



**Bangkok Dusit Medical Services (BDMS)**  
**Analyst Presentation 3Q21 & 9M21 Results**

**15 November 2021**

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- 3Q21 & 9M21 Financial Summary
- Update on BDMS Response to COVID-19
- BDMS Growth Transformation
- Operational Statistics
- Financial Performance

## BDMS was Listed as a Member of Dow Jones Sustainability Indices (DJSI) in an Emerging Market of Health Care Providers & Services (HEA) Sector in 2021

**S&P Global**



Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

With an honor of the **FIRST** healthcare DJSI member in Thailand, **BDMS** consistently improve our sustainability commitment and utilize our strengths through innovative, trusted, sustainable medical services to enhance quality of life.

For further plan, **BDMS** will move forward to create a sustainable and smart healthcare services by integrating our specialty and technology to enhance patient experience and also to produce sustainable values for all stakeholders.

*DJSI are a family of best-in-class benchmarks that evaluate the various economic, environmental and social criteria of the companies in the S&P Global Board Market Index. The indices serve as a primary benchmark for investors who integrate sustainability considerations into their investment portfolios.*

## 3Q21 & 9M21 Financial Summary





# 3Q21 Operational Recap and Financial Summary

## 3Q21 Highlights

	3Q21	
	% Chg	% to Revenue
Operating income	19%	
	THB 20,158 mm	
Hospital revenue	17%	
	THB 18,873 mm	
Breakdown by nationality		
▪ Thai	17%	83%
▪ International	18%	17%
Breakdown by location		
▪ Bangkok & Vicinity	17%	57%
▪ Outside Bangkok	15%	43%
Breakdown by type of patients		
▪ Outpatients	(6)%	40%
▪ Inpatients	44%	60%

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)	3Q21	3Q20	Chg. (yoy)
EBITDA	5,118	4,149	23%
EBITDA margin	25.4%	24.4%	
EBIT	3,535	2,619	35%
EBIT margin	17.5%	15.4%	
Net profit	2,509	1,801	39%
Net profit margin	12.4%	10.6%	

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

## Commentary

- Hospital revenue increased by 17% yoy mainly from COVID-19 related revenue (accounted ~25% of hospital revenue)
- Non-COVID revenue down 12% yoy from delayed medical treatment of outpatients and elective surgery
- NPAT increased by 39% yoy from higher operating income, continued cost saving program and lower finance expenses

## 9M21 Operational Recap and Financial Summary

### 9M21 Highlights

	9M21	
	% Chg	% to Revenue
Operating income	6%	
	THB 53,836 mm	
Hospital revenue	5%	
	THB 50,628 mm	
Breakdown by nationality		
▪ Thai	9%	82%
▪ International	(15)%	18%
Breakdown by location		
▪ Bangkok & Vicinity	6%	57%
▪ Outside Bangkok	2%	43%
Breakdown by type of patients		
▪ Outpatients	Flat	45%
▪ Inpatients	13%	55%

### Profitability and Ratio

(THB mm)	9M21	9M20	Chg. (yoy)
<b>EBITDA</b>	12,327	11,526	7%
<b>EBITDA margin</b>	22.9%	22.6%	
<b>EBIT</b>	7,637	7,017	9%
<b>EBIT margin</b>	14.2%	13.8%	
<b>Net profit</b>	5,300	4,827	10%
<b>Net profit margin</b>	9.8%	9.5%	

## Update on BDMS Response to COVID-19



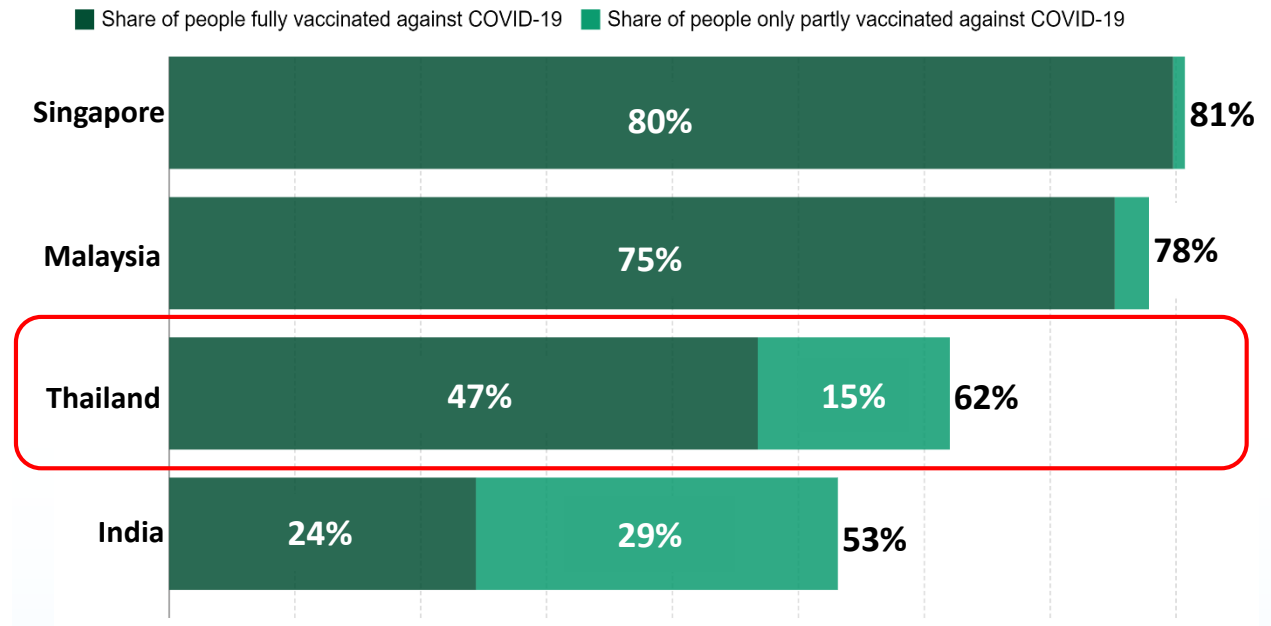


## Update on COVID-19 statistics in Thailand

Thailand Daily New Cases were Peak During Mid of August 2021 at around 23,000+ cases per day



## Share of People Vaccinated Against COVID-19



# Update on BDMS Response to COVID-19

Caring for our Patients, Doctors, Nurses, Employee and the Communities

## Our Frontline Team



**11,000+**  
Doctors

**8,000+**  
Registered nurses

## Vaccination



**>2.5 million**  
Doses



Capacity

3Q21



**10,000+**  
tests per day

Testing

**~7,000**  
tests per day



**6,000+**  
beds

Hospital & Field Hospital

**~40%**  
Occupancy rate



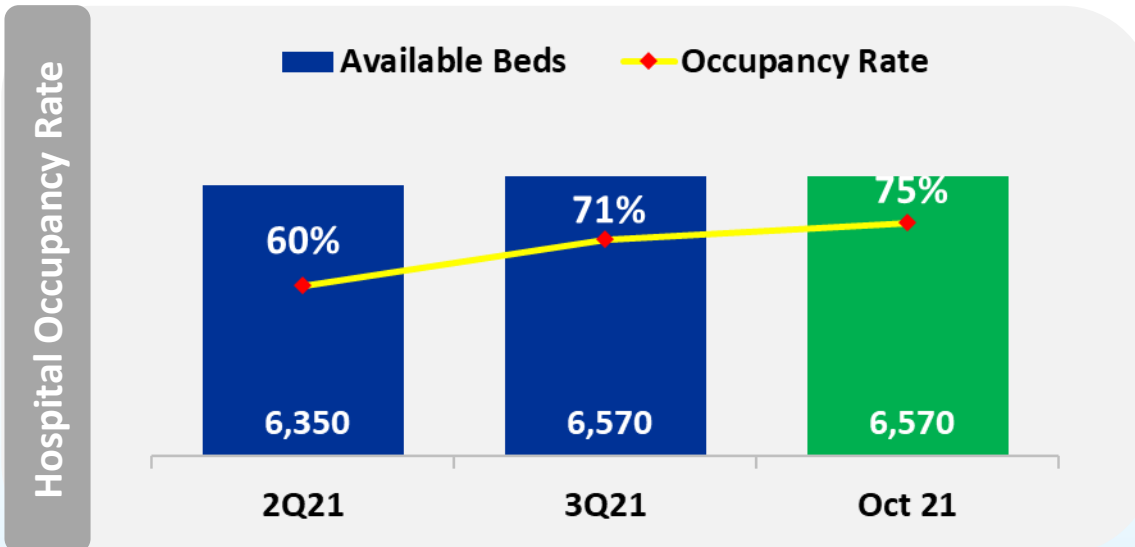
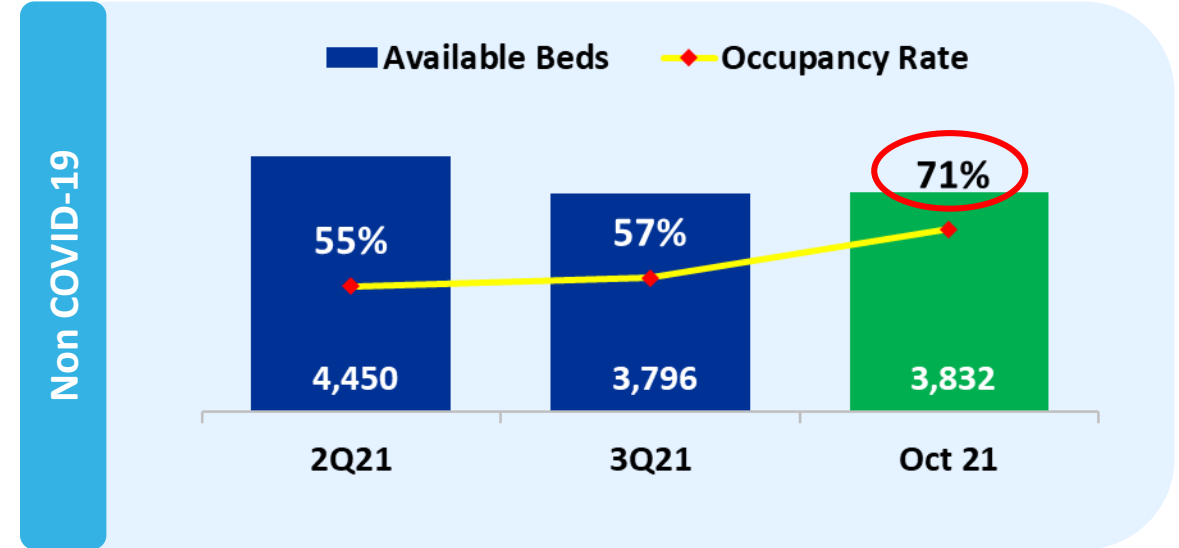
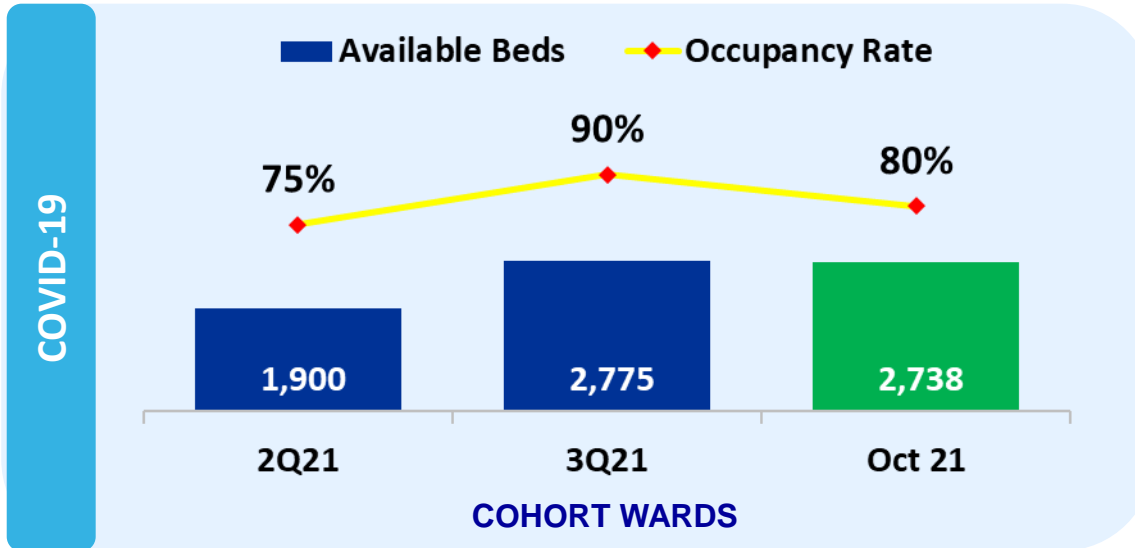
**2,750+**  
beds

Cohort Wards

**~90%**  
Occupancy rate

# COVID-19 Facilities and Occupancy Rate

## Increasing COVID-19 Treatment Facilities to Accommodate Rising COVID-19 Patients During 3Q21



- With rising COVID-19 cases in Thailand in 3Q21, we significantly increased number of cohort wards to ~3,000 beds in 3Q21 with occupancy rate of ~90%
- Occupancy rate of non COVID-19 patients improved from 57% in 3Q21 to 71% in Oct 2021

Remark: Preliminary number in October 2021  
Excluding hospitels and field hospital

### Recent Developments

- Thailand currently reopens to fully vaccinated tourists arriving by air from 63 countries (contributed ~20% of BDMS revenue in 2019) without requiring quarantine



- Alternative Hospital Quarantine (AHQ) has been resumed in October 2021

### Outlook & Our Preparation

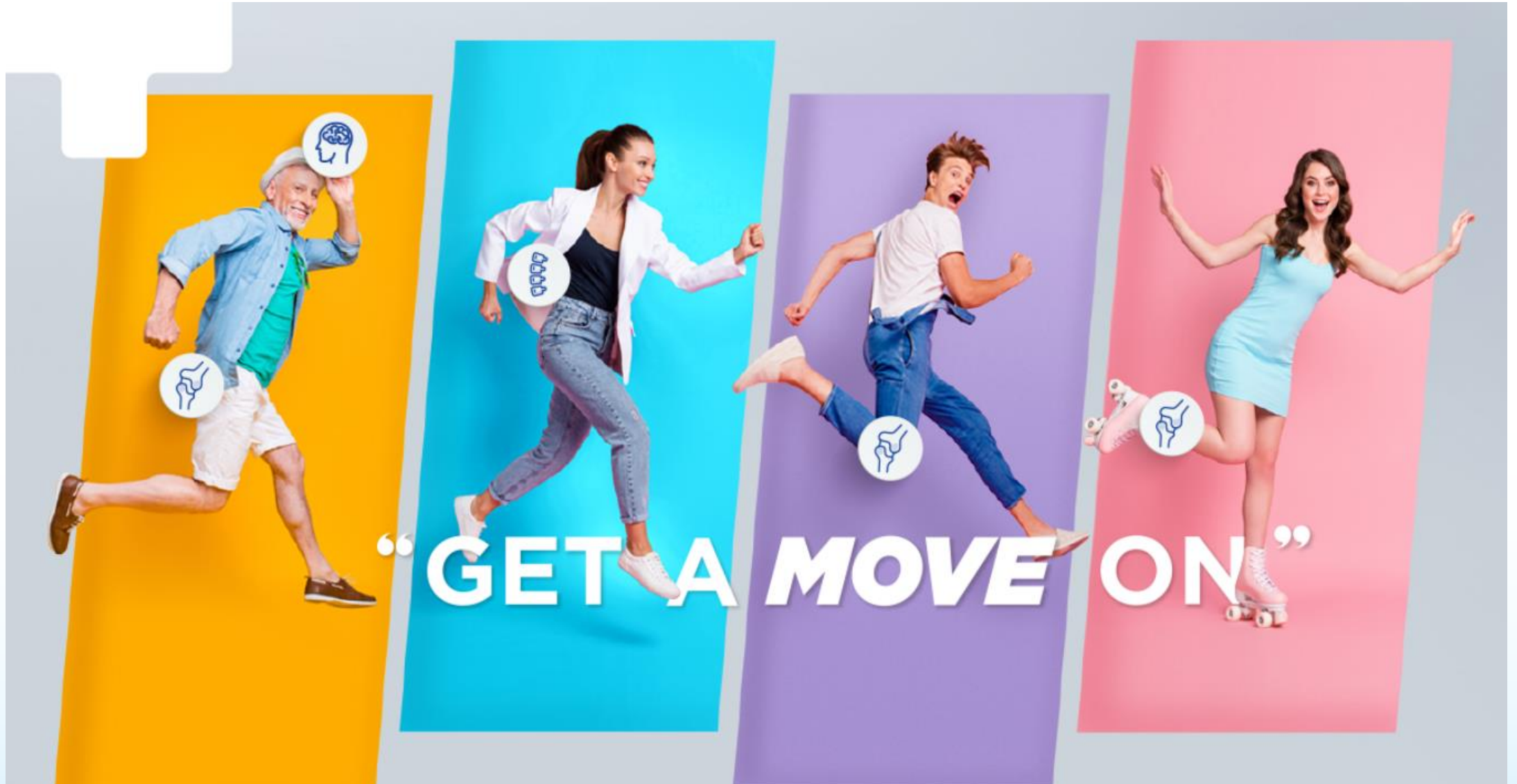
- BDMS would benefit from re-opening countries due to diversified hospitals in top tourist destinations
- Fly-in patients



Total waiting list  
**475 patients**  
*As of 12 Nov 21*

■ Middle East	214
■ CLMV	99
■ China	63
■ Bangladesh	54
■ Others	45

## BDMS Growth Transformation





## Strategy for New Growth Engine



- ❖ *To create BDMS digital ecosystem and become Thai digital health leader*
- ❖ *Procurement Transformation for potential cost savings*

- **BDMS launched Growth Transformation Project at our Innovation Center, Bangkok Hospital Headquarter**
- **We engaged consultant to explore opportunity and strategy for new growth engine**
- **Creating digital health to enhance value in BDMS ecosystem**
  - **To improve customer experience**
  - **To increase operational efficiency**
  - **To improve clinical outcomes for patients**
  - **To develop sustainable long-term growth**

# Impact from COVID-19 in Healthcare System

Disruptive Forces are Changing the Healthcare Landscape, Impacting Hospital Operators



# Digital Health Ecosystems are Transforming Care Delivery

## Creating Digital Health Ecosystems to Facilitate Consumers and Healthcare Professionals (HCP)



**+300%**

Increase in avg. # of remote consultations per month per HCP (*Jan 2021 vs. pre-COVID*)

Consumers are getting used to digital healthcare



**+70%+**

HCPs expect remote consultations to stay and increase post-COVID

Higher adoption and acceptance by HCPs, which is expected to continue



**>1bn**

Users in Asia have tried emerging health ecosystems

In Asia alone, market for health ecosystem is massive

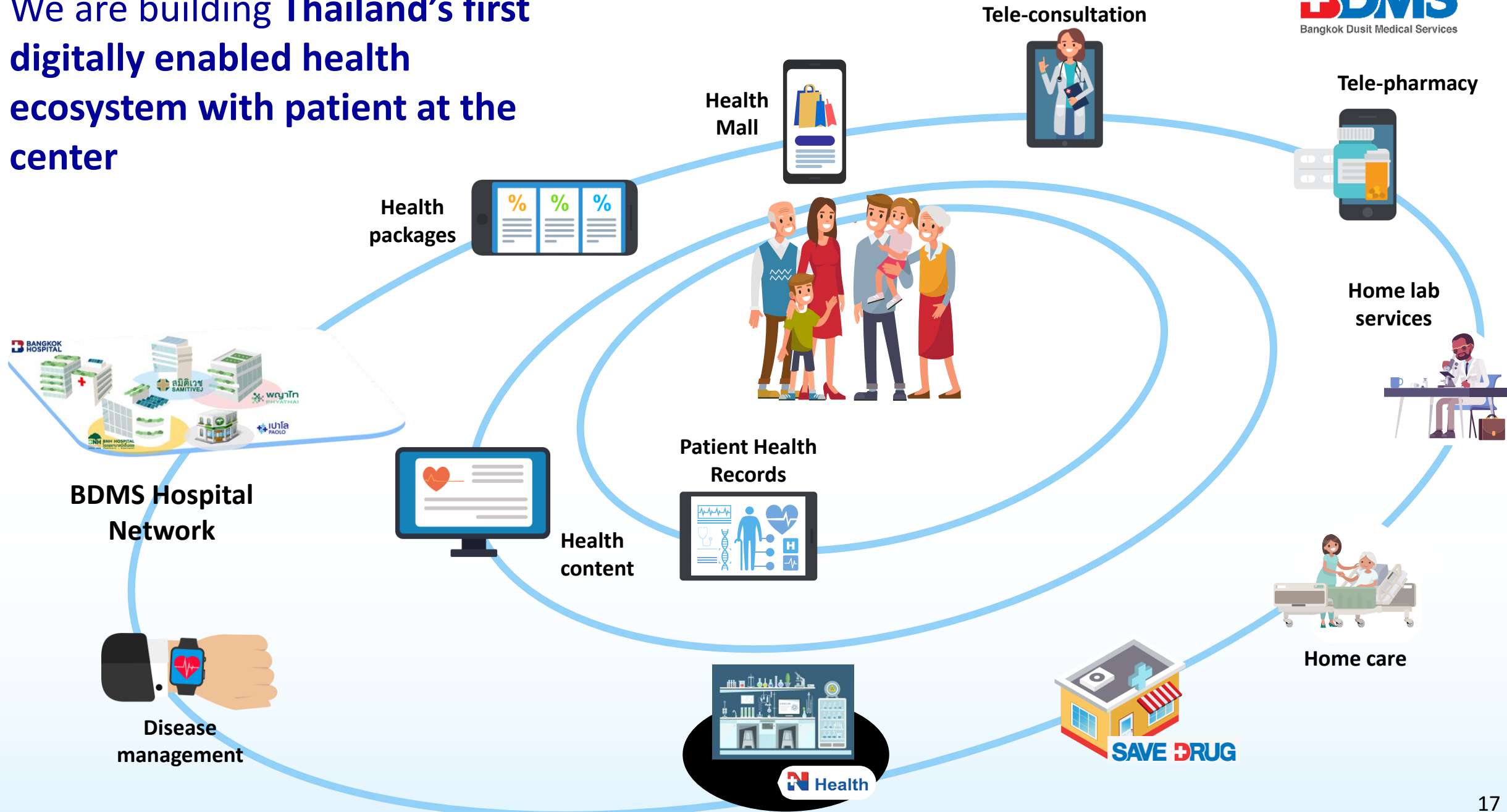


**USD14bn**

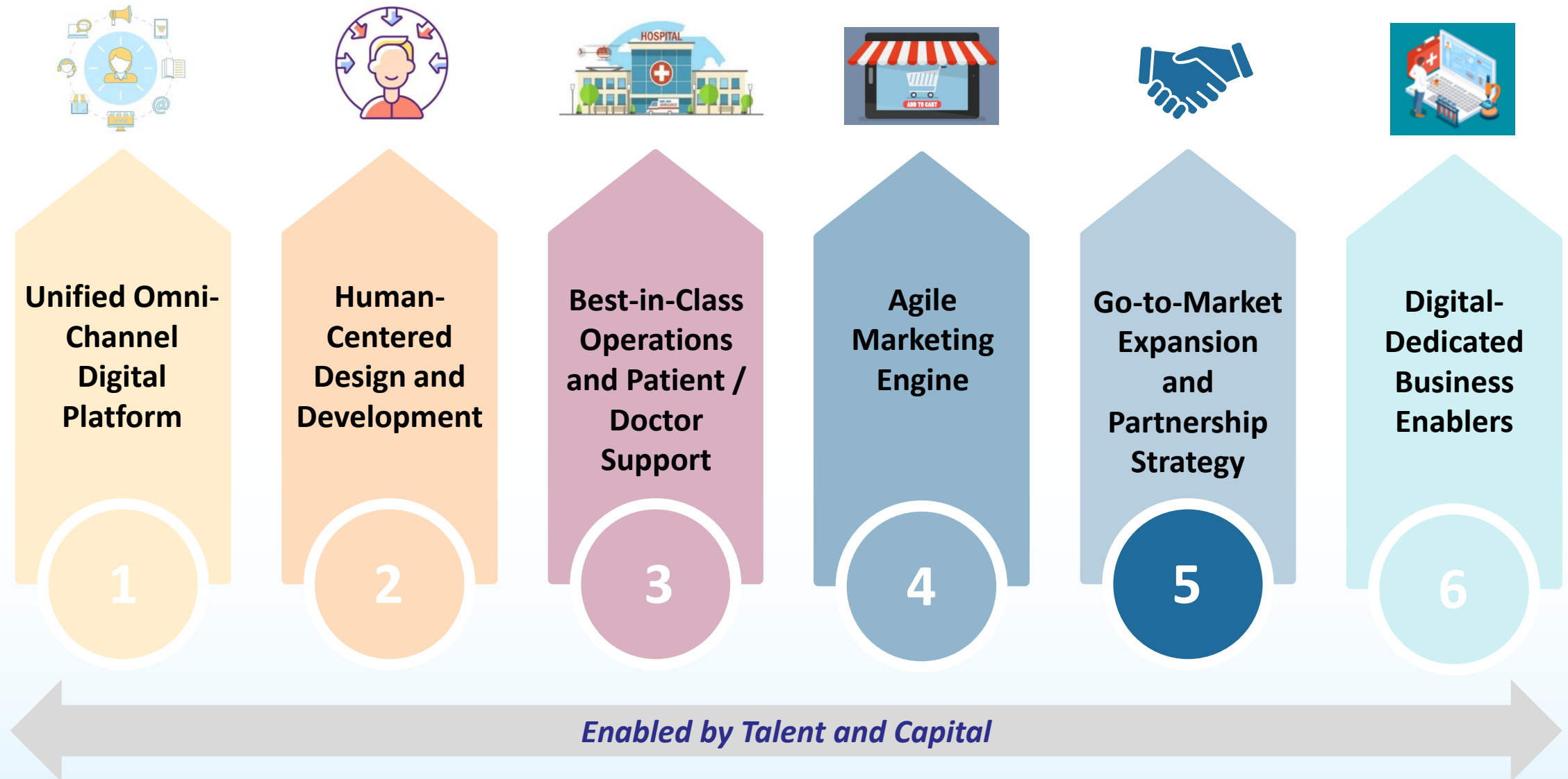
VC funding for health tech innovators in 2020; ~2x 2019 total

Investment dollars are increasing – further accelerating ecosystem growth

# We are building Thailand's first digitally enabled health ecosystem with patient at the center



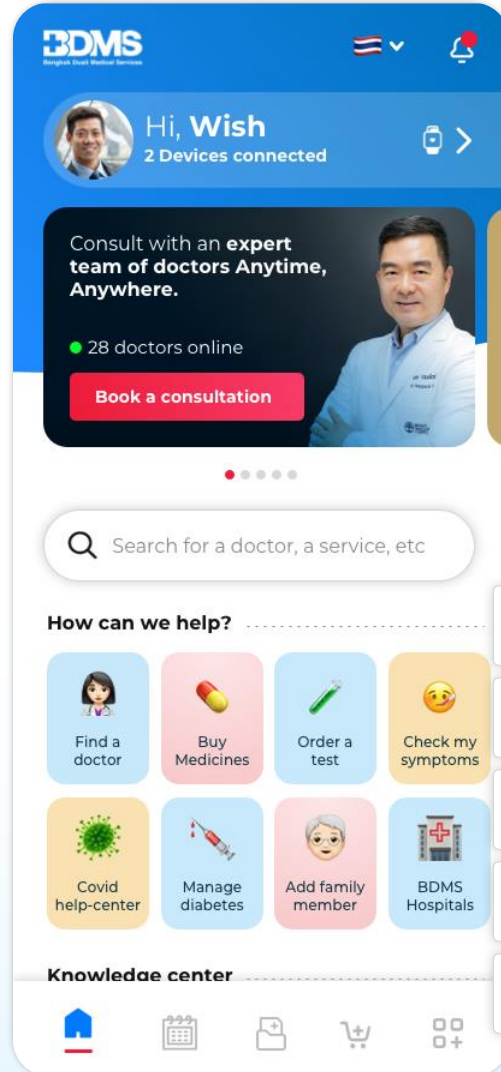
# Six Pillars to Enable BDMS Ecosystem Unit





# 5 Years Aspiration

## Building Sustainable Long-Term Growth

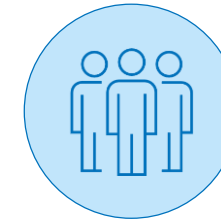


Vision for BDMS Ecosystem:  
**Bringing all of BDMS’  
trusted healthcare and  
wellness network to the  
entire Thailand, anytime,  
anywhere, and beyond**

**CAPEX Budget in 2022**

**\$ ~500 MB**

**5 Years aspiration:**



**20M+**  
lives in Thailand



**10-15%**  
of overall BDMS revenue  
in 5 years

## Prioritization for Procurement Transformation



### MEDICINE

- Find alternative supplier for generic drugs
- Improve usage of generic drugs



### MEDICAL SUPPLY

- Consolidate usage of medical supply to most common items
- Negotiate for better price from highest volume suppliers



### MEDICAL EQUIPMENT

Standardize specification for medical equipment across network hospitals



### NON-CLINICAL PROCUREMENT

Standardize specification and consolidate purchasing through fewer vendors

**Building Sustainable Procurement in Healthcare**



BDMS is chosen as a Member of  
**Thailand Sustainability Investment (THSI)**  
by the Stock Exchange of Thailand (SET)

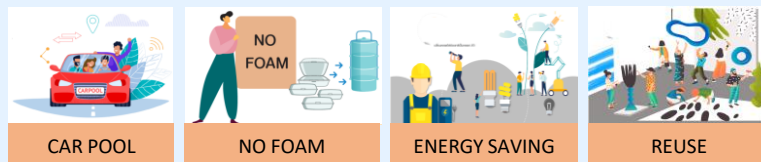


- **BDMS Awards in 2021** - promoting awareness of the personnel for Novelty Health Service, Patient Experience, and Earth Healthcare
- The chosen projects would be considered for further pilot in business operations



## Care the Bear – Earth Healthcare Initiative

- BDMS conducted an online training session to provide green practices in business



## Greenhouse Gas Verification

BDMS has piloted the Greenhouse Gas emission verification at *Bangkok Hospital Headquarter* by external party in line with ISO 14064-1 and requirement of SEC



# Operational Statistics

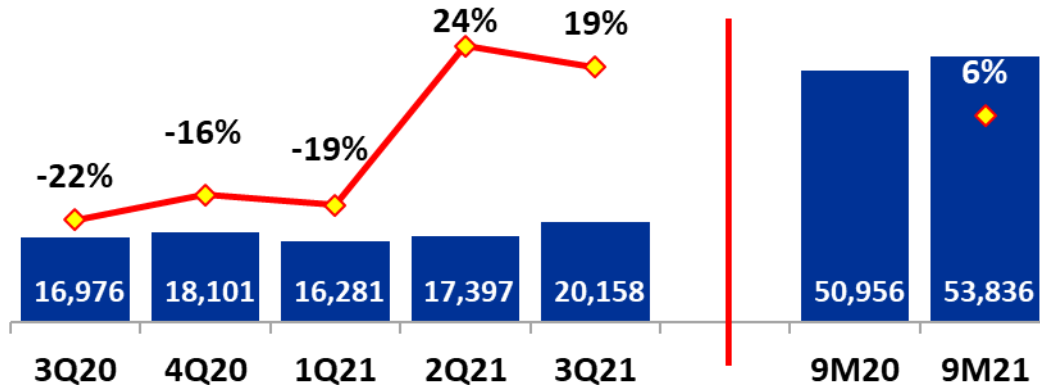


## Operating Income Growth

### Quarterly Operating Income Trend

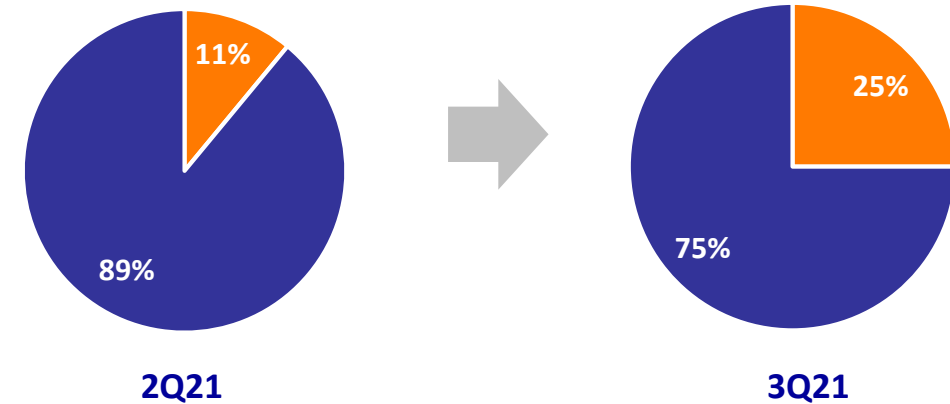
(THB mm)

Growth YoY



### COVID-19 Revenue Contribution to Hospital Revenue

- COVID-19 revenue
- Non COVID-19 revenue



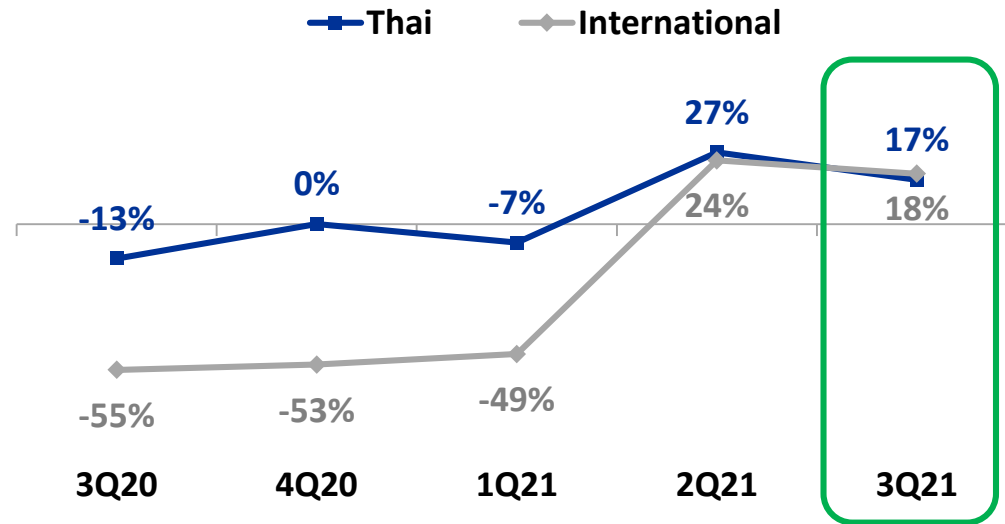
### Commentary

- 3Q21 Operating income increased by 19% yoy mainly from
  - Hospital revenue increased by 17% yoy due to higher COVID-19 related revenue
  - If excluding revenue from COVID-19 related services, non COVID-19 revenue would decrease 12% yoy
  - Revenue from sales of goods increased by 22% yoy mainly from an increase in sales of A.N.B. Laboratories Co., Ltd and the Medicpharma Co., Ltd

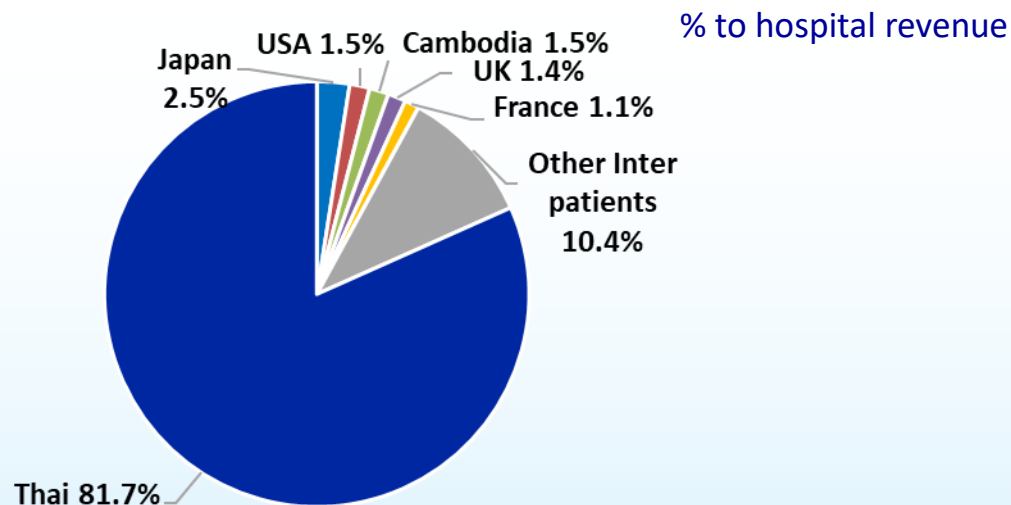


# Thai and International Patients

## Thai and Inter Patient Revenue Growth Trend (%YoY)

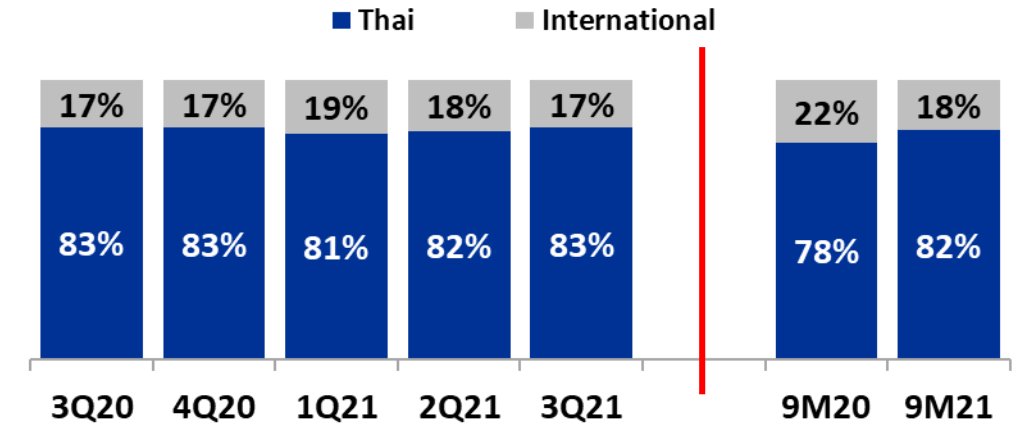


## Top 5 Nationality Contribution in 9M21



## Revenue Contribution by Nationality

% to hospital revenue

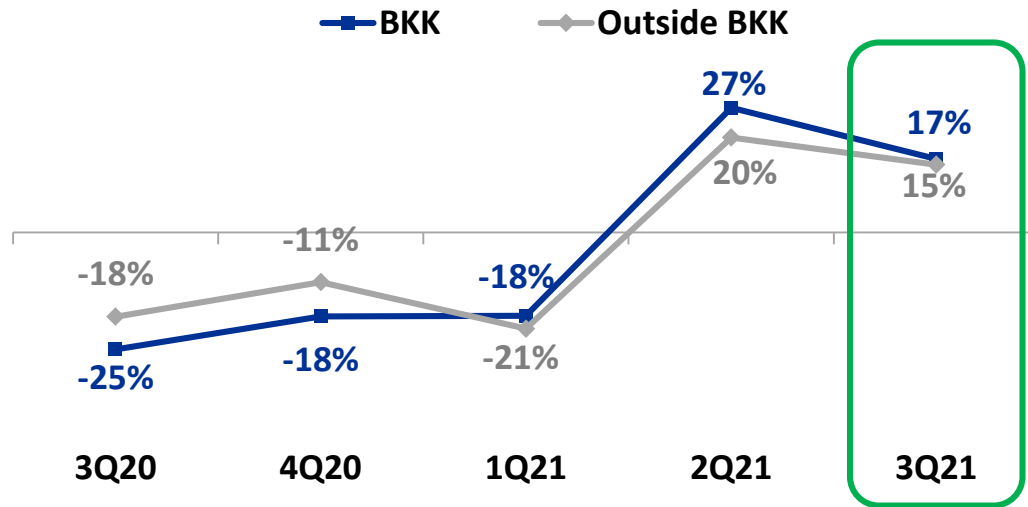


## Commentary

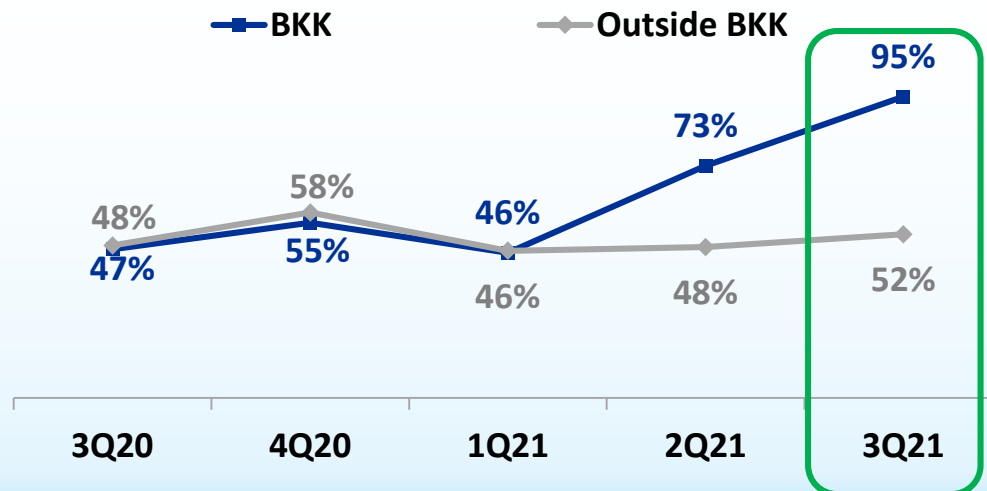
- In 3Q21, Revenue from Thai patient and inter patient increased by 17% and 18% yoy, respectively
  - Revenue from Inter patient increased mainly from Middle East, UK and CLMV
- In 9M21, Revenue from Thai patient increased by 9% yoy while revenue from inter patient decreased by 15% yoy

# Bangkok and Outside Bangkok

## Bangkok and Outside Bangkok Revenue Growth Trend (%YoY)

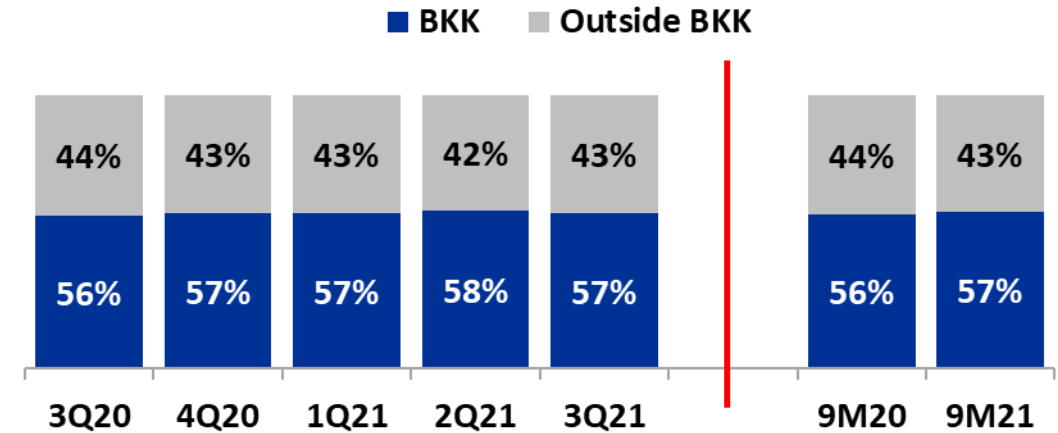


## Occupancy Rate Trend



## Revenue Contribution by Location

% to hospital revenue

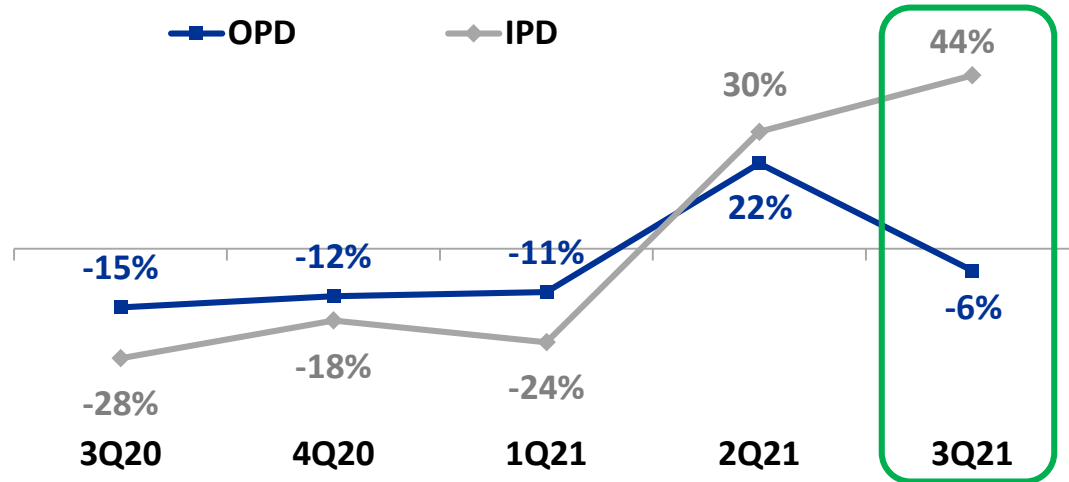


## Commentary

- In 3Q21, Revenue from hospital in Bangkok and Outside Bangkok hospitals increased by 17% and 15% yoy, respectively
  - Occupancy rate of hospitals in Bangkok increased significantly due to higher COVID-19 patients
- In 9M21, Revenue from hospital in Bangkok and outside Bangkok increased by 6% and 2% yoy, respectively

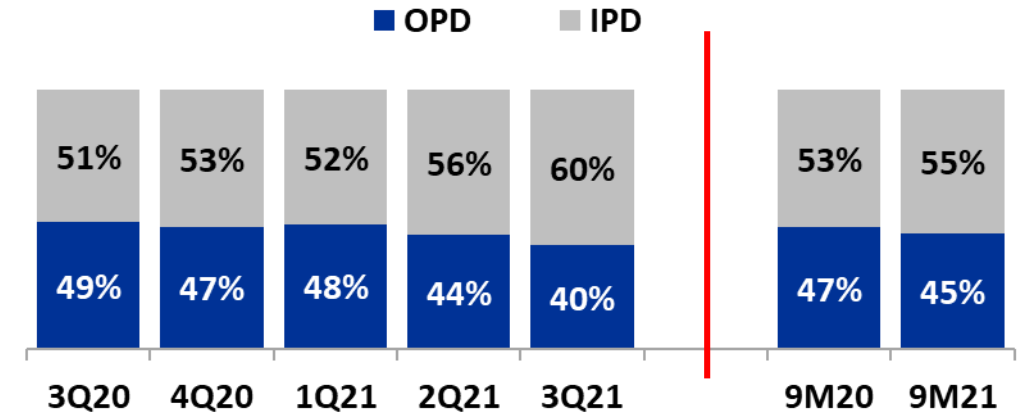
# Patient Mix

## OPD and IPD Revenue Growth Trend (%YoY)

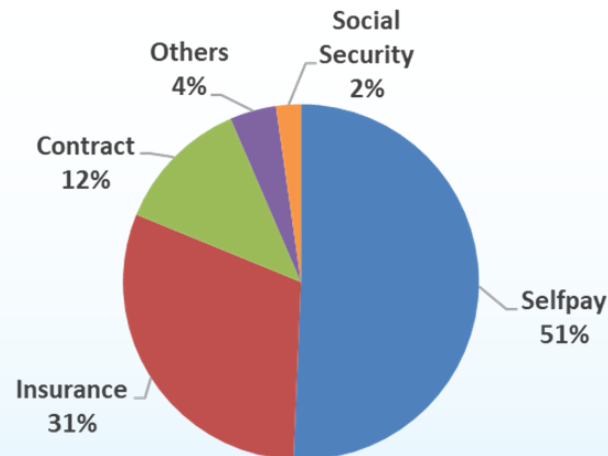


## Revenue Contribution by Patient Types

% to hospital revenue



## 9M21 Patient Revenue by Payor

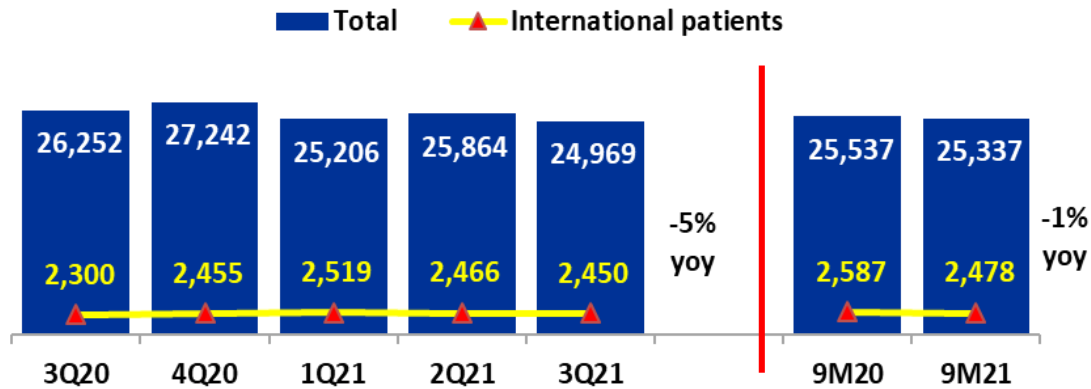


- Revenue portion from contract patients increased significantly from 9% in 2020 to 12% in 9M21 due to an increase of UCEP patients from COVID-19 patients

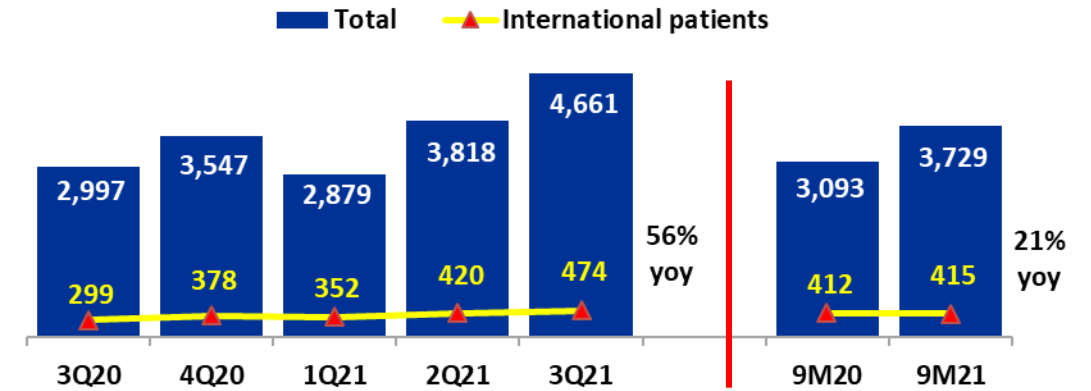
Remark: Universal Coverage for Emergency Patients (UCEP) is included in contract

# Patient Volume and Occupancy Rate

## Number of OPD Visits per Day

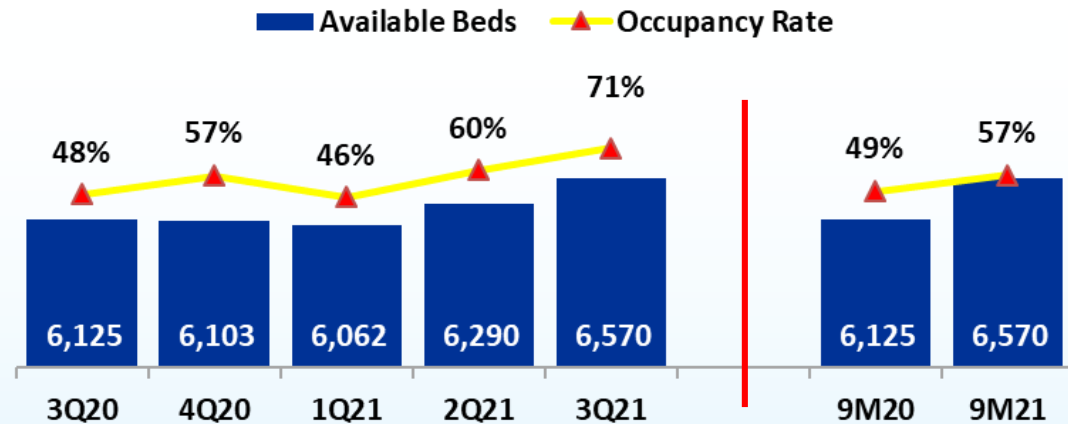


## Average Daily Census ( ADC )

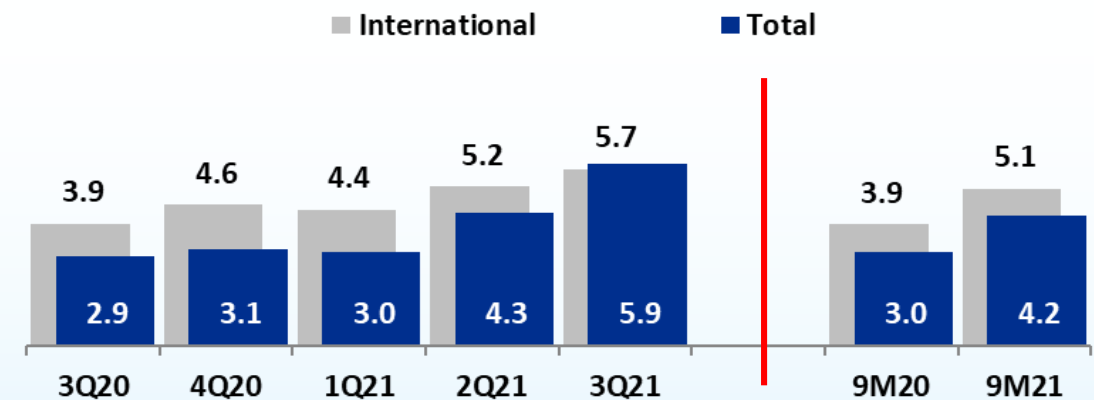


\* Excluding hospitels

## Occupancy Rate Based on Available Beds



## Average Length of Stay (days)



Remarks:- Excluding hospitels and field hospital  
- Including social security patients while excluding new born patients

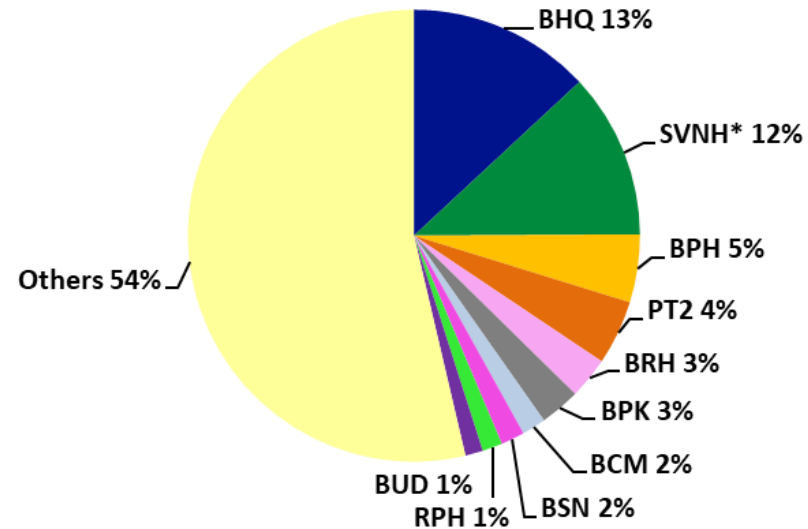
## Financial Highlights



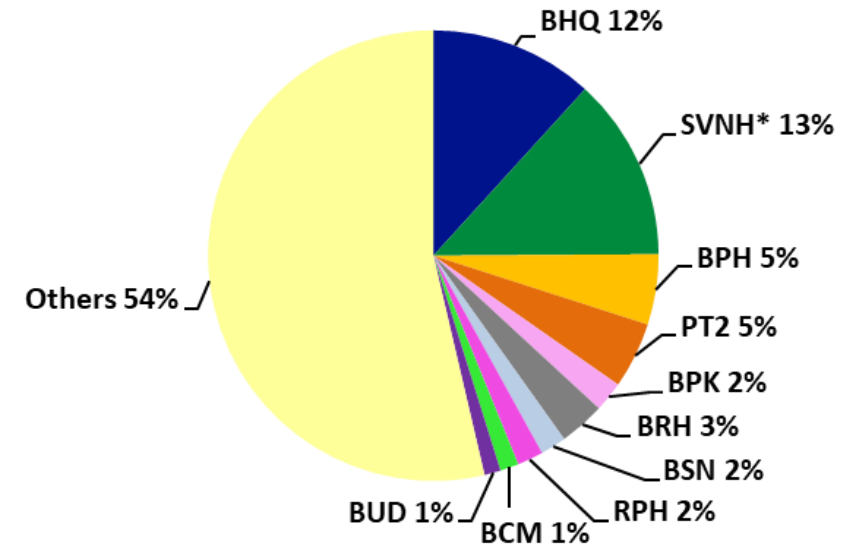


# Diversified Sources of Revenues and Profitability

## CoE Operating Income Contribution in 9M21



## CoE Total EBITDA Contribution in 9M21



## Commentary

- In 9M21, revenue from Center of Excellence (CoE) contributed 46% of operating income
- CoE contributed 46% of total EBITDA with EBITDA margin of around 23%

\* SVNH included SVH and SNH performance

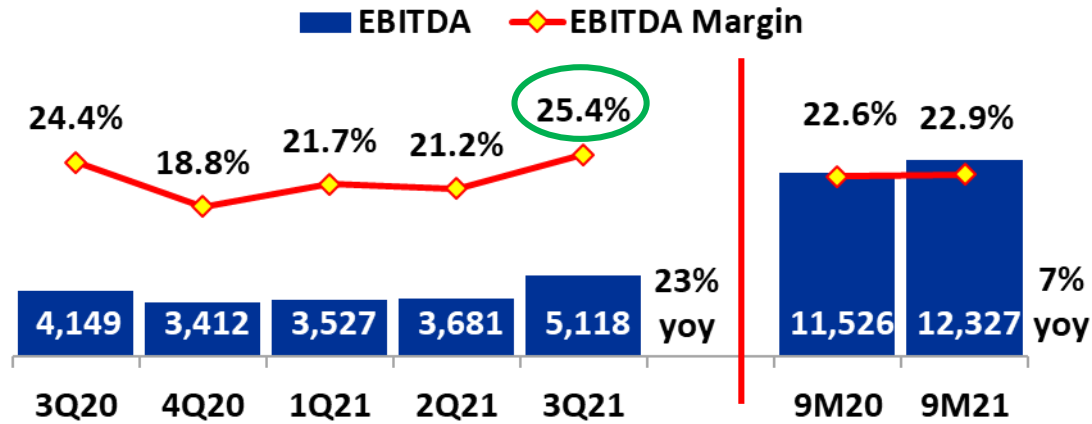
Remark: - EBITDA is calculated from revenue from hospital operations + revenue from goods + other income – cost from hospital operations – SG&A

- Hospital abbreviation shown on Appendix

# Profitability Trend

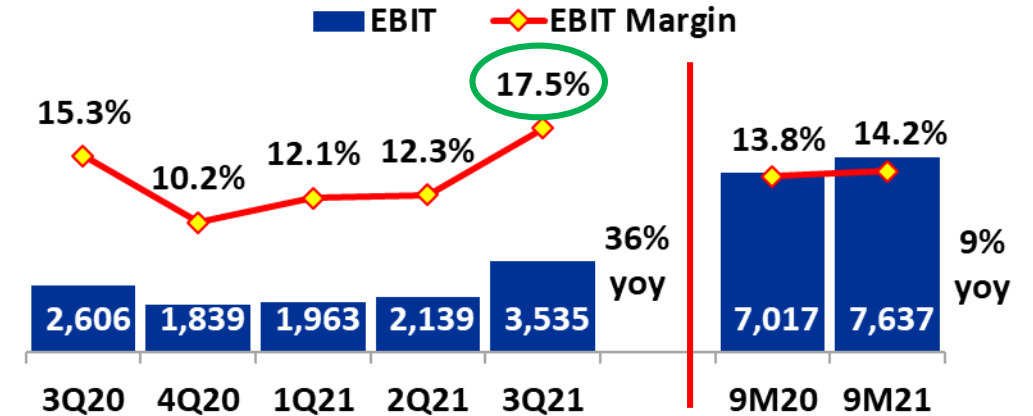
## EBITDA & EBITDA Margin

(THB mm)



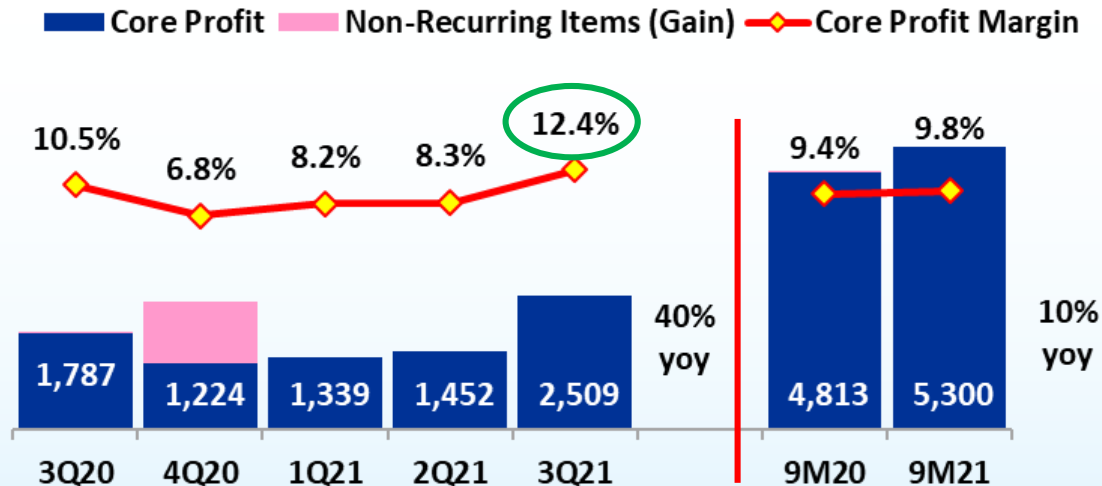
## EBIT & EBIT Margin

(THB mm)



## Core Profit & Core Profit Margin

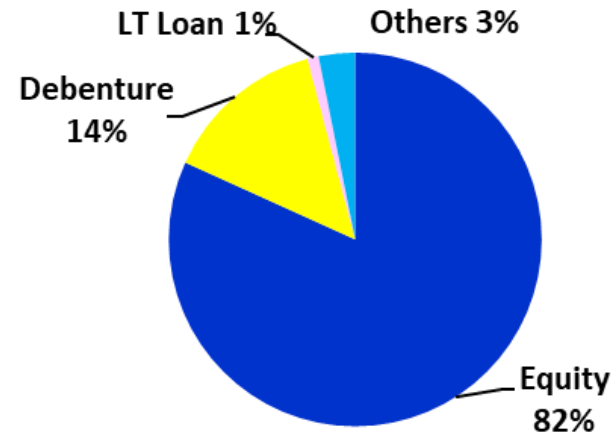
(THB mm)



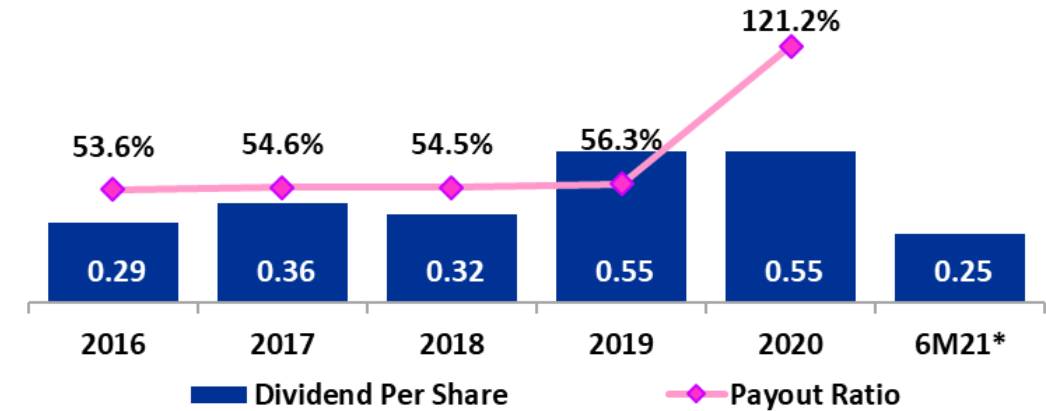
- In 3Q21, net profit was THB 2,509 million, increased by **23%** yoy mainly from higher operating income, continued cost saving program and lower finance expenses
- In 9M21, net profit was THB 5,300 million, increased by **10%** yoy

# Capital Management

## Capital Structure as of Sep 2021

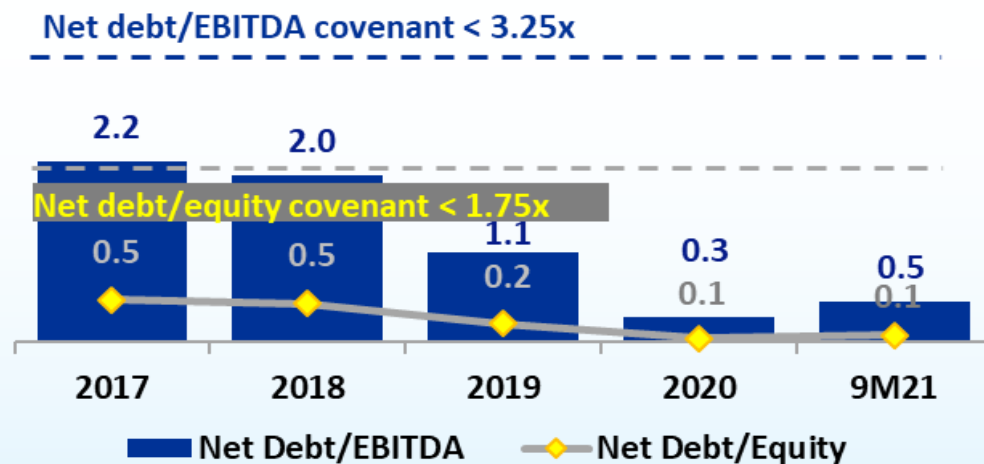


## Dividend Payment & Payout Ratio

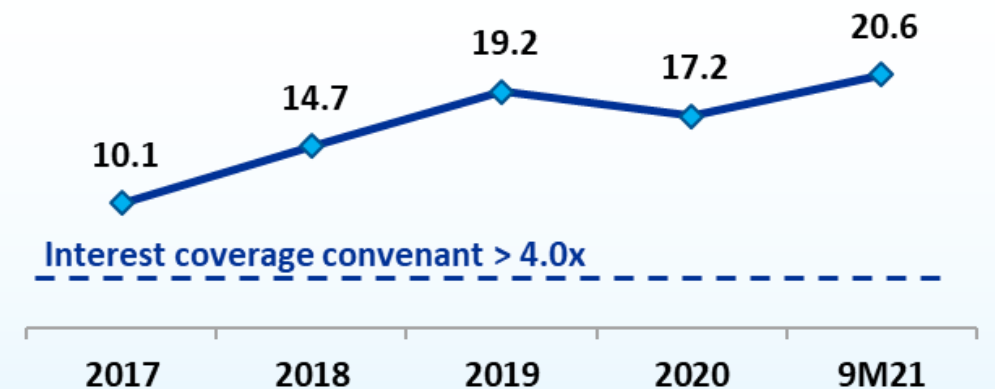


\* Interim dividend

## Gearing Ratios: Well Within Covenants



## Interest Coverage



For More Information:- [www.bangkokhospital.com](http://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	100% (BHQ)	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

## Group 2

11. Samitivej Sukhumvit (SVH)	95.8%	311
12. Samitivej Srinakarin (SNH)	95.8%	400
13. Samitivej Sriracha (SSH)	67.4%	184
14. Samitivej Thonburi (STH)	64.0%	150
15. Samitivej Chonburi (SCH)	100%	260
16. Samitivej Chinatown (SCT)	100%	59
17. BNH Hospital (BNH)	91.5%	144

## Group 3 (East)

18. Bangkok Pattaya (BPH)	97.3%	400
19. Bangkok Rayong (BRH)	100%	220
20. Bangkok Chanthaburi (BCH)	99.7%	200
21. Bangkok Trat (BTH)	99.8%	114
22. Sri Rayong (SRH)	100%	195
23. Jomtien (JTH)	97.3%	232

## Group 4 (North&Northeast)

24. Bangkok Chiangmai (BCM)	100%	175
25. Bangkok Ratchasima (BKH)	91.5%	306
26. Bangkok Pakchong (BHP)	91.5%	40
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)	98.6%	224
32. Phyathai 2 (PT2)	97.8%	260
33. Phyathai 3 (PT3)	97.6%	267
34. Phyathai Sriracha (PTS)	74.4%	350
35. Phyathai Nawamin (PTN)	99.8%	140
36. Paolo Phaholyothin (PLP)	100%	267
37. Paolo Samutprakarn(PLS)	93.7%	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. Bangkok Siriroj (BSI)	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
48. Royal Phnom Penh (RPH)	100%	100
49. Royal Angkor International (RAH)	80.0%	30

## Group 7: Non-Hospital

1. National Healthcare System	98.7%
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	47.2%

## BDMS Wellness

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