



# Rajthanee Hospital Public Company Limited

## 4Q18 & 2018 Result



Investor Presentation : March 2019



## 1. Summary and Updates

4

## 2. Business Overview

6

## 3. Financial Performance 2018 RJH Group

11

## 4. Strategies & Future Projects

20

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# 01

## Summary and Updates

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# Company Profile



<b>Our History</b>	Rajthanee Hospital Public Company Limited ("RJH") was established in 1990 and commenced its operations in 1992 under the management of experienced physicians. Most of which graduated from Siriraj Medical School and are currently major shareholders of RJH.
<b>Business Overview</b>	2 private general hospitals, namely Rajthanee Hospital and Rajthanee Rojana Hospital ("RRH"), located in Phra Nakhon Si Ayutthaya District and Bang Pa-In District, respectively, as part of Ayutthaya Province
<b>Target Customers</b>	2 primary, mid-to-low target customers: <ul style="list-style-type: none"> <li>• Non-Social Security revenue 55% and 57% of the total revenue in 2017 and 2018, respectively</li> <li>• Social Security revenue 45% and 43% of the total revenue in 2017 and 2018, respectively</li> </ul>
<b>Capacity</b>	353 registered hospital beds, 244 beds in service and 54 examination rooms
<b>Excellent Medical Centers</b>	<ul style="list-style-type: none"> <li>• Emergency and Neurosurgery Center</li> <li>• Heart Center</li> <li>• Minimal Invasive Surgery (MIS)</li> <li>• Orthopedics Center</li> <li>• MRI Center</li> </ul>
<b>Financial Performances</b>	Total revenue from hospital operations <ul style="list-style-type: none"> <li>• 2016–2018: THB 1,209.5 M, 1,403.1 and 1,587.4 respectively +15.7% CAGR</li> </ul>
<b>Future Projects</b>	<ul style="list-style-type: none"> <li>• New Hemodialysis Center</li> <li>• Bed service expansion in 2Q'19</li> <li>• Renovation and expansion of OPD examination – RJH and RRH</li> <li>• New Hospital building</li> </ul>

# 02

## Business Overview

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# Business Characteristics



## Rajthanee Hospital (RJH)



### Rajthanee Hospital Public Company Limited

Registered hospital beds	253 beds
Beds in service	212 beds
Examination rooms	48 rooms
Number of the insured persons	160,633
Quota of the insured persons	161,000
Full-time / Part-time physicians	44 / 184
Nurses	183

*As of Dec. 31, 2018*

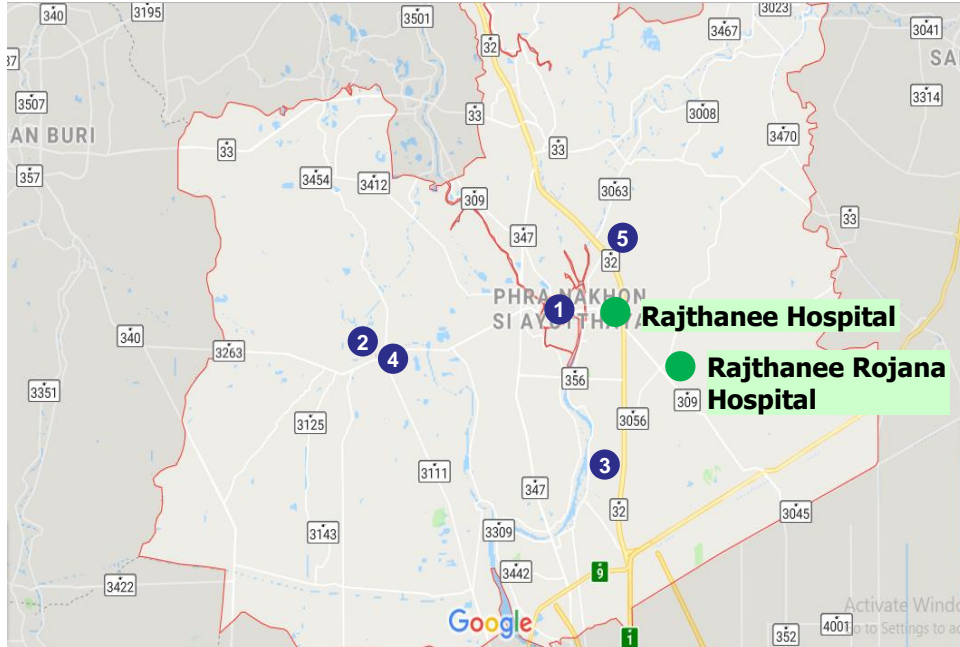
## Rajthanee Rojana Hospital (RRH)



### Rajthanee Rojana Hospital Company Limited

Registered hospital beds	100 beds
Beds in service	32 beds
Examination rooms	6 rooms
Number of the insured persons	22,159
Quota of the insured persons	35,000
Full-time / Part-time physicians	8 / 48
Nurses	31

# No.1 Hospital in Ayutthaya



## Ayutthaya Province:

- High growth prospect for hospital business
- Large population and economy with increasing healthcare spending
- Locations of major industrial estates and industrial parks:  
3 industrial estates: Ban Wa (Hi-Tech) Industrial Estate, Bang Pa-in Industrial Estate and Saha Rattana Nakorn Industrial Estate  
2 industrial parks: Rojana Industrial Park and Factory Land Wangnoi Industrial Park

## RJH as the leading private hospital group in Ayutthaya:

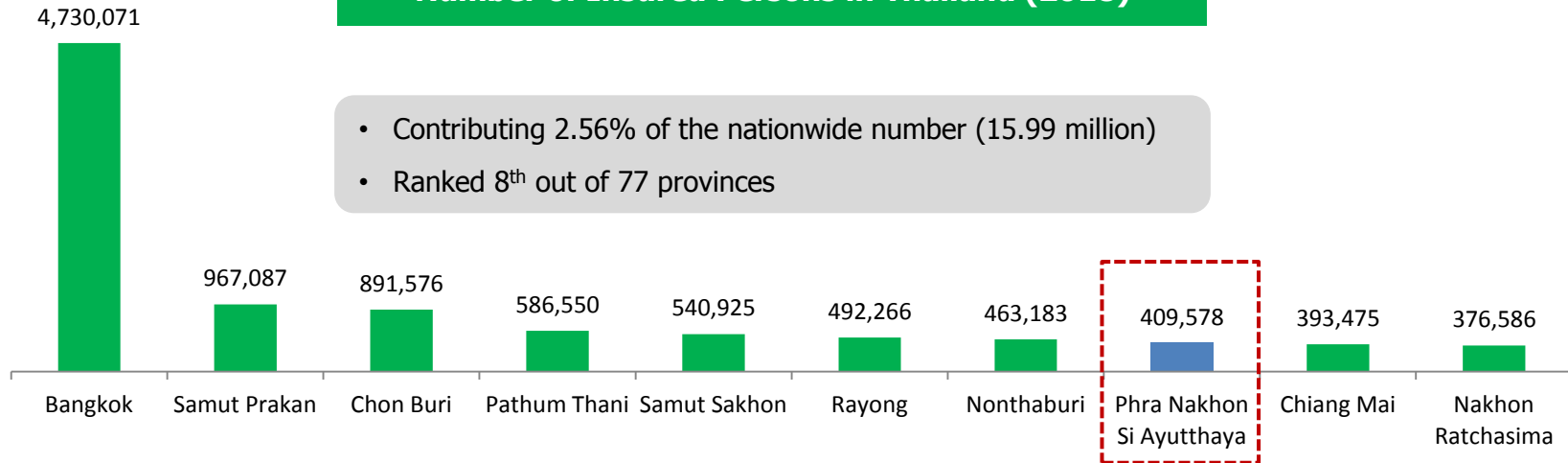
- The first private hospital in Ayutthaya celebrating its 27 years of operation
- With the largest number of registered hospital beds (i.e. 353 beds)
- Reputable medical staff and medical services of good quality and standard

No.	Hospitals	Gov't/ Private	Locations	Social Security Scheme	No. of Registered Beds
1	Phra Nakorn Sri Ayutthaya	Gov't	Phra Nakorn Si Ayutthaya District	✓	528
2	Sena Hospital	Gov't	Sena District	✓	180
3	Karunvej Ayutthaya Hospital	Private	Bang Pa-in District	✓	105
4	Supamitrsena General Hospital	Private	Sena District	-	100
5	Peravech Hospital	Private	Phra Nakorn Si Ayutthaya District	-	53

# Ayutthaya's Healthcare Industry Outlook



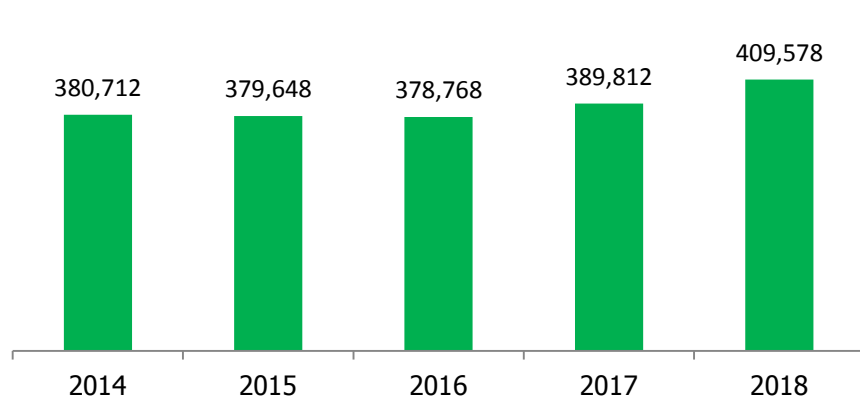
## Number of Insured Persons in Thailand (2018)



- Contributing 2.56% of the nationwide number (15.99 million)
- Ranked 8<sup>th</sup> out of 77 provinces

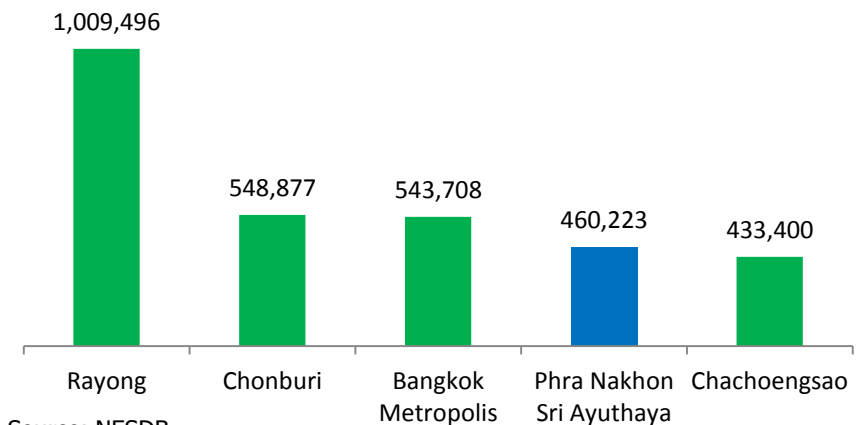
Source: Social Security Office, Ministry of Labor

## Number of Insured Persons in Ayutthaya



Source: Social Security Office

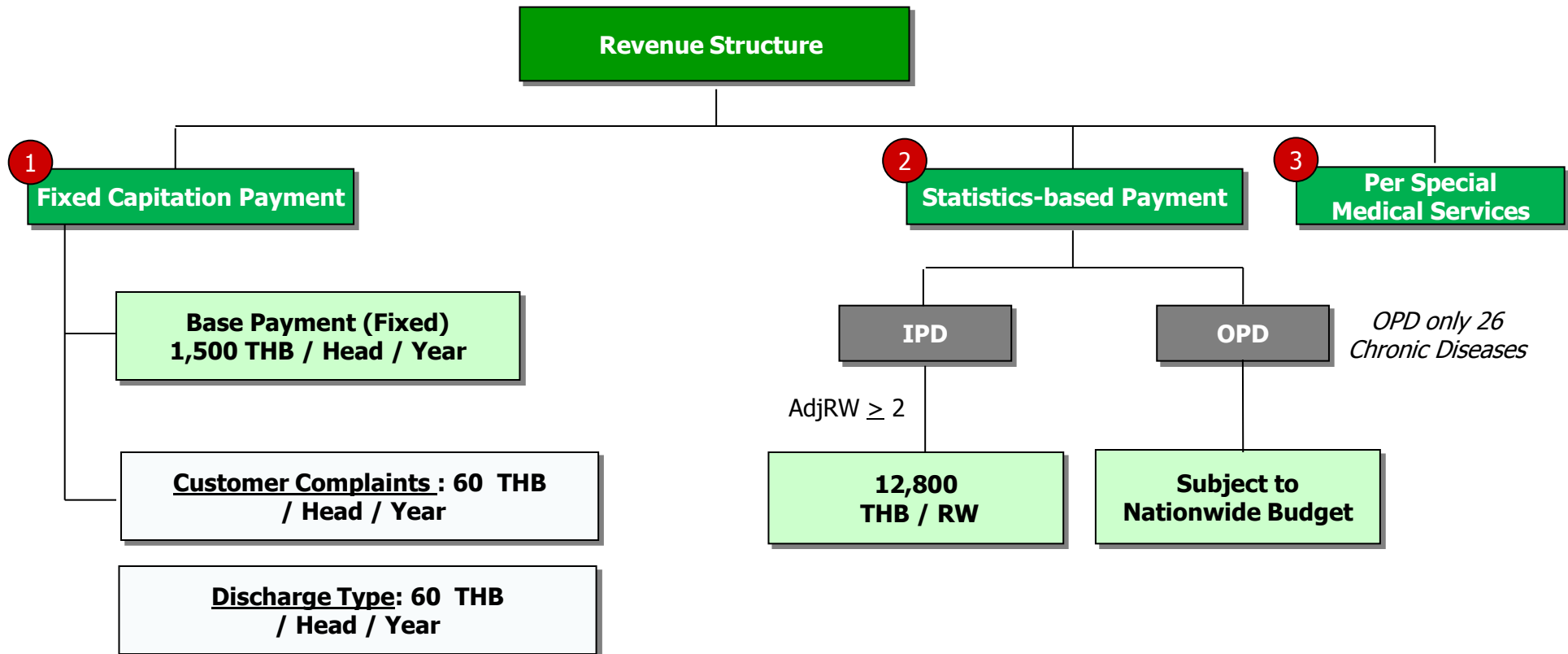
## Top 5 GPP per capita (2017)



Source: NESDB



# Revenue Structure under Social Security Scheme



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## 3. Financial Performance 2018 – RJH GROUP

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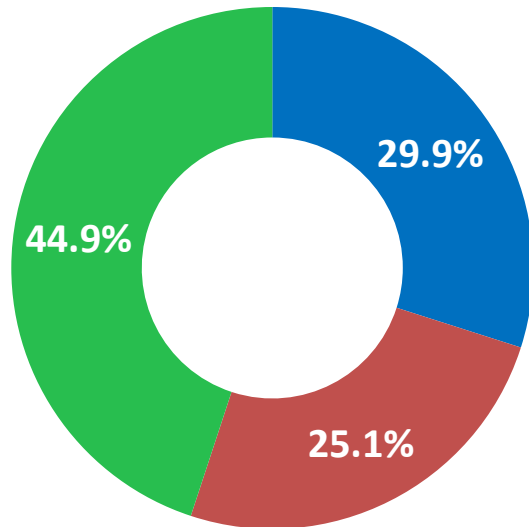


# Revenue Breakdown By Patient Type

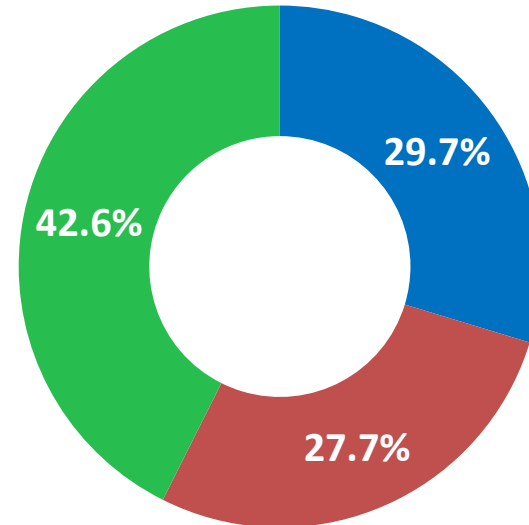


## Patient Type (Consolidated)

2017



2018

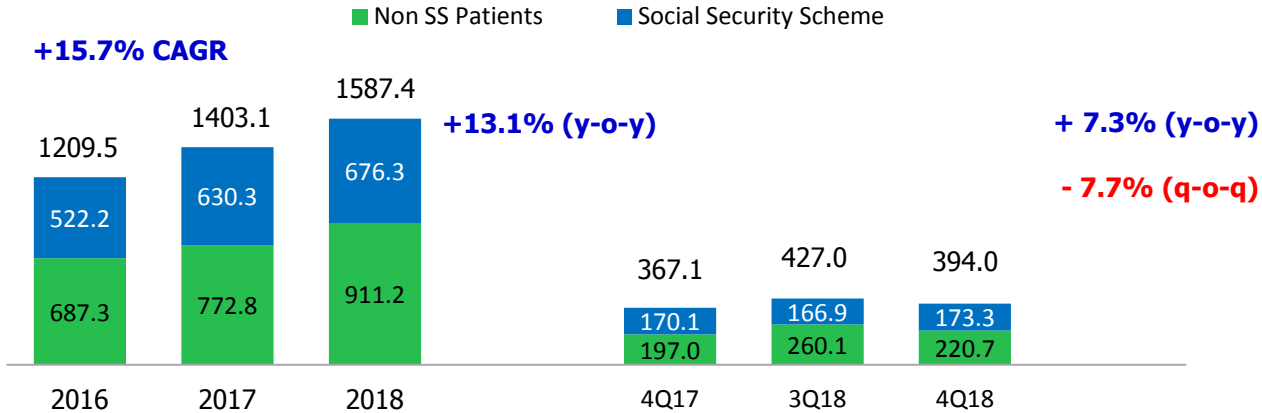


- OPD Non SS Patients
- IPD Non SS Patients
- Social Security Scheme

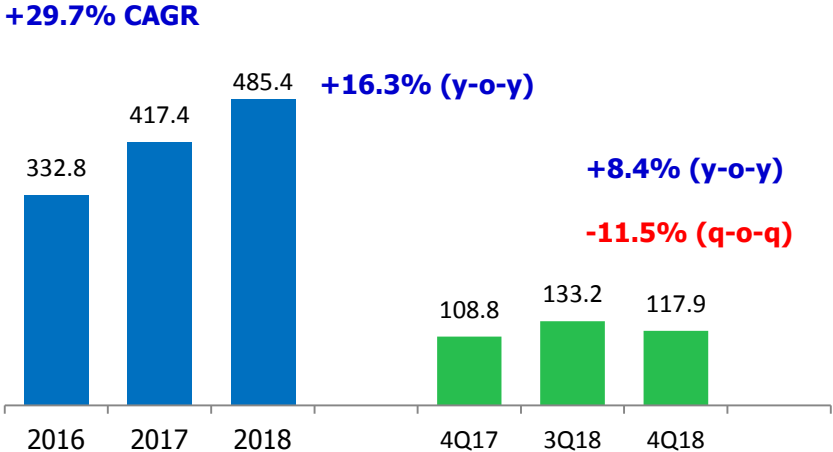
# 2018 Group Performance



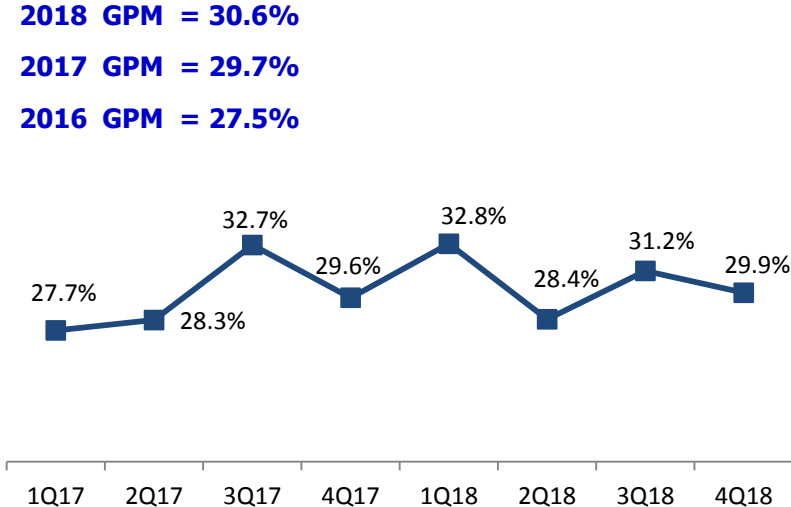
## Revenue from Hospital Operations (THB Million)



## Gross Profit (THB Million)



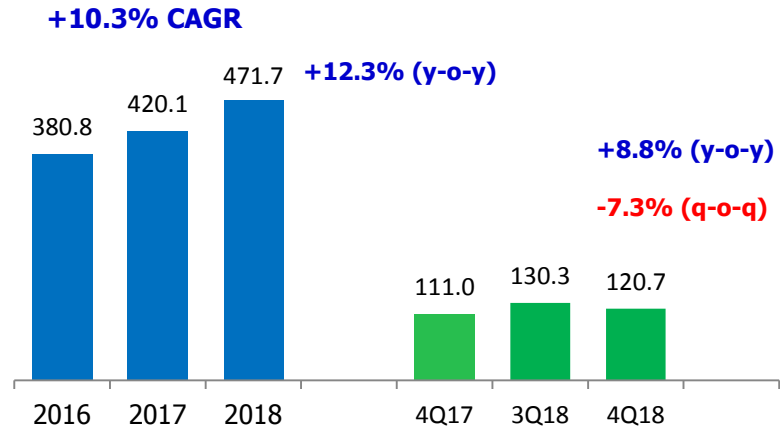
## Gross Profit Margin (%)



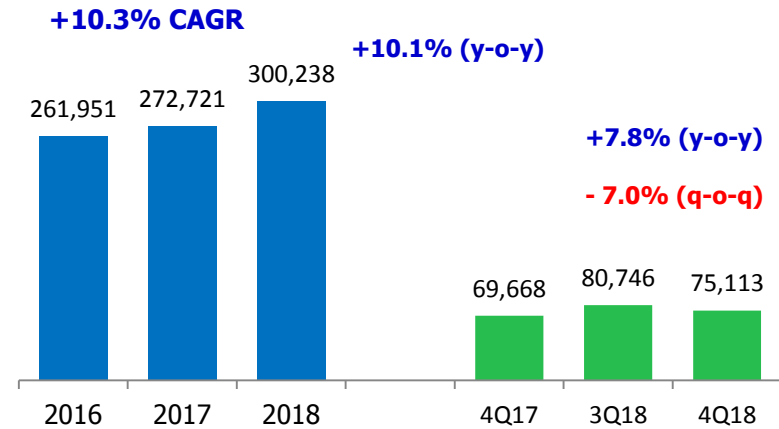
# OPD - Non SS Patients



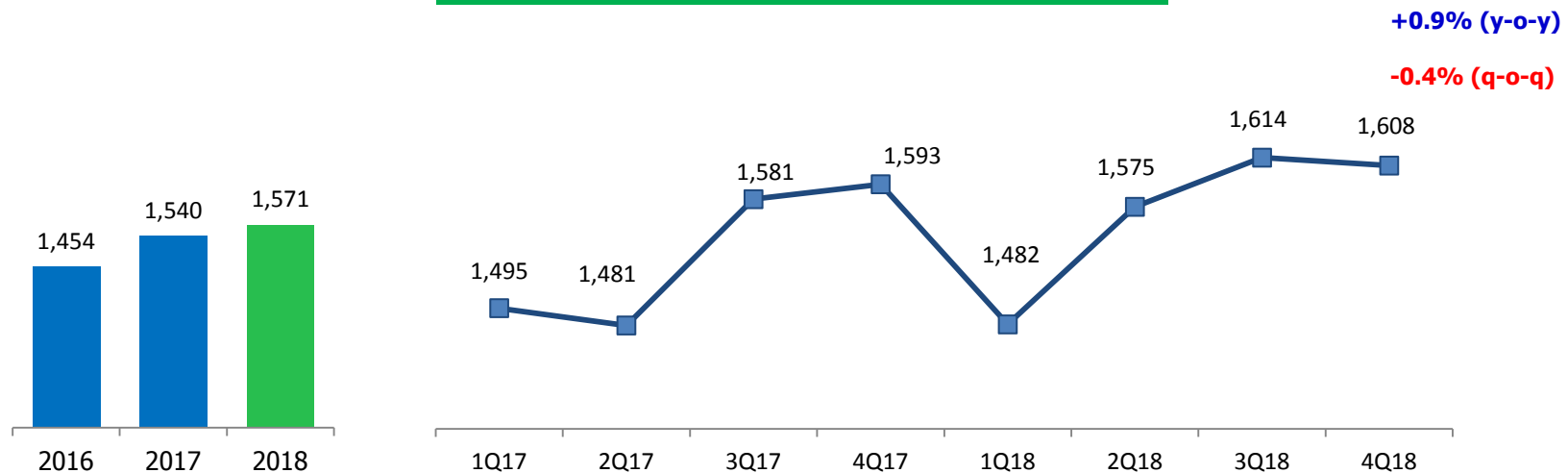
## Revenue from OPD Non SS Patients (MB)



## Number of OPD Visits (Visits)



## Revenue per OPD Visit (THB/Visit)

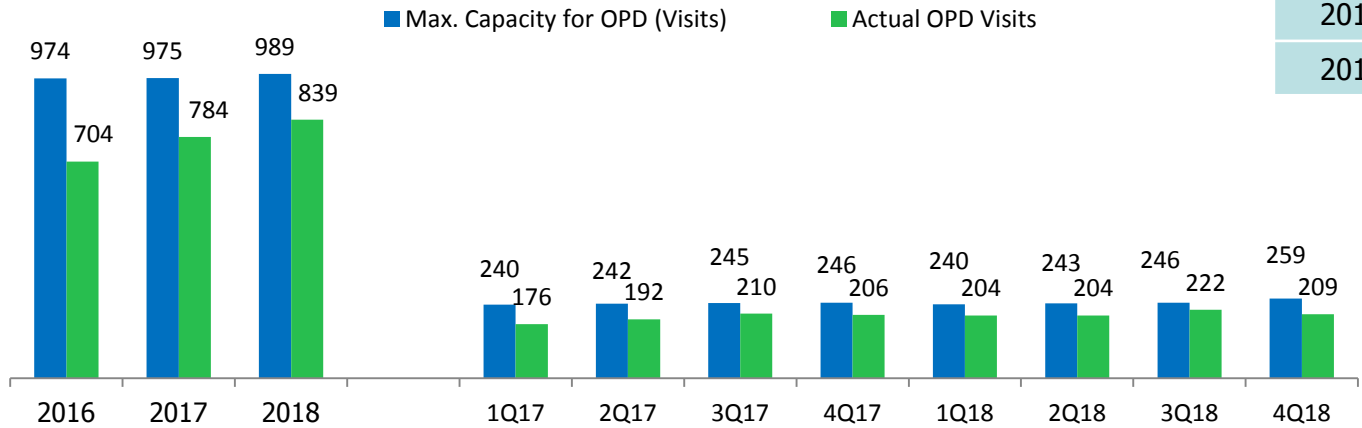


# OPD Utilization Rate – All Sectors



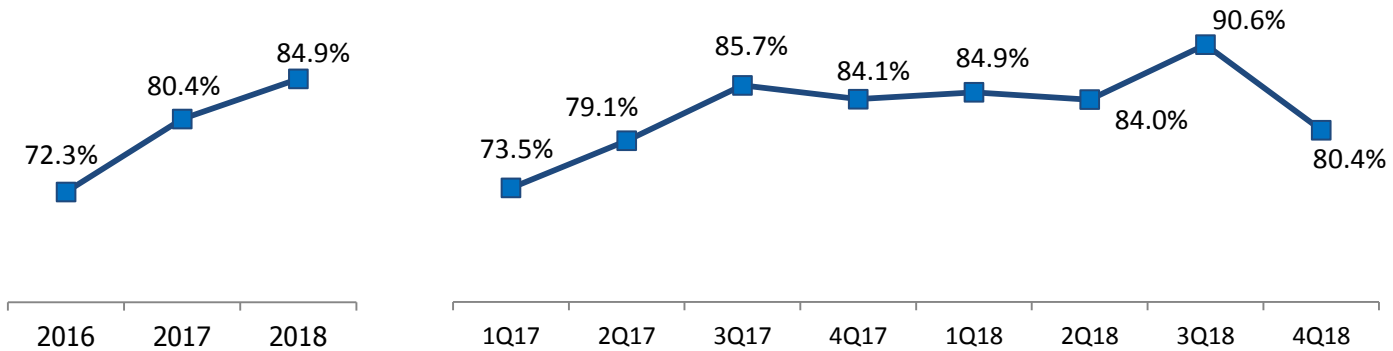
## OPD Visits

(Unit: '000 visits)



Period	No. of Exam. Rooms	Hemo dialysis Units
2016	51	43
2017	51	47
2018	54	47

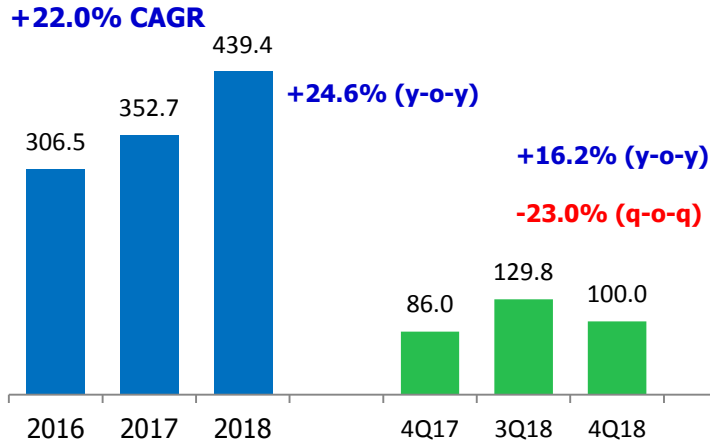
## OPD Utilization Rate (%)



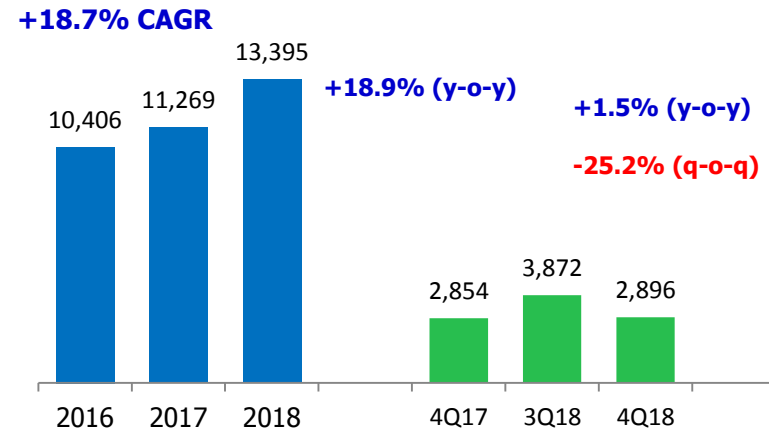
# IPD – Non SS Patients



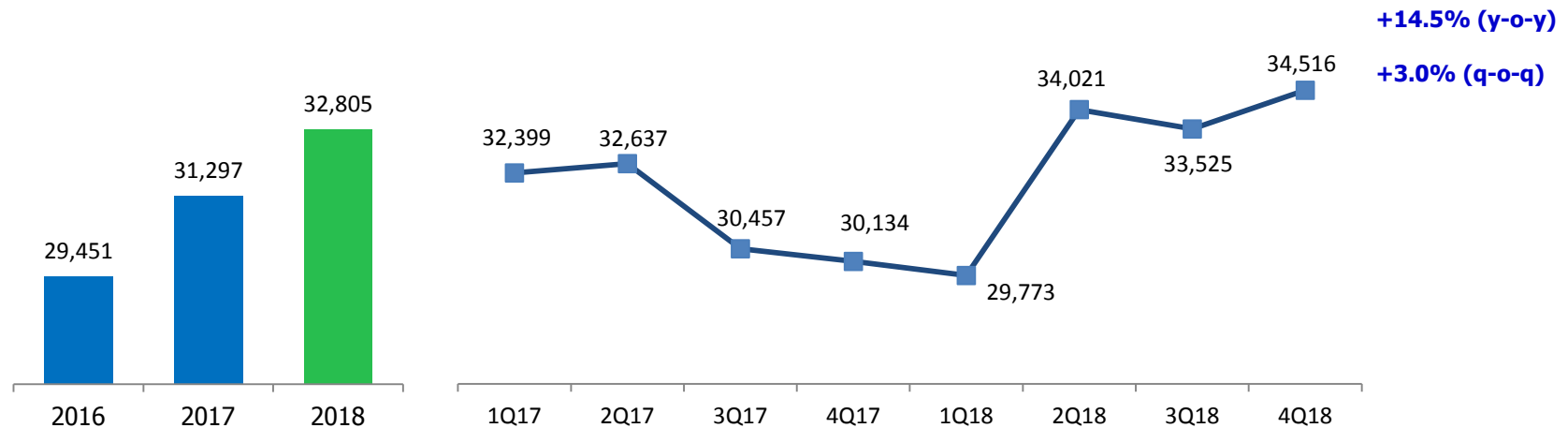
## Revenue from IPD Non SS Patients (MB)



## Number of IPD Patient (Visits)



## Revenue per Head (THB/Visit)



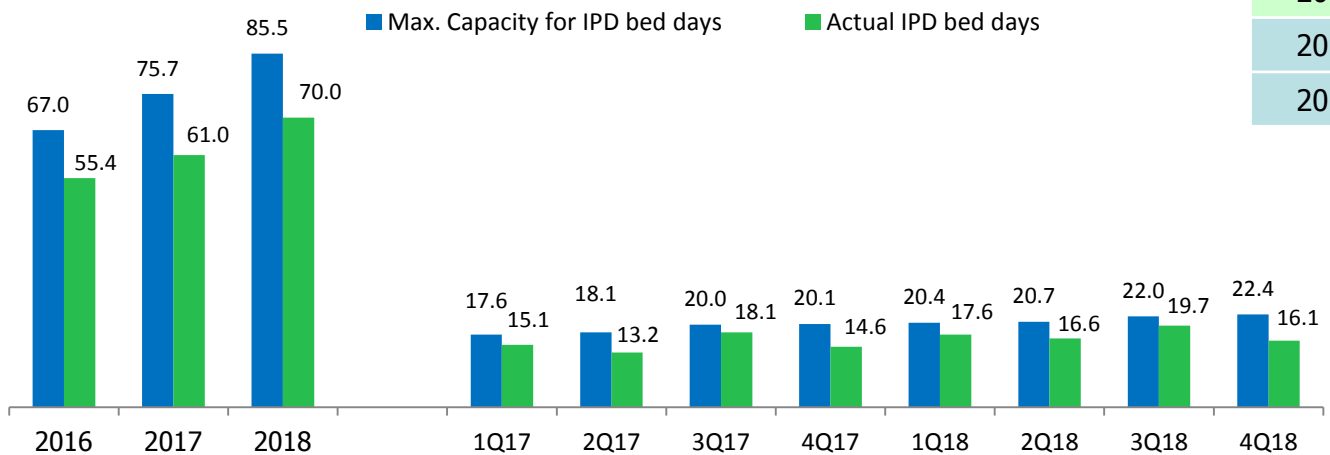
# IPD Utilization Rate – All Sectors



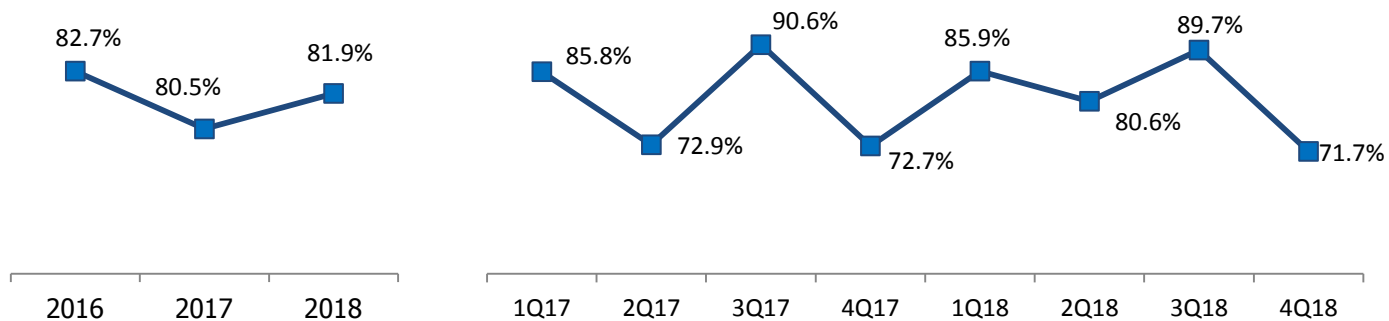
## IPD Beds

Period	No. of Beds in Service
2016	185
2017	219
2018	244

(Unit: '000 visits)



## IPD Utilization Rate (%)

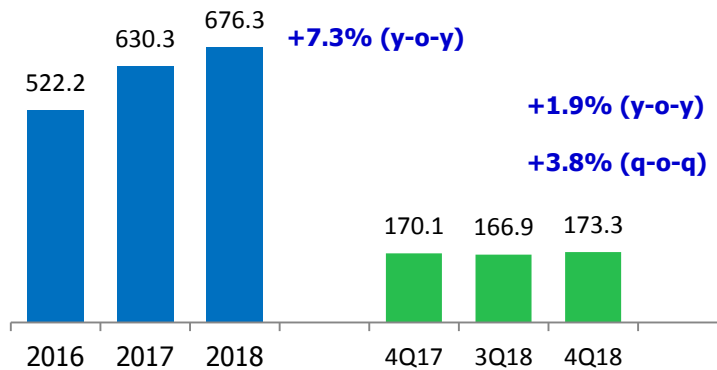


# Social Security Scheme



## Revenue from SS Patients (MB)

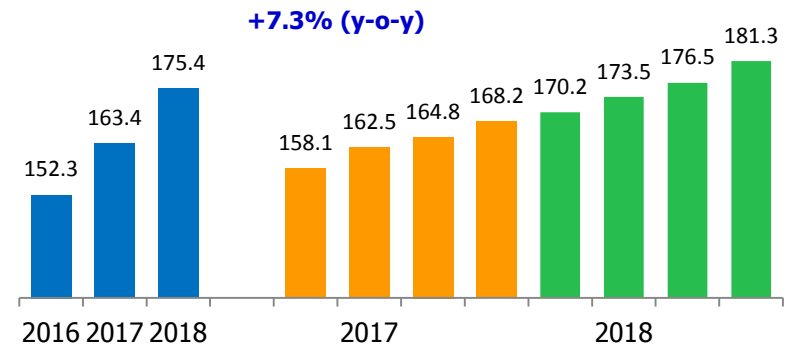
+16.2% CAGR



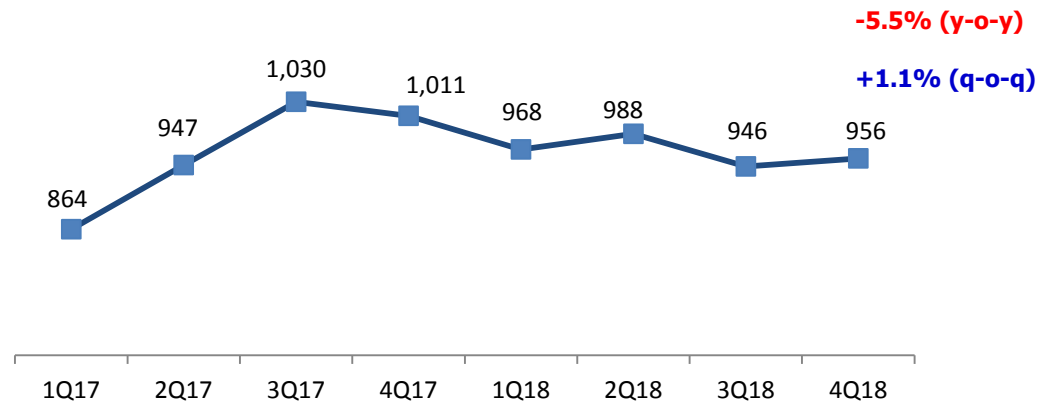
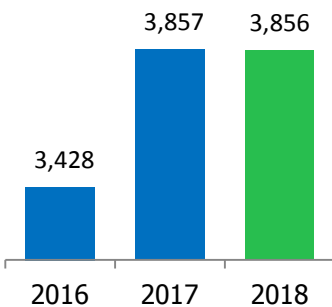
## Average Registered SS Patients

(Unit: '000 head)

+6.9% CAGR



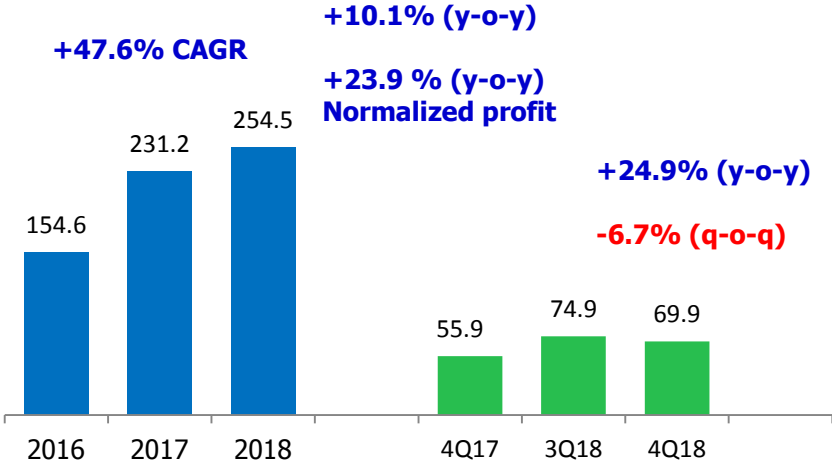
## Revenue per Average Registered SS Patients (THB/Head)



# 2018 Group Performance

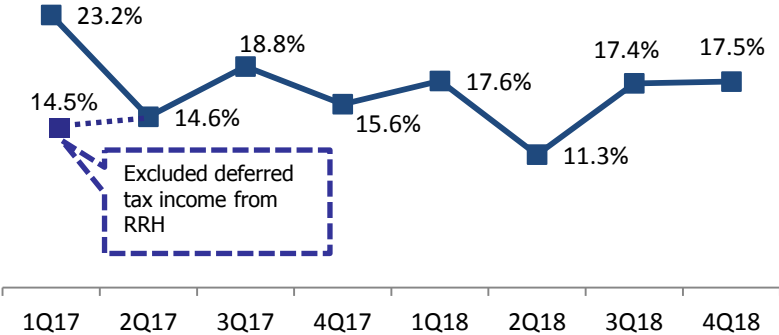


## Net Profit (THB Million)



## Net Profit Margin (%)

**2018 NPM = 16.0% (16.5% exc. extra Item)**  
**2017 NPM = 18.0% (15.0% exc. extra Items)**  
**2016 NPM = 12.7%**



- 2Q'17 RRH adjusted upward social security income from chronic diseases amount of THB 7.7 million.
- 2017 RRH deferred tax income net of THB 24.1 million.
- 2Q'18 RJH group adjusted upward SG&A from the revised down of social security income (AdjRW) of 4Q'17 amount of THB 10.7 million.

# 04

## Strategies & Future Projects

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# Strategies and Future Projects



Segments	Strategies
<b>Total Revenue</b>	<ul style="list-style-type: none"> <li>Targeted total revenue growth of 10-15%</li> </ul>
<b>OPD</b>	<ul style="list-style-type: none"> <li>Expansion of Hemodialysis in April 2019.</li> <li>Added 3 new OPD examination in 2Q'19 at RJH to avoid crowded, renovation/expansion of OPD examination area at RRH.</li> <li>Focus more on foreign patients.</li> </ul>
<b>IPD</b>	<ul style="list-style-type: none"> <li>Adding about 20-25 hospital beds at RJH in 2Q'19. RRH was added 6 service bed in Jan. '19.</li> <li>Adding 2-3 surgery rooms at RJH</li> <li>Increase ICU utilization.</li> <li>Increase Cathlab referral case from nearby provinces. Expected 200-250 case will add in 2019</li> <li>Focus on growth of Minimal invasive surgery (MIS).</li> <li>Increase utilization from Labor Room (LR) by referral of Obstetrical delivery cases.</li> </ul>
<b>Social Security</b>	<ul style="list-style-type: none"> <li>Increase the number of insured persons at RRH</li> <li>Boost income from SW checkup, chronic disease and dental</li> <li>More effectively cost control</li> </ul>

# Future Projects



Projects	Capital Expenditure	Expected Completion	Project Details
<b>Hemodialysis Center</b>	-	2Q 2019	<ul style="list-style-type: none"> <li>Expansion from 27 to 43 units at RJH</li> </ul>
<b>Capacity Expansion</b>	-	2Q 2019	<ul style="list-style-type: none"> <li>6 beds in RRH were added in Jan. '19</li> <li>about 20-25 beds in RJH will add in 2Q'19</li> <li>2-3 OPD examination will add at RJH in 2Q'19, renovation/expansion of OPD examination area at RRH.</li> </ul>
<b>New Hospital</b>	Approx. THB 400 Mil.	2021	<ul style="list-style-type: none"> <li>New 120 patient beds with full hospital service</li> <li>Expecting to absorb demand of healthcare services for 5-10 years</li> </ul>



**Thank You**

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