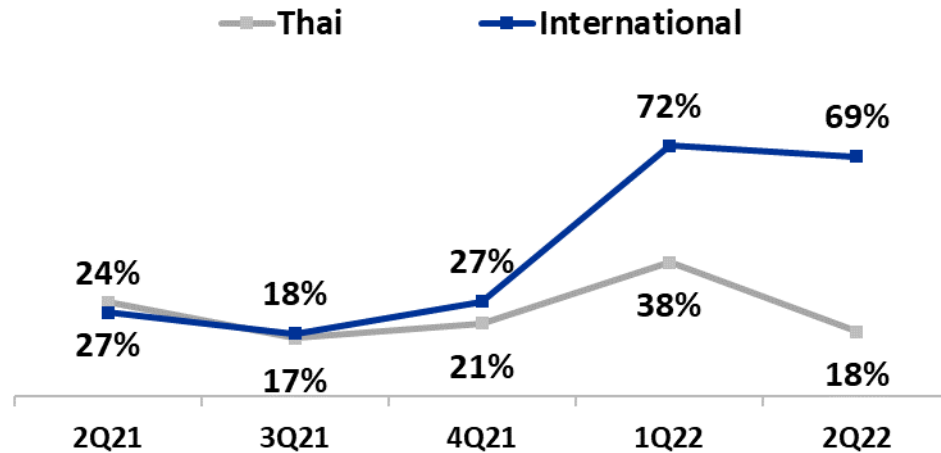


Commentary

- 6M22 Operating income increased by **34%** yoy mainly from
 - Hospital revenue increased by **36%** yoy from
 - A return of non COVID-19 Thai patients and recovery of fly-in patients
 - Higher COVID-19 related revenues
- If excluding revenue from COVID-19 related services, non COVID-19 revenue would increase **24%** yoy

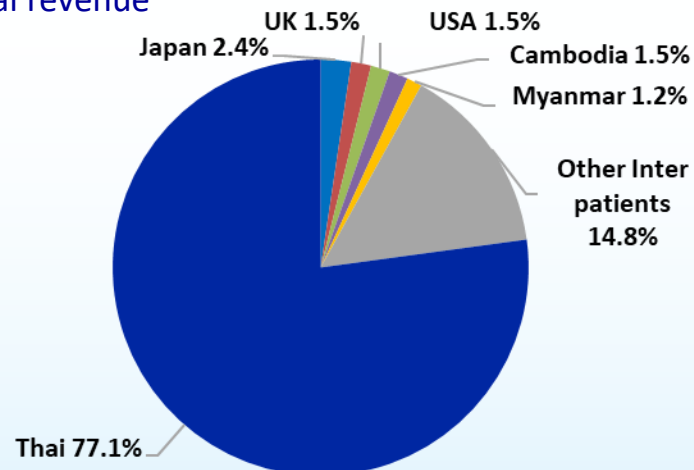
Thai and International Patients

Thai and Inter Patient Revenue Growth Trend (%YoY)



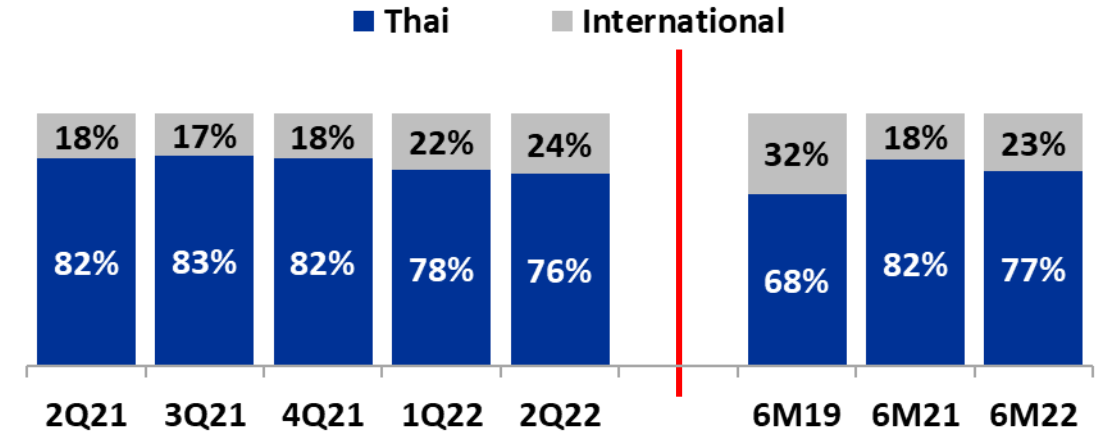
Top 5 Nationality Contribution in 6M22

% to hospital revenue



Revenue Contribution by Nationality

% to hospital revenue



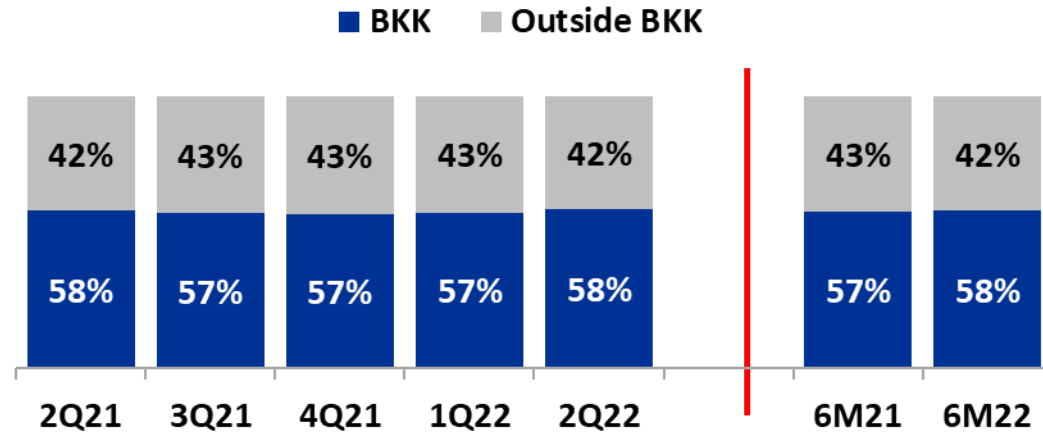
Commentary

- In 2Q22, Revenue from Thai patients and inter patients increased by 18% and 69% yoy, respectively
 - Revenue from Inter patients increased mainly from Middle East, Australia and CLMV patients
- In 6M22, Revenue from Thai patients increased by 28% yoy while revenue from inter patients increased by 69% yoy

Revenue Contribution by Location and Patient Types

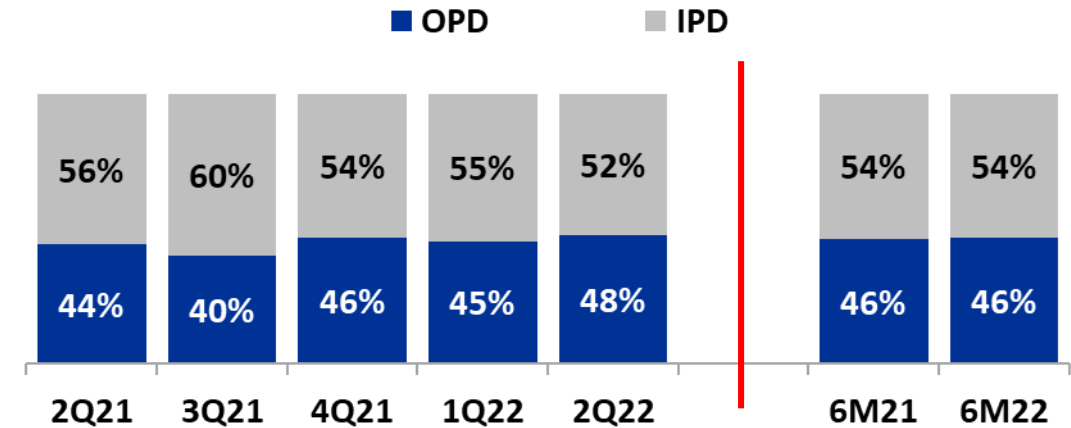
Revenue Contribution by Location

% to hospital revenue

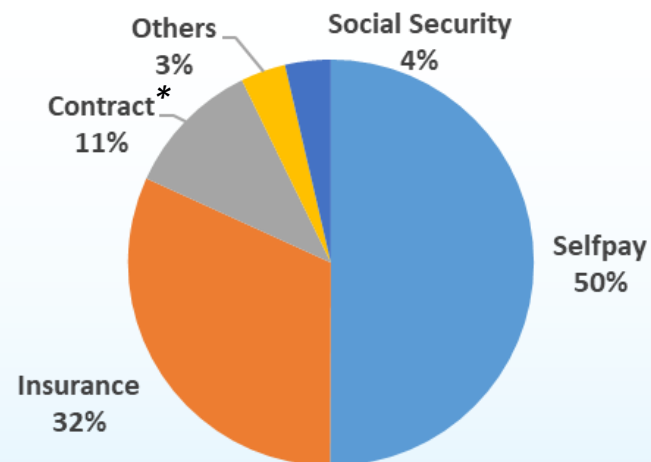


Revenue Contribution by Patient Types

% to hospital revenue



6N22 Patient Revenue by Payor

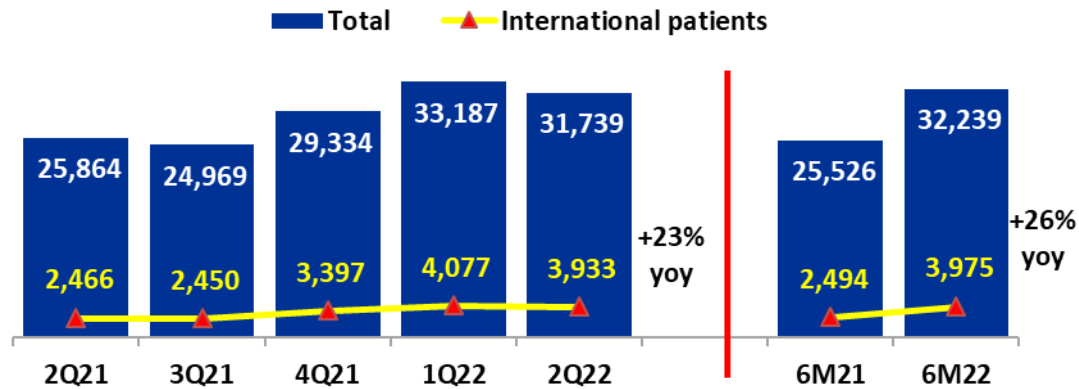


- Revenue portion from contract patients decreased from 13% in 2021 to 11% in 6M22 due to decreasing UCEP reimbursement from COVID-19 patients

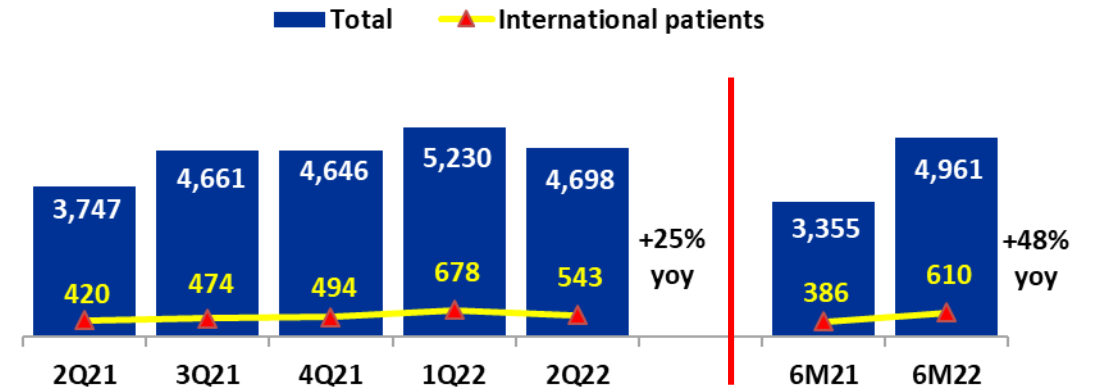
* Including Universal Coverage for Emergency Patients (UCEP)

Patient Volume and Occupancy Rate

Number of OPD Visits per Day

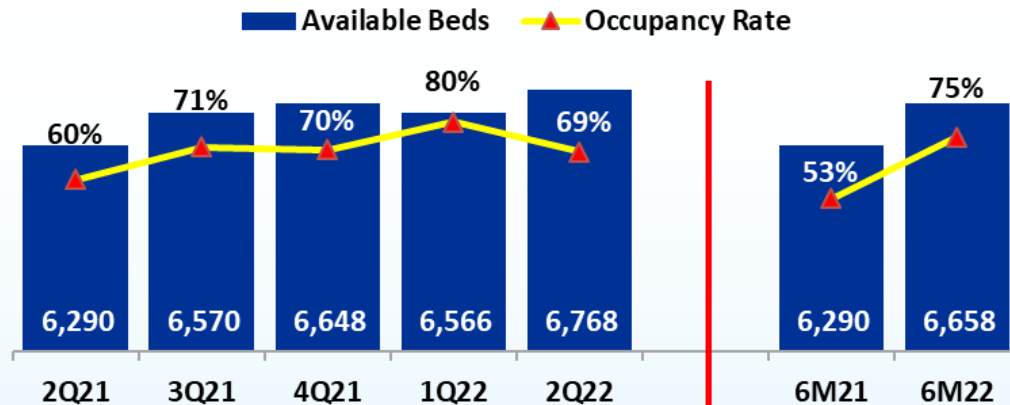


Average Daily Census (ADC)

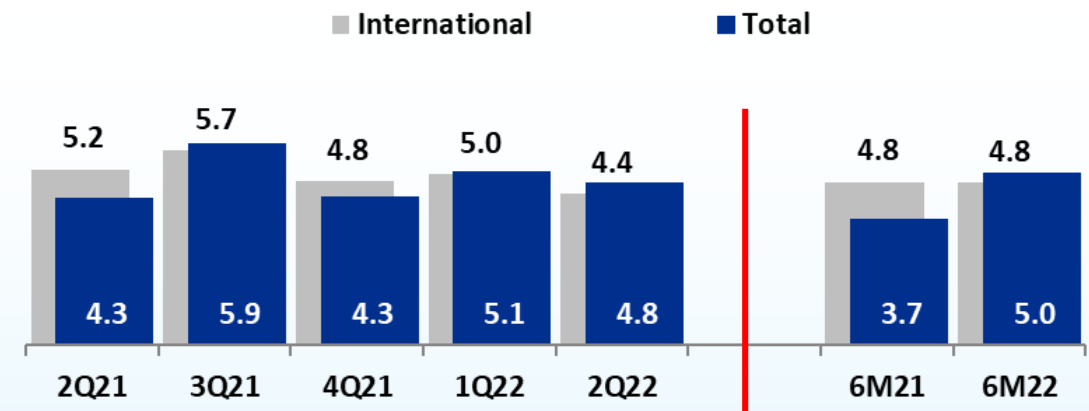


* Excluding hospitels

Occupancy Rate Based on Available Beds

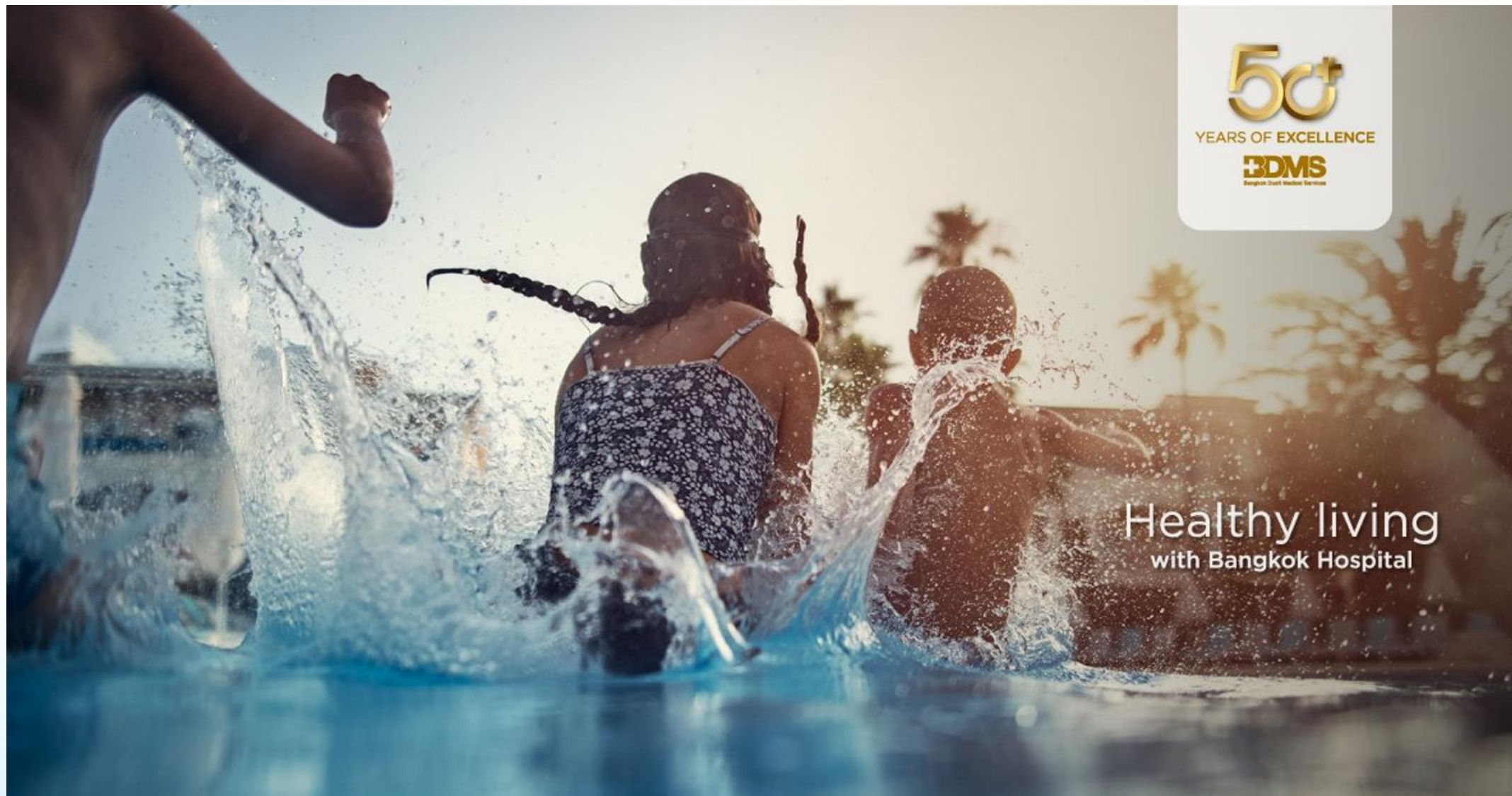


Average Length of Stay (days)



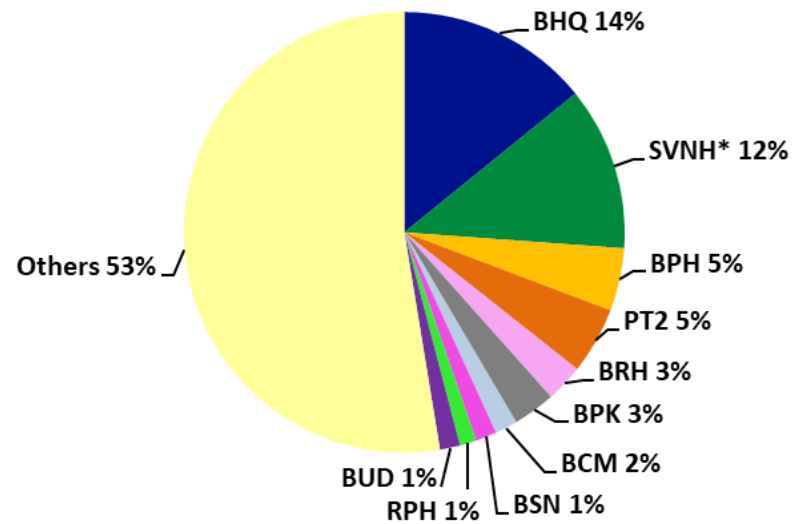
Remarks:- Excluding hospitels and field hospital / In 2022, excluding Thepakorn Hospital
- Including social security patients while excluding new born patients

Financial Highlights

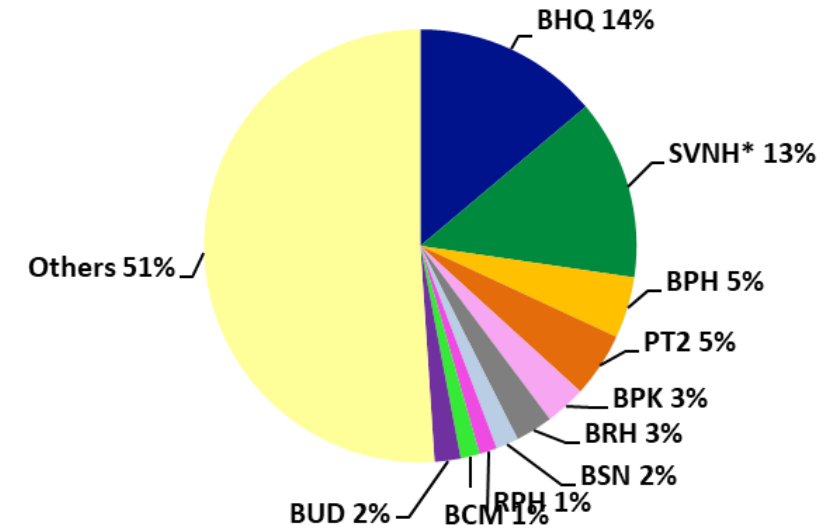


Diversified Sources of Revenues and Profitability

CoE Operating Income Contribution in 6M22



CoE Total EBITDA Contribution in 6M22



Commentary

- In 6M22, revenue from Center of Excellence (CoE) contributed 47% of operating income and 49% of total EBITDA with EBITDA margin of around 25%

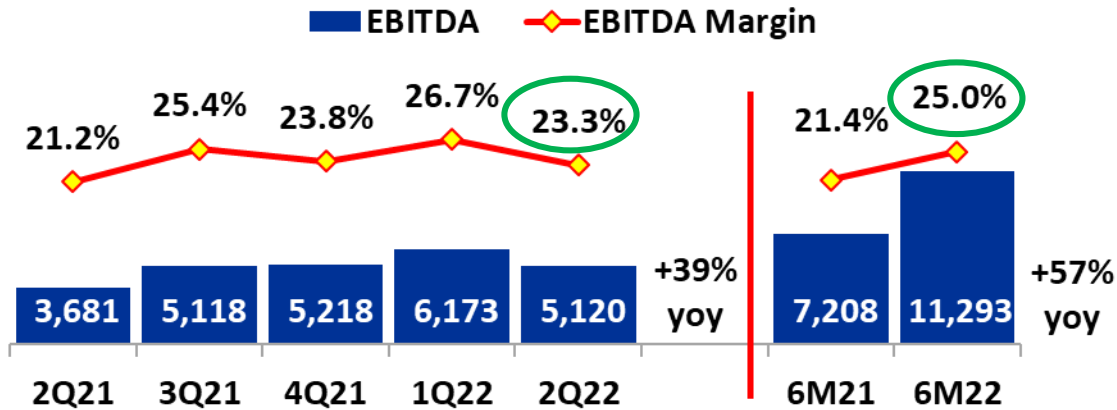
* SVNH included SVH and SNH performance

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

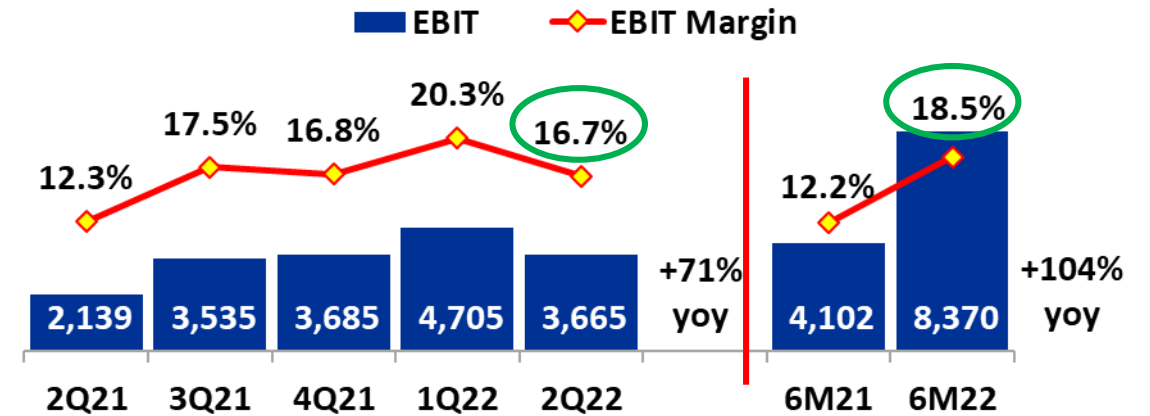
- Hospital abbreviation shown on Appendix

Profitability Trend

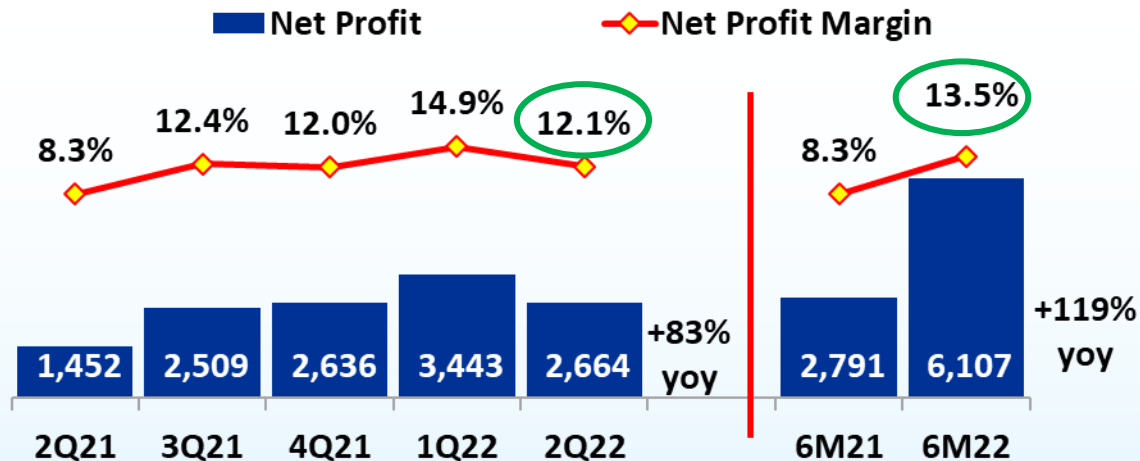
EBITDA & EBITDA Margin (THB mm)



EBIT & EBIT Margin (THB mm)



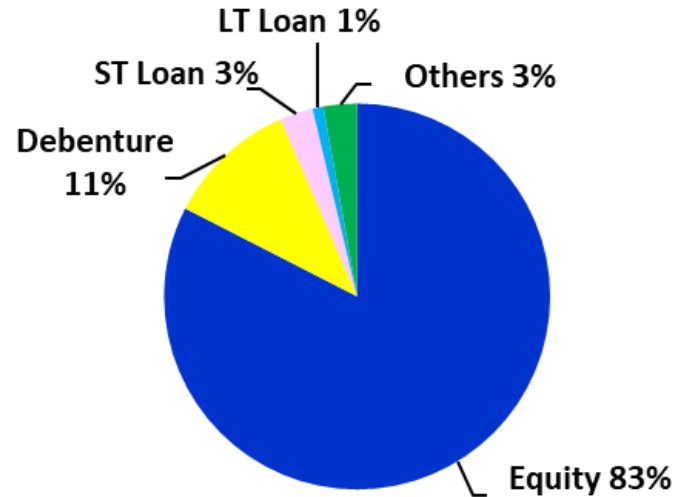
Net Profit & Net Profit Margin (THB mm)



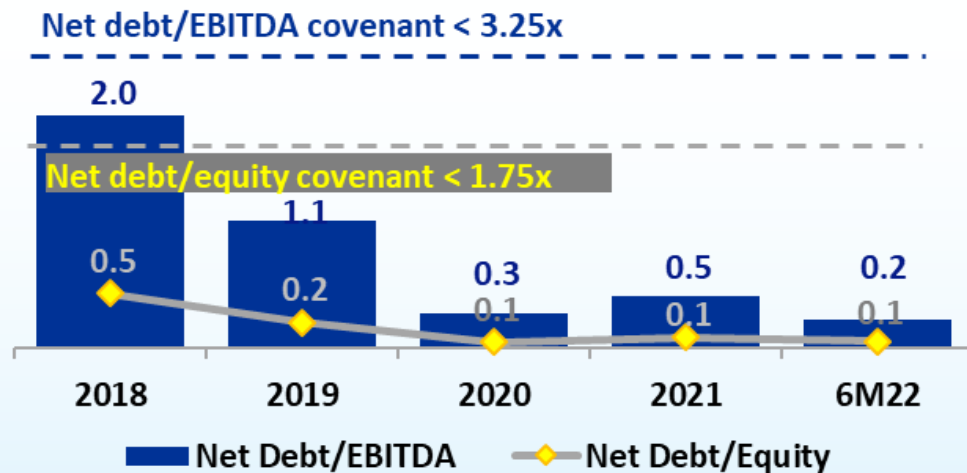
- In 2Q22, net profit was THB 2,664 million, increased by **83%** yoy mainly from higher operating income and continued cost saving program
- In 6M22, net profit was THB 6,107 million, increased by **119%** yoy

Capital Management

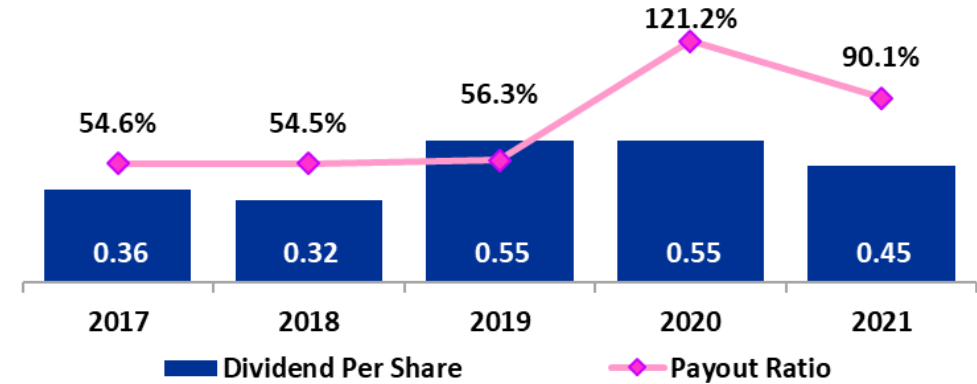
Capital Structure as of June 2022



Gearing Ratios: Well Within Covenants

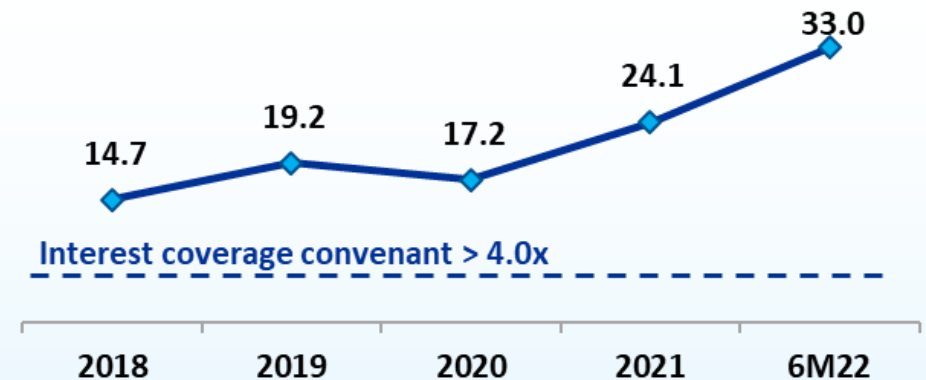


Dividend Payment & Payout Ratio



* Board of Directors had resolution on 23 February 2022 to propose for dividend payment of Baht 0.45 per share.

Interest Coverage



Appendix

For More Information:- www.bangkokhospital.com

Group 1 (Bangkok&West)

	Ownership	No. of Beds
1. Bangkok Hospital	100%	329
2. Bangkok Heart Hospital	100%	54
3. Wattanosoth Hospital	100%	48
4. Wattanosoth International	100%	30
5. Chiva Transitional Care	100%	52
6. Bangkok International	100%	172
7. Bangkok Huahin (BHN)	100%	58
8. Bangkok Sanamchan (BSN)	100%	191
9. Thepakorn (TPK)	50.0%	100
10. Bangkok Phetchaburi (BPR)	100%	200
11. Bangkok Muangraj (BMR)	100%	140

Group 2

12. Samitivej Sukhumvit (SVH)	95.8%	275
13. Japanses by Samitivej	95.8%	30
14. Samitivej Srinakarin (SNH)	95.8%	300
15. Samitivej Sriracha (SSH)	67.5%	260
16. Samitivej Thonburi (STH)	64.0%	150
17. Samitivej Chonburi (SCH)	100%	250
18. Samitivej Chinatown (SCT)	100%	50
19. BNH Hospital (BNH)	91.5%	115

Group 3 (East)

20. Bangkok Pattaya (BPH)	97.3%	400
21. Bangkok Rayong (BRH)	100%	222
22. Bangkok Chanthaburi (BCH)	99.7%	200
23. Bangkok Trat (BTH)	99.8%	100
24. Koh Chang International	99.8%	3
25. Sri Rayong (SRH)	100%	195
26. Jomtien (JTH)	97.3%	232

Remark:- Number of beds is structured beds

Group 4 (North&Northeast)

	Ownership	No. of Beds
27. Bangkok Chiangmai (BCM)	100%	139
28. Bangkok Ratchasima (BKH)	91.5%	285
29. Bangkok Pakchong (BHP)	91.5%	40
30. Bangkok Udon (BUD)	100%	243
31. Bangkok Phitsanulok (BPL)	100%	200
32. Bangkok Khon Kaen (BKN)	100%	150
33. Bangkok Chiangrai (BCR)	100%	80

Group 5

34. Phyathai 1 (PT1)	98.6%	174
35. Phyathai 2 (PT2)	97.8%	262
36. Phyathai 3 (PT3)	97.6%	260
37. Phyathai Sriracha (PTS)	74.5%	295
38. Phyathai Nawamin (PTN)	99.8%	140
39. Paolo Phaholyothin (PLP)	100%	220
40. Paolo Samutprakarn(PLS)	93.7%	200
41. Paolo Chokchai 4 (PLC)	85.7%	169
42. Paolo Chokchai 4 Building 3 (PLC)	85.7%	29
43. Paolo Chokchai 4 Building 5 (PLC)	85.7%	59
44. Paolo Rangsit (PLR)	100%	128
45. Paolo Kaset (PLK)	100%	162
46. Paolo Phrapradaeng (PLD)	84.0%	60

Group 6 (South&Cambodia)

	Ownership	No. of Beds
47. Bangkok Phuket (BPK)	99.7%	234
48. Bangkok Siroj (BSI)	100%	181
49. Dibuk (DBK)	99.7%	75
50. Bangkok Hat Yai (BHH)	98.8%	193
51. Bangkok Samui (BSH)	100%	57
52. Bangkok Surat (BSR)	100%	88
53. Royal Phnom Penh (RPH)	100%	100
54. Royal Angkor International (RAH)	80.0%	33

Group 7: Non-Hospital

1. National Healthcare System	98.7%
2. Bio Molecular Laboratories	95.0%
3. The Medicpharma	89.1%
4. A.N.B Laboratories	100%
5. Save Drug Center (SDC)	100%
6. General Hospital Products	47.2%

BDMS Wellness

1. BDMS Wellness Clinic	100%
2. BDMS Wellness Resort (Mövenpick BDMS Wellness Resort)	100%

Thank you

BDMS IR

Tel: +662-310-3185, +662-310-3293, +662-755-1793

Email: investor@bdms.co.th

Website: <https://investor.bangkokhospital.com/en>