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Performance Highlights

Major Development

1. Opening of new network hospital

Since 3 January 2019, Bangkok Hospital Chiangrai has become our 47th network hospital. It is a secondary care hospital targeting middle income patients in Chiangrai, neighboring provinces and neighboring countries. Bangkok Hospital Chiangrai has total of 80 structured beds, of which 57 beds are opened during the first phase. This hospital will strengthen our referral network in the North of Thailand.

2. Divestment in Ramkhamhaeng Hospital Public Co., Ltd. (“RAM”)

During IQ19, the Company divested all of its investment in RAM totaling 4,588,424 ordinary shares, or approximately 38.24% of issued and paid-up shares of RAM. The company realized the total gain (net of tax and expenses) of Baht 6,094 million.

3. 2018 dividend payment

On 12 April 2019, shareholder approved 2018 dividend payment of Baht 0.32 per share, totaling Baht 5,013.63 million. Details of dividend payment are:-

Dividend Payment	THB/share	Payment Date
Interim	0.13	28 Sep 18
Final dividend	0.19	26 Apr 19
Total	0.32	

Thailand



Overseas



IQ19 Performance

If excluding non-recurring item in IQ19, Bangkok Dusit Medical Services Public Company Limited (“Company”) reported consolidated net profit of Baht 2,926 million, slightly increased yoy. The summarized IQ19 consolidated performance is as follows:-

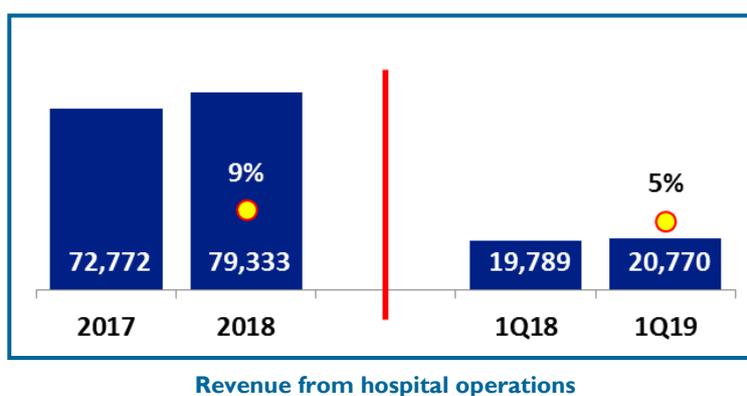
1. Operating income

In IQ19, total operating income were Baht 20,770 million, an increase of Baht 982 million or 5% yoy, primarily due to

- ◆ Revenues from hospital operations were Baht 19,793 million, an increase of Baht 976 million or 5% yoy. The growth was contributable to an increase in price intensity which was driven by 10 Centers of Excellence along with an expansion of insurance patients base which is in-line with Company’s strategy. In addition, the Company has the Bangkok Emergency Services to coordinate timely patients referral in case of accident or patients in critical conditions.

Revenue from Bangkok & vicinity hospitals grew 4% yoy while outside Bangkok hospitals grew 6% yoy.

Revenue from Thai patients grew 4% yoy and revenue from international patients grew 8% yoy. Key drivers were mainly from increase in Emiratis patients 75% yoy, Omanis patients 75% yoy and Cambodian patients 26% yoy. The revenue proportion between Thai and international patients changed from 68%:32% in IQ18 to 67%:33% in IQ19.



- ◆ Revenues from sales of goods and food were Baht 752 million in IQ19, decreased by 4% yoy due mainly to a decrease in export sales of A.N.B. Laboratories Co., Ltd.

2. Operating expenses

In IQ19, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 17,785 million, an increase of Baht 1,615 million or 10% yoy due mainly to non-recurring items as follow:-

- (1.) Provisions for employee benefits of Baht 616 million (before income tax). According to legal retirement benefit rates for employees who have worked for an uninterrupted period of 20 years or more, such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate.
- (2.) One-time expenses of Baht 110 million (before income tax) for MEA in finding the land to locate electricity sub-station to accommodate electricity usage at Bangkok International Hospital as current electricity usage at Bangkok Hospital Headquarter (all of our buildings in Soi Soonvijai area) exceeding 15,000 KVA according to rules and regulations of MEA. This transaction is recorded as administrative expenses.

If excluding these non-recurring items, total operating expenses and depreciation would grow 6% yoy.

The depreciation and amortization expenses were Baht 1,358 million in IQ19, increased by 4% yoy due mainly to depreciation and amortization of new network hospital, namely Bangkok Hospital Chiangrai, and opening of BDMS Wellness Clinic.

3. Others majors items

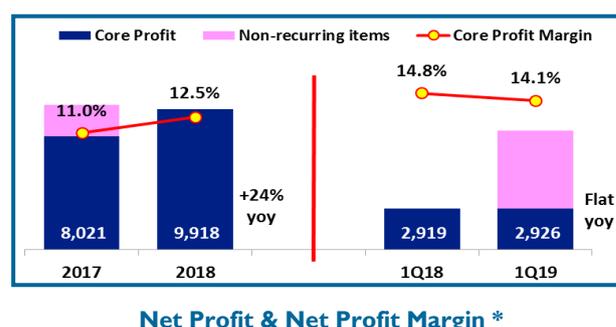
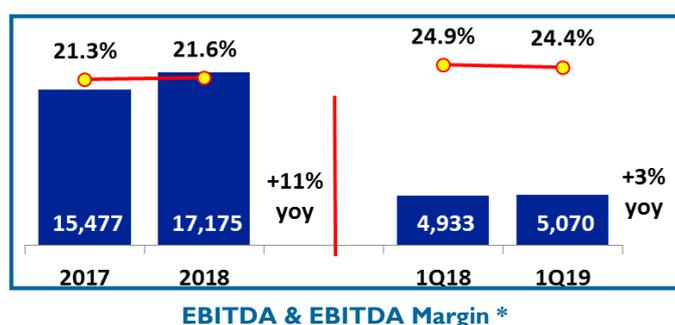
- ◆ Share of income from investments in associated companies were Baht 286 million in IQ19, decrease of Baht 82 million or 22% yoy due mainly to divestment of all investment in RAM during IQ19. Share of income from investments in associated companies were mainly from Bumrungrad Hospital Public Co., Ltd. of Baht 269 million.
- ◆ Finance expenses decreased to Baht 288 million in IQ19 or decreased by 9% yoy due mainly to a decrease in the outstanding of CB after exercising conversion rights during 2018.
- ◆ Taxes in IQ19 were Baht 2,067 million, increase from Baht 648 million in IQ18, due mainly to tax expenses from non-recurring items totaling of Baht 1,378 million. (Details are shown in non-recurring items)

4. Non-recurring items

During IQ19, the Company recorded non-recurring items (net of income tax) of Baht 5,513 million. Details as follows:-

(THB mm)	Amount	Tax	Net of tax
(1) Gain on sales in RAM	7,617	(1,523)	6,094
(2) Provisions for employee benefits	(616)	123	(493)
(3) One-time expenses in finding the land to locate electricity sub-station for Bangkok International Hospital	(110)	22	(88)
Total	6,891	(1,378)	5,513

If excluding non-recurring items, core EBITDA increased from Baht 4,933 million in IQ18 to Baht 5,070 million in IQ19 or increased by 3% yoy. However, core EBITDA margin decreased from 24.9% in IQ18 to 24.4% in IQ19. Core profit was Baht 2,926 million, slightly increased yoy. However, core profit margin decreased from 14.8% in IQ18 to 14.1% in IQ19. Core EPS was Baht 0.19 per share in IQ19.



* Excluding non-recurring items

If including non-recurring items, EBITDA was Baht 4,344 million or decreased by 12% yoy resulting in EBITDA margin of 20.9%.

Net profit were Baht 8,439 million, increased by 189% yoy with net profit margin of 40.6%. Such increase was mainly from gain from divestment of all investment in RAM. EPS was Baht 0.54 per share or increased by 186% yoy.

Summary of Balance Sheets

(Unit : THB mm)	<u>Mar-19</u>	<u>Dec-18</u>	<u>Chg %</u>
Total Assets	135,568	133,499	2%
Total Liabilities	54,230	60,061	(10)%
Total shareholders' equity	81,338	73,438	11%

As of 31 March 2019, the Company and its subsidiaries reported total assets of Baht 135,568 million, slightly increased by 2% from 31 December 2018, due mainly to an increase in cash and cash equivalents of Baht 4,191 million and short-term investments of Baht 1,805 million netted with a decrease in investment in associates of Baht 5,428 million mainly from divestment of all investment in RAM.

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2018. 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.

Total consolidated liabilities as of 31 March 2019 were Baht 54,230 million, decreased by 10% from 31 December 2018 due mainly to decrease in bank overdrafts and short-term loans of Baht 5,800 million and decrease in long-term loans of Baht 1,540 million.

Total consolidated shareholders' equity as of 31 March 2019 was Baht 81,338 million, increased by 11% from 31 December 2018, due mainly from net profit during IQ19.

Financial Analysis	IQ19	IQ18
Returns (%)		
Return on Asset	25.1	9.4
Return on Equity	45.4	18.1
Liquidity (x)		
Current Ratio	0.8	1.2
Quick Ratio	0.8	1.1
Asset & Liabilities Management (Days)		
Average Collection Period	36.1	34.1
Average Inventory Period	11.6	12.1
Average Accounts Payable	33.8	34.1
Leverage & Coverage Ratio (x)		
Interest Coverage	15.1	15.6
	Mar-19	Dec-18
Total Debt to Equity	0.4	0.5
Net Debt to Equity	0.3	0.5
Net Debt to EBITDA	1.3	2.0

Remark

- Assets & Liabilities Management is calculated based on 360 days
- Interest coverage = EBITDA/Interest Expenses
- Debt refers to interest bearing debt

Return on assets ("ROA") and return on equity ("ROE") in IQ19 increased significantly from IQ18 as a results of net gain from divestment of all investment in RAM.

Current ratio and quick ratio in IQ19 also decreased from IQ18 due to an increase in current portion of long-term loans from financial institutions and current portion of convertible bonds.

Average collection period increased from 34.1 days in IQ18 to 36.1 days in IQ19. The Company and its subsidiaries reported the aging of the outstanding trade accounts receivable which most of them aged not over than 3 months. The Company and its subsidiaries report allowance for doubtful accounts for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

Average inventory period decreased from 12.1 days in IQ18 to 11.6 days in IQ19. The Company's inventories were mostly medicines and medical supplies which the Company and its subsidiaries already recorded allowance for the expired medicine and medical supplies to reduce its cost to net realizable value.

Average payable period also decreased from 34.1 days in IQ18 to 33.8 days in IQ19.

Interest coverage ratio decreased from 15.6x in IQ18 to 15.1x in IQ19 due to lower EBITDA from non-recurring items.

Total interest bearing debt to equity decreased from 0.5x as of 31 December 2018 to 0.4x as of 31 March 2019. Net interest bearing debt to equity also decreased from 0.5x as of 31 December 2018 to 0.3x as of 31 March 2019. The decreases were mainly from the repayment of loans from financial institutions during the period.

Net interest bearing debt to EBITDA decreased from 2.0x as of 31 December 2018 to 1.3x as of 31 March 2019.

The leverage and coverage ratios are well within the financial covenants of the long-term loans and debentures.

IR Activities

CGS-CIMB Thailand Corporate Day 2019



On 12 March 2019, Khun Narumol Noi-am, Acting President and CFO, Khun Ajaya Intaraprasong, AVP and Khun Jitima Ratanatam, Assistant Director, Investor Relations have been invited to join CGS-CIMB Thailand Corporate Day 2019 organized by CGS-CIMB securities (Thailand) co. Ltd at Conrad Hotel Bangkok. BDMS has met with 25 international and local fund managers. This is an opportunity for the Company to update our recent development, strategy and outlook

CLSA ASEAN Forum 2019



On 14 March 2019, Khun Narumol Noi-am, Acting President and CFO together with Khun Nisa Laohasomboon, Assistant CFO, Khun Ajaya Intaraprasong, AVP and Khun Jitima Ratanatam, Assistant Director, Investor Relations have been invited to join JCLSA ASEAN Forum 2019 at Grand Hyatt Erawan Bangkok. BDMS has met with 14 international and local fund managers. This is a opportunity for the Company to address Company's strategy and plan going forward.

IR Activities

Thailand Investment Conference 2019



On 4 April 2019, Khun Ajaya Intaraprasong, AVP, Khun Jitima Ratanatam, Assistant Director and Khun Chama Vijitsathean, Assistant Manager, Investor Relations have been invited to join Thailand Investment Conference 2019 organized by Phatra Securities Public Co., Ltd. together with Bank of America Merrill Lynch at Grand Hyatt Erawan Bangkok. BDMS has met with 24 international and local fund managers. This is an opportunity for the Company to update our recent development, strategy and outlook

Analyst Meeting 1Q19 Results



BDMS hosted the 1/2019 Analyst meeting for 1Q19 results on 15 May 2019. The meeting was led by Khun Narumol Noi-Am, Acting President and CFO, Dr. Chairat Panthuraamphorn, COO and CEO Group 2 and Khun Ajaya Intaraprasong, AVP, 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.

Presentation material and webcast also posted on our website at 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 135,568 million in assets as of March 2019. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 45 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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