



# Rajthanee Hospital Public Company Limited

1Q 2020 Result



# Agenda



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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 , one of Thailand's best medical school.
<b>Business Overview</b>	2 private general hospitals, namely Rajthanee Hospital and Rajthanee Rojana Hospital ("RRH"), located in Phra Nakhon Si Ayutthaya.
<b>Target Customers</b>	<ul style="list-style-type: none"> <li>• Mid-to-low income patients and social security patients</li> <li>• Non-Social Security revenue : Social Security revenue proportions are 59 : 41 (2019) and 56 : 44 (1Q 2020)</li> </ul>
<b>Capacity</b>	353 registered hospital beds, 273 beds in service , 69 OPD units and 55 Hemodialysis units as of March 2020
<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>	<p>Total revenue from hospital operations</p> <ul style="list-style-type: none"> <li>• 2017–2019 : THB 1,403.1 million ; 1,587.4 million and 1,770.8 million respectively +8% CAGR</li> </ul>
<b>Future Projects</b>	<ul style="list-style-type: none"> <li>• New hospital nearby existing hospitals</li> <li>• New hospital in Saraburi province</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	235 beds
OPD units	59 rooms
Hemodialysis units	35 beds
Number of the insured persons	160,511
Quota of the insured persons	161,000
Full-time / Part-time physicians	46 / 203
Nurses	176

## Rajthanee Rojana Hospital (RRH)

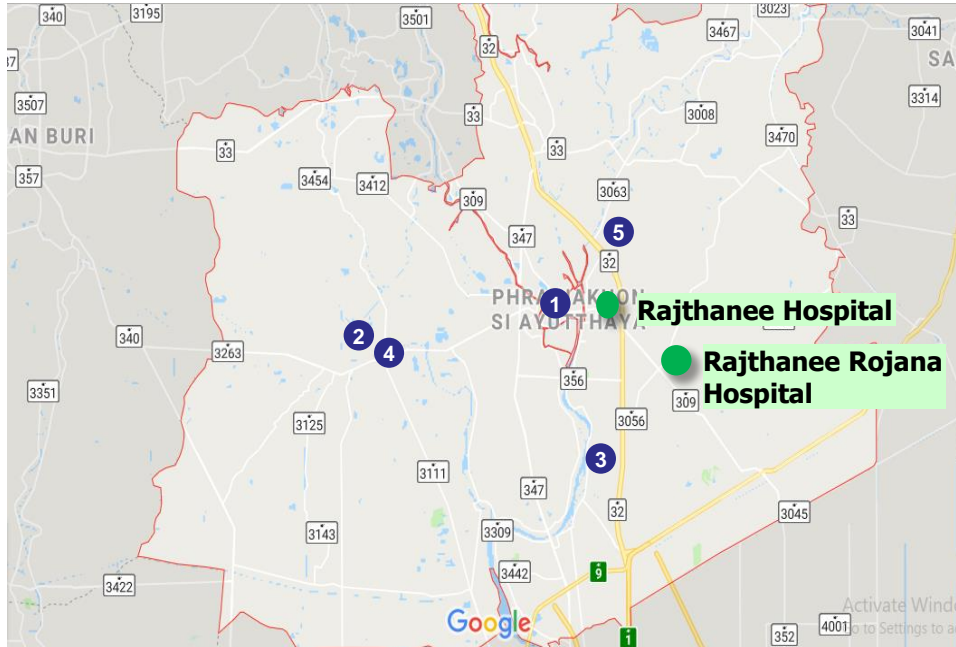


### Rajthanee Rojana Hospital Company Limited

Registered hospital beds	100 beds
Beds in service	38 beds
OPD units	10 rooms
Hemodialysis units	20 beds
Number of the insured persons	33,898
Quota of the insured persons	40,000
Full-time / Part-time physicians	7 / 72
Nurses	28

As of *March 31, 2020*

# No.1 Hospital in Ayutthaya



## Ayutthaya Province:

- 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 and biggest private hospital in Ayutthaya and nearby provinces
- Capture 50% market share of Ayutthaya's Social Security insurers
- Reputable medical staff and medical services of good quality and standard

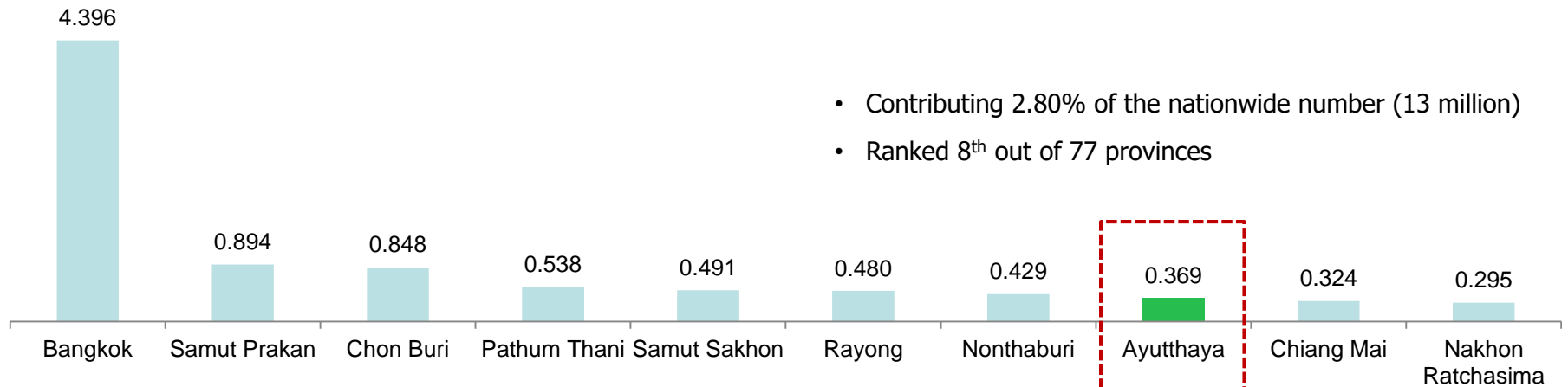
No.	Hospitals	Gov't/ Private	Locations	Social Security Scheme	No. of Registered Beds
1	Phra Nakorn Sri Ayutthaya	Gov't	Phra Nakhon Si Ayutthaya District	✓	528
2	Sena Hospital	Gov't	Sena District	✓	180
3	Karunvej Ayutthaya Hospital	Private	Bang Pa-in District	✓	105
4	Supamitsena General Hospital	Private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



# Social Security Sector's Outlook

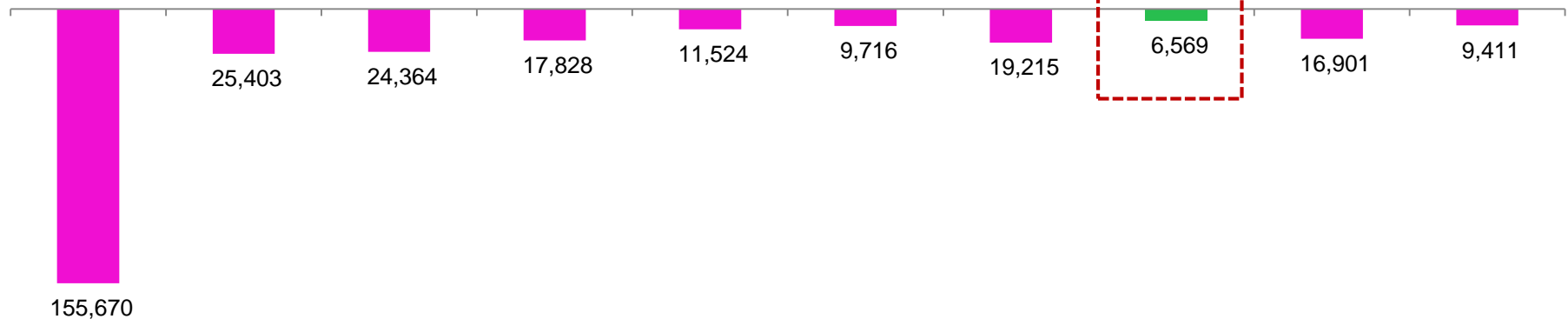


## Number of Insured Persons of Sector 33 & 39 (unit : million)

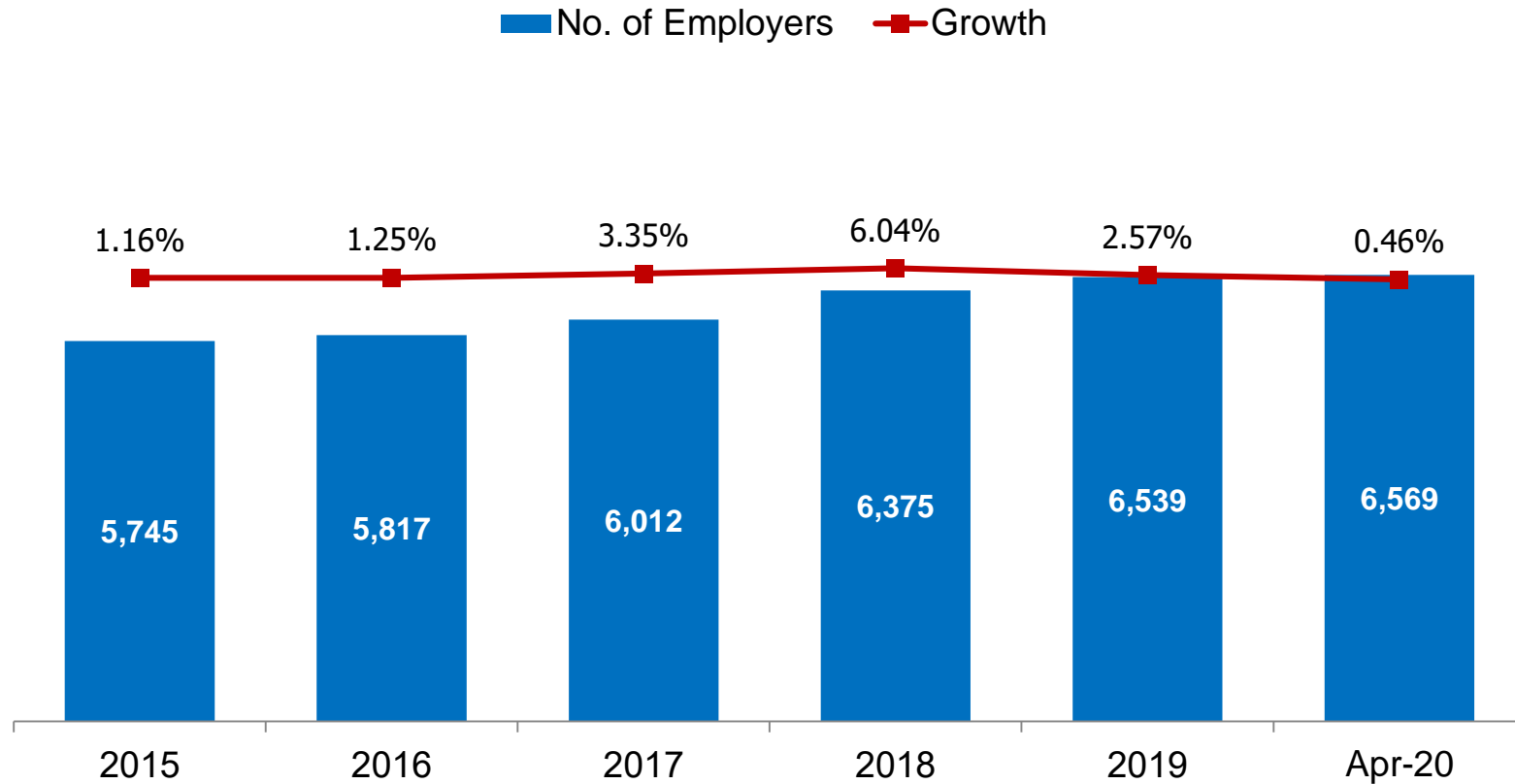


- Contributing 2.80% of the nationwide number (13 million)
- Ranked 8<sup>th</sup> out of 77 provinces

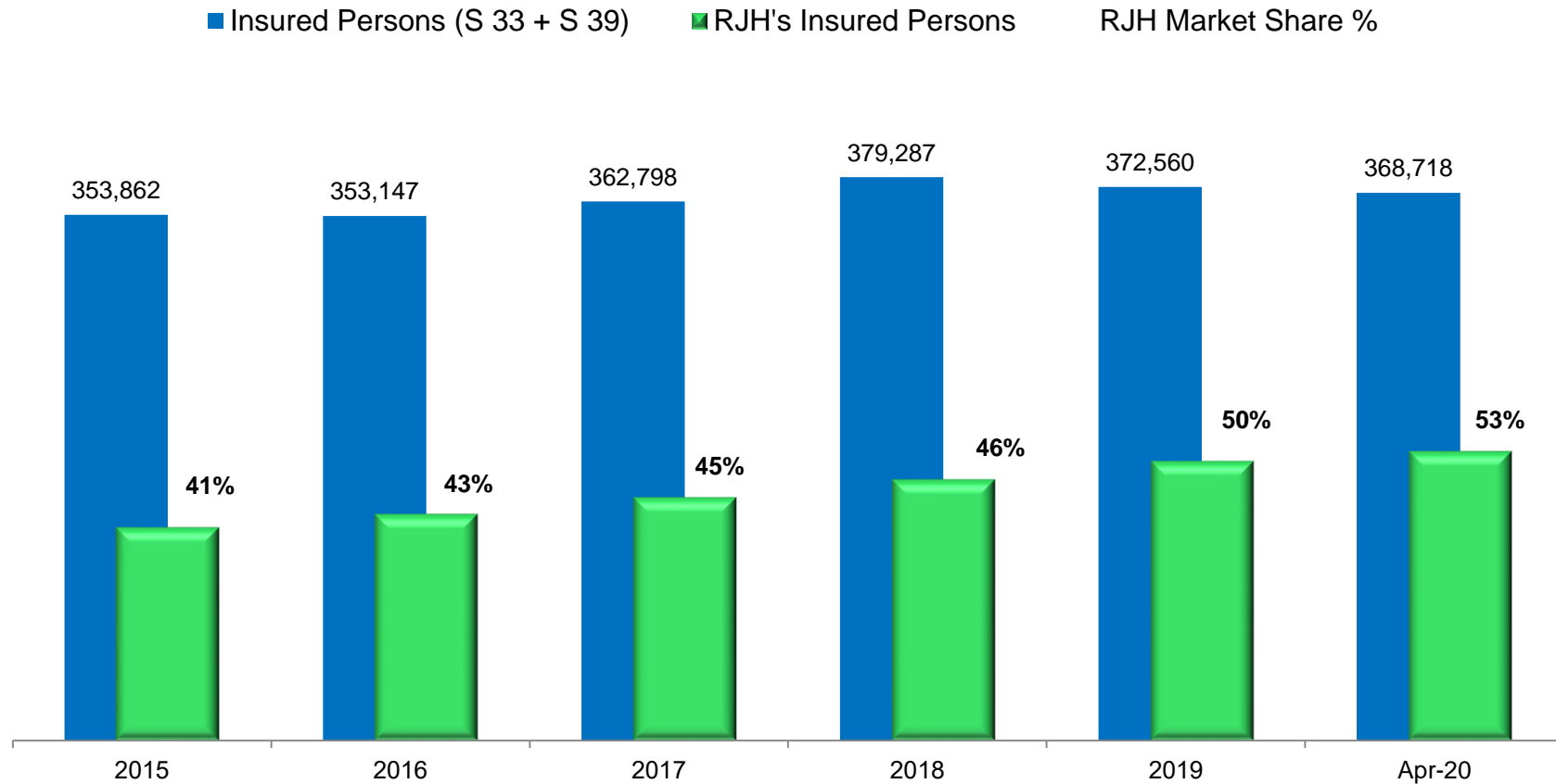
## Number of Employers



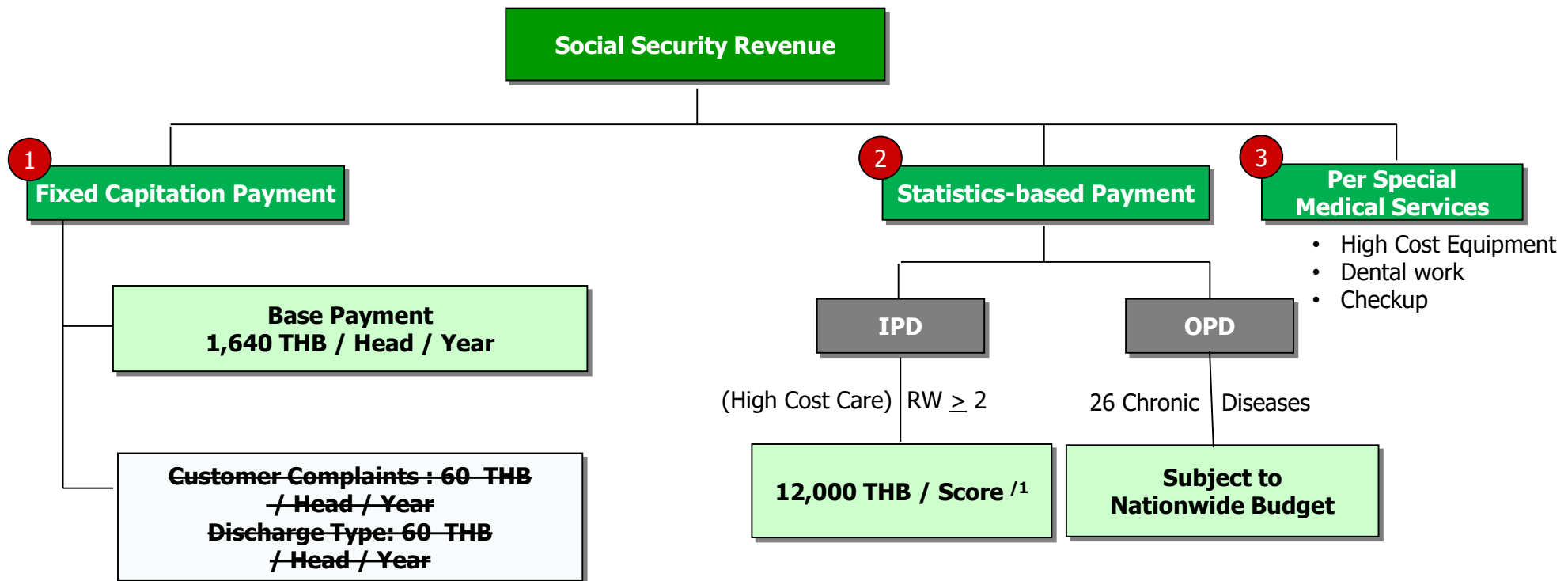
# Ayutthaya's Social Security Employers



# Ayutthaya's Social Security Insurers



# Revenue Structure under Social Security Scheme



/1 Average actual payment for the past 3 years = THB 11,716 /score

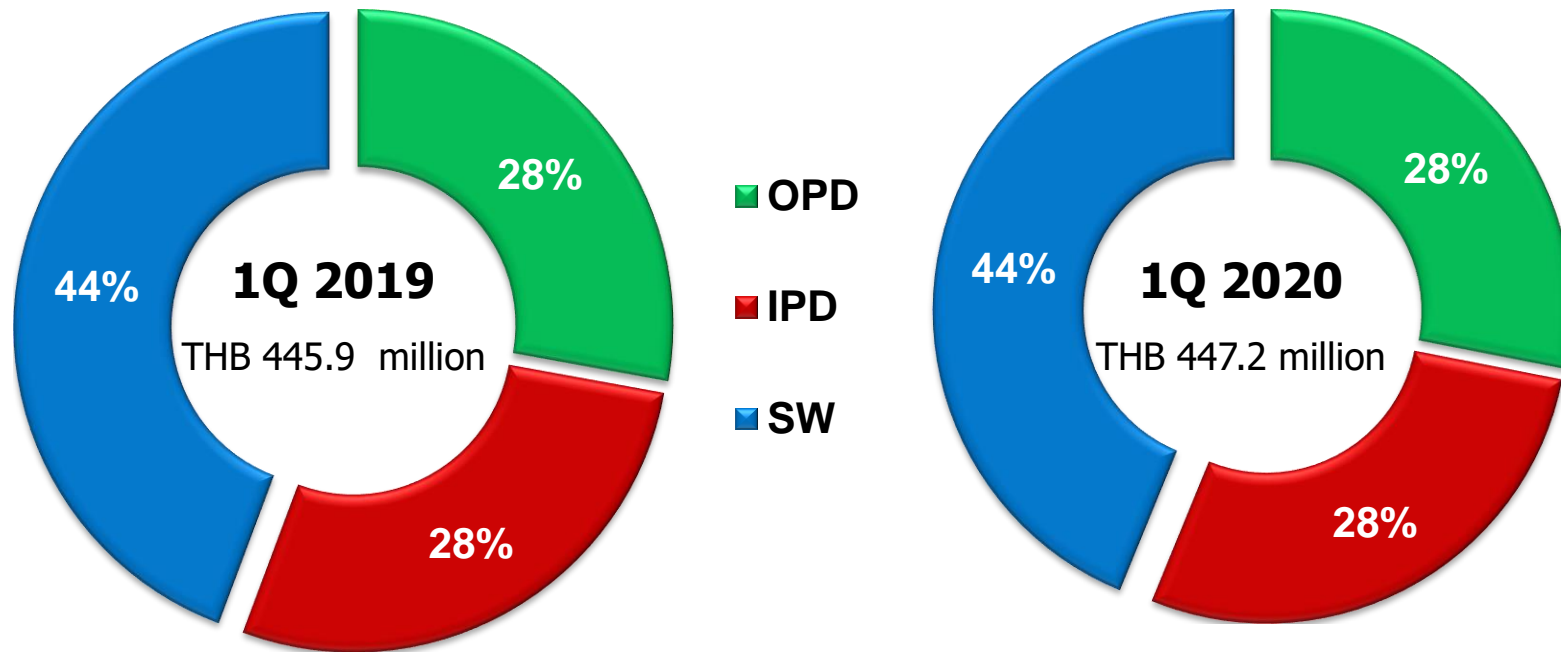
# 03

## Financial Performance

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# Revenue Breakdown By Patient Type

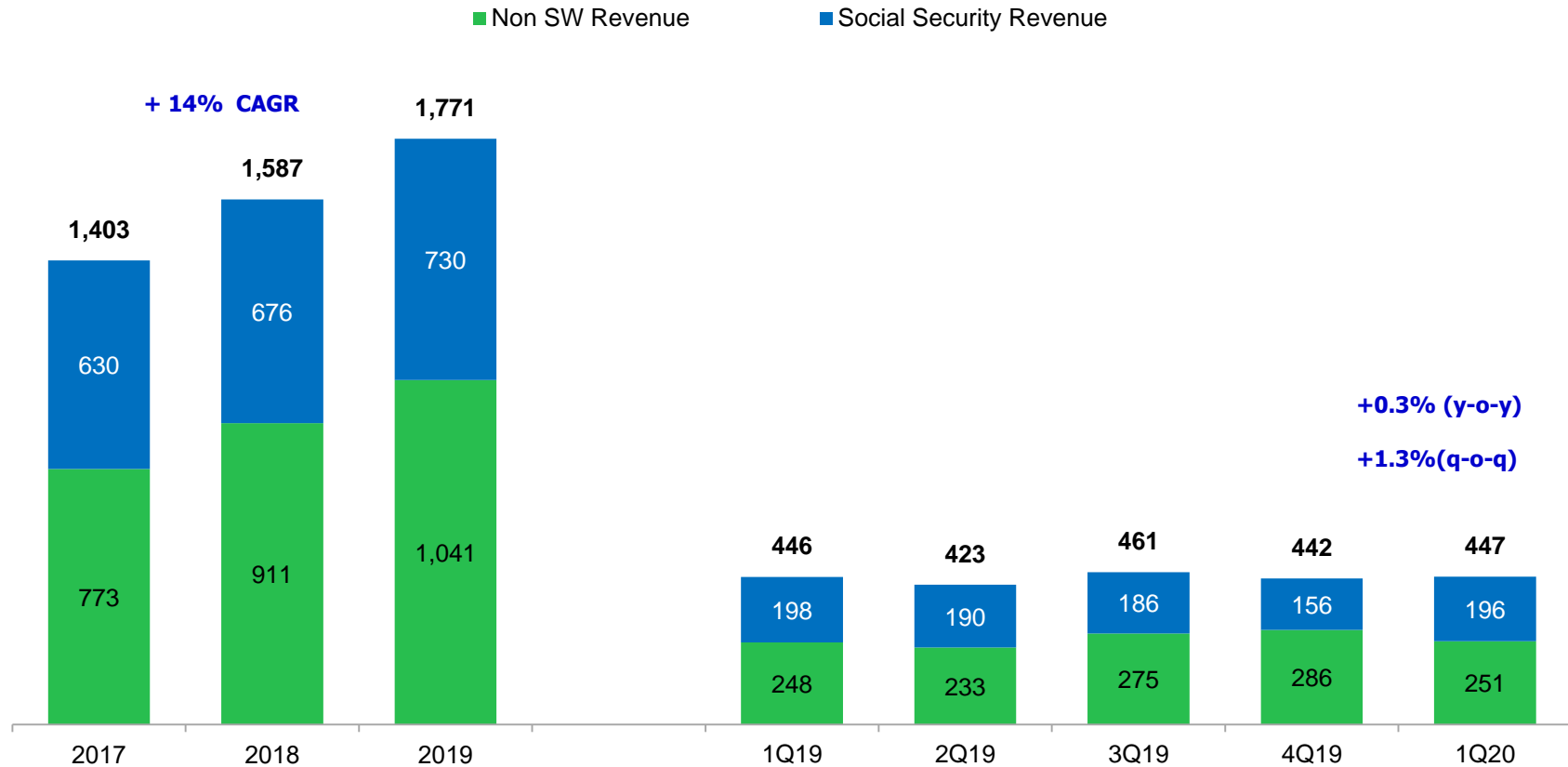




# Group Performance



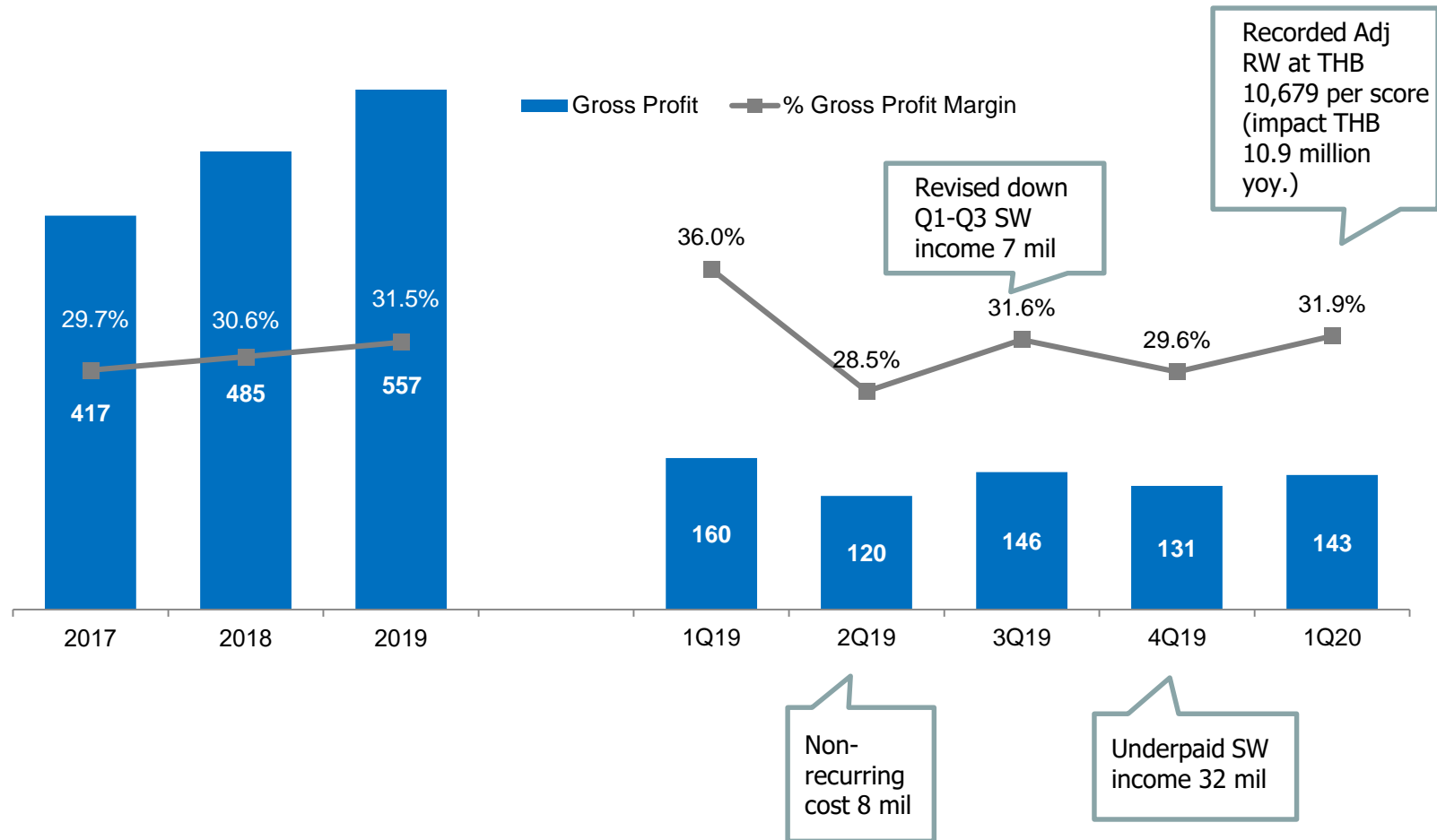
## Revenue from Hospital Operations (THB Million)



# Group Performance



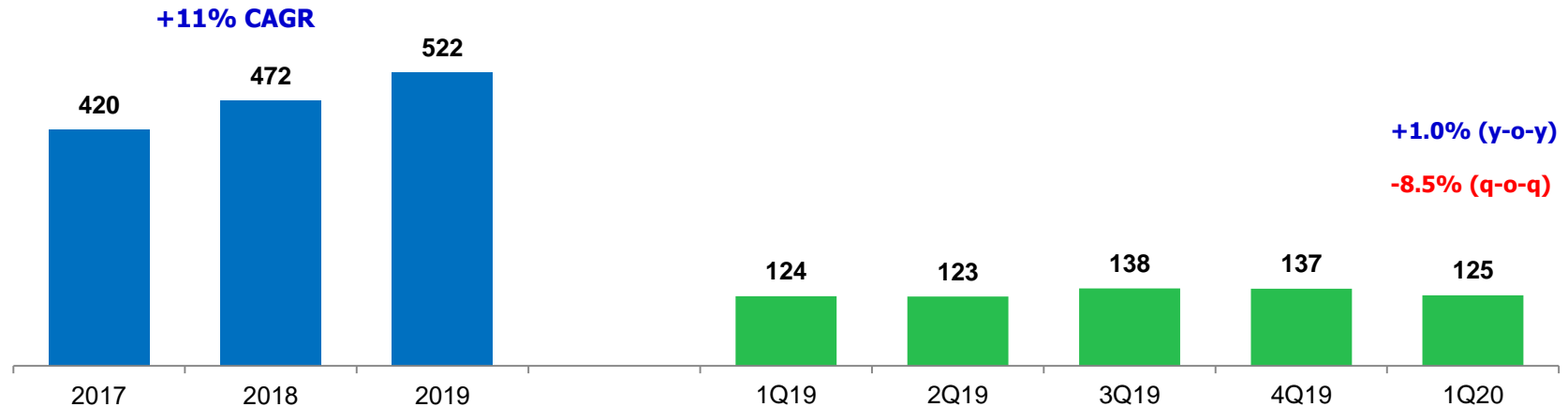
## Gross Profit



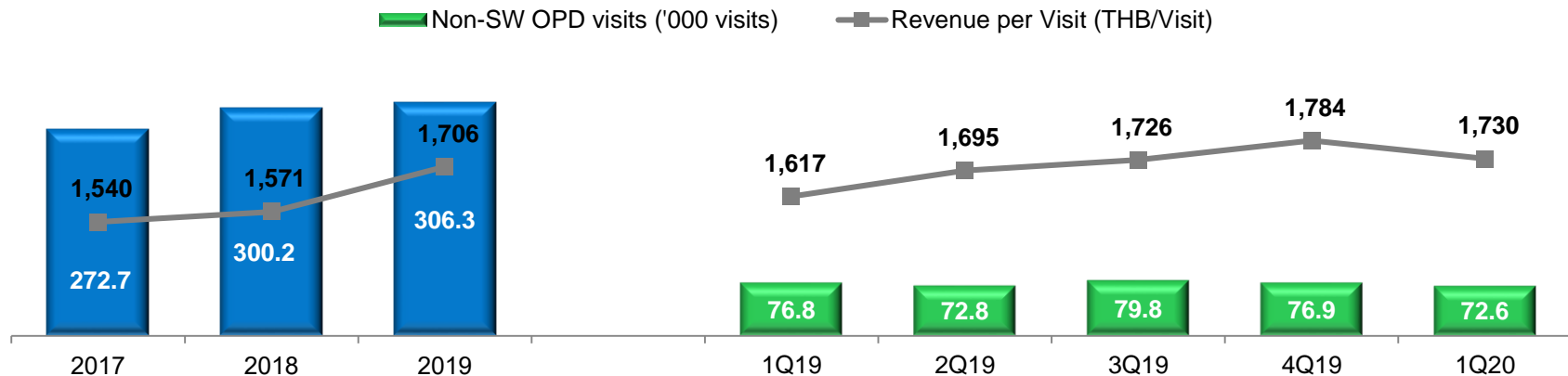
# OPD - Non SW Patients



## Revenue from OPD Non SW Patients (THB Million)



## Number of Visits <sup>/1</sup> and Revenue per Visit

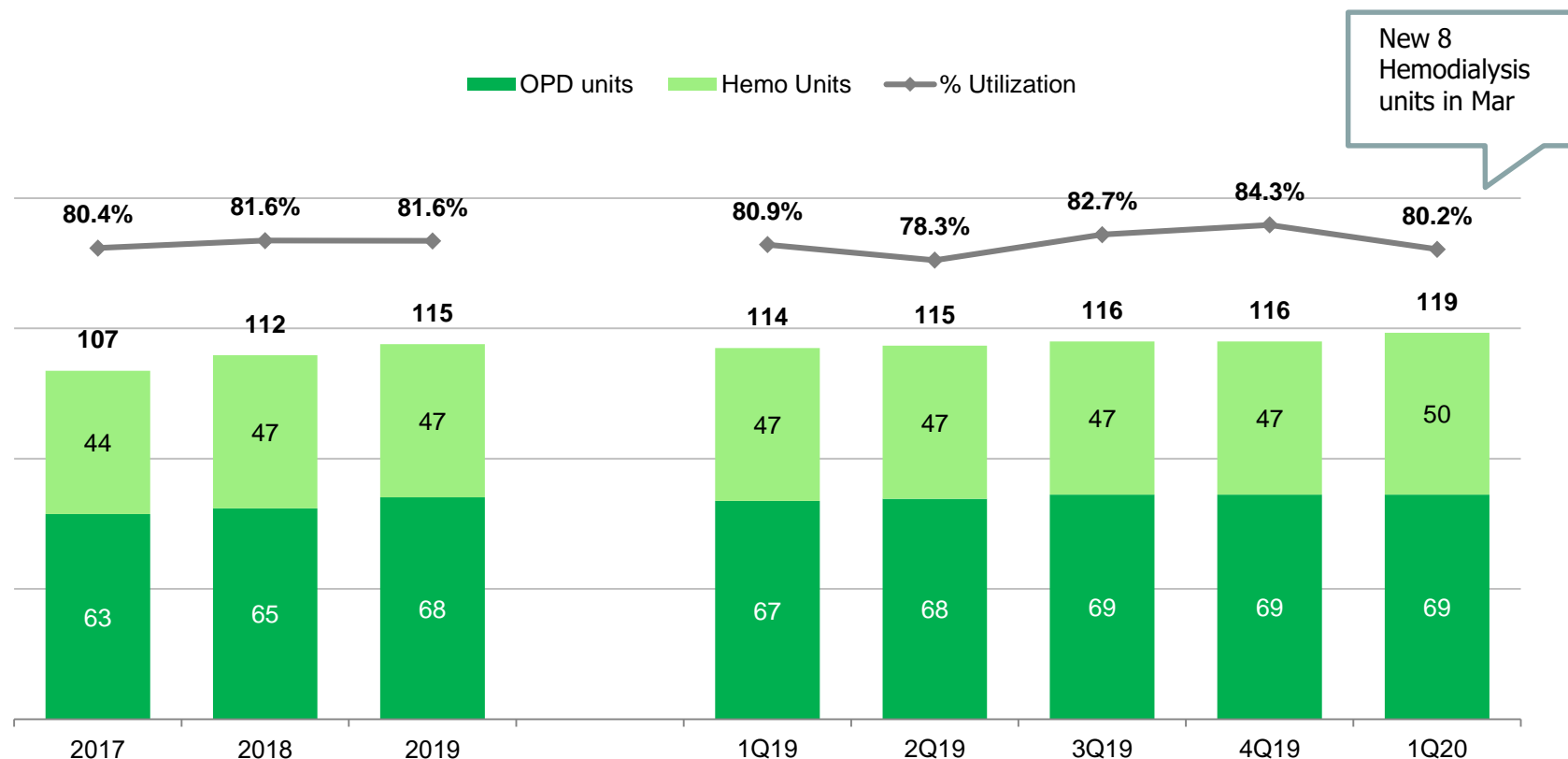


/1 Not include visits among the group

# OPD Utilization Rate – All Sectors



## OPD Capacity (Units) & Utilization Rate (%) <sup>/1</sup>

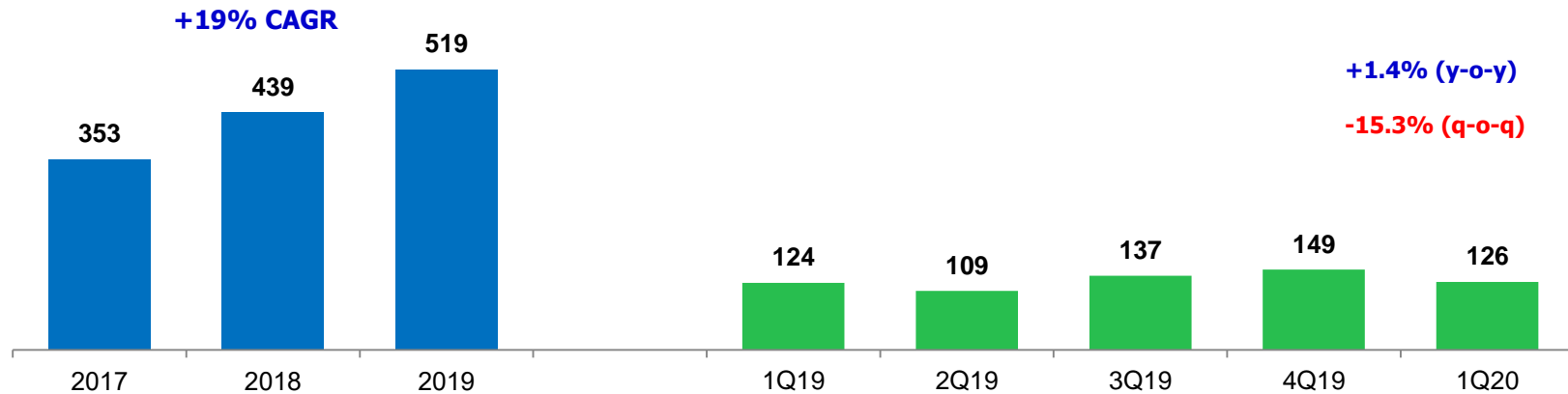


<sup>/1</sup> Include visits among the group

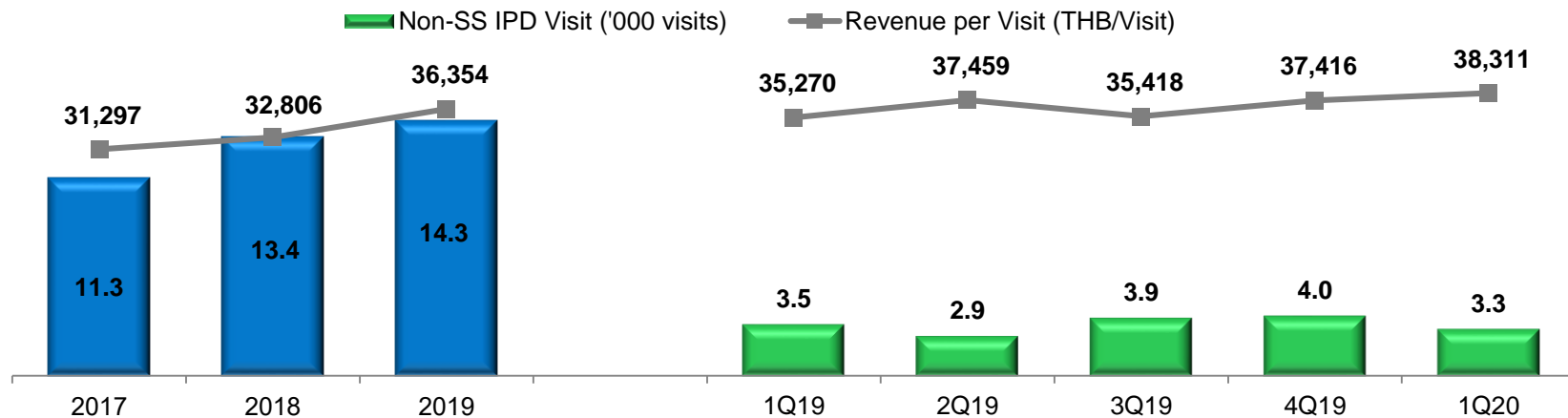
# IPD – Non SW Patients



## Revenue from IPD Non SW Patients (MB)



## Number of Visits <sup>/1</sup> and Revenue per Visit

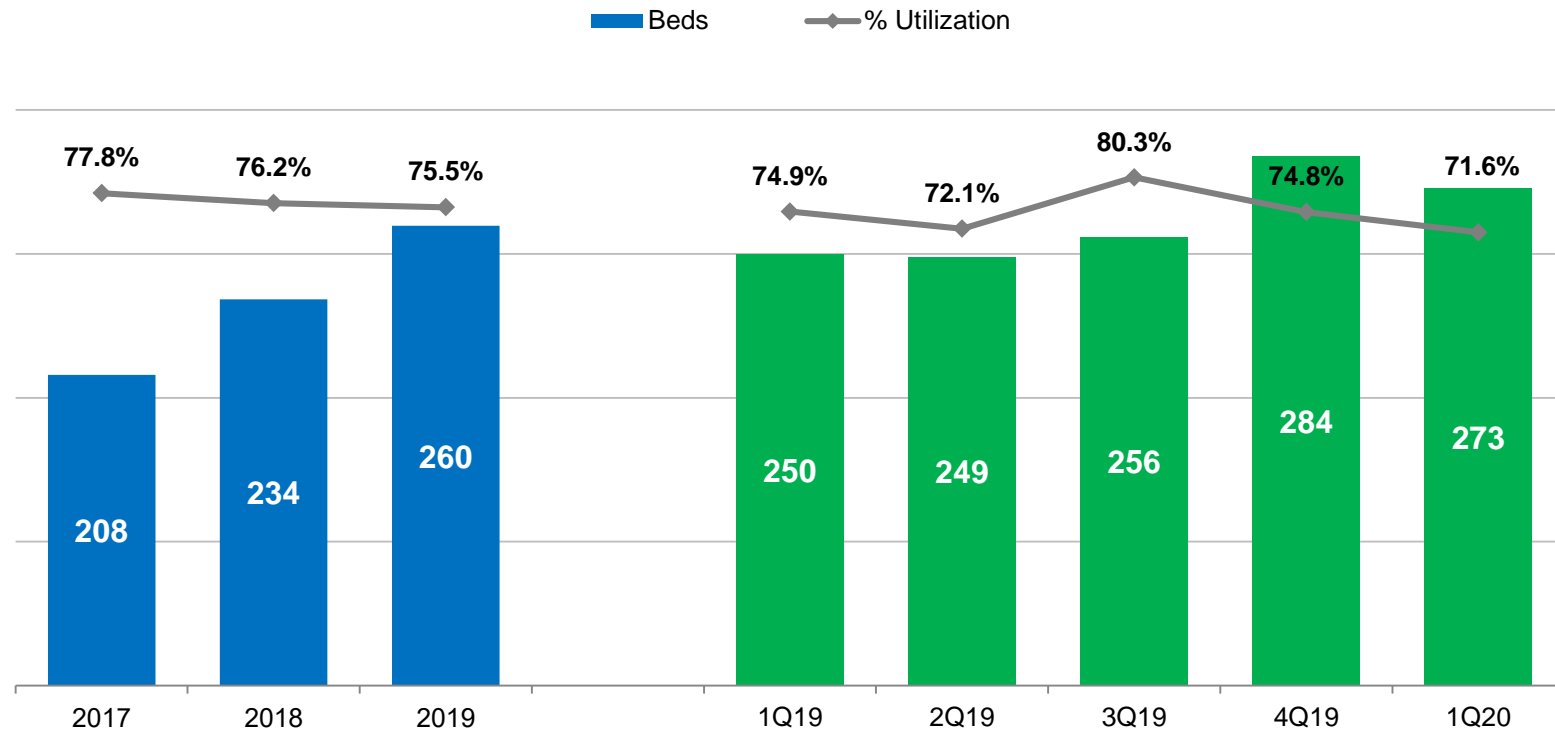


/1 Not include visits among the group

# IPD Utilization Rate – All Sectors



## IPD Capacity (Beds) <sup>/1</sup> & Utilization Rate (%) <sup>/2</sup>



/1 Average of the period    /2 Include visits among the group

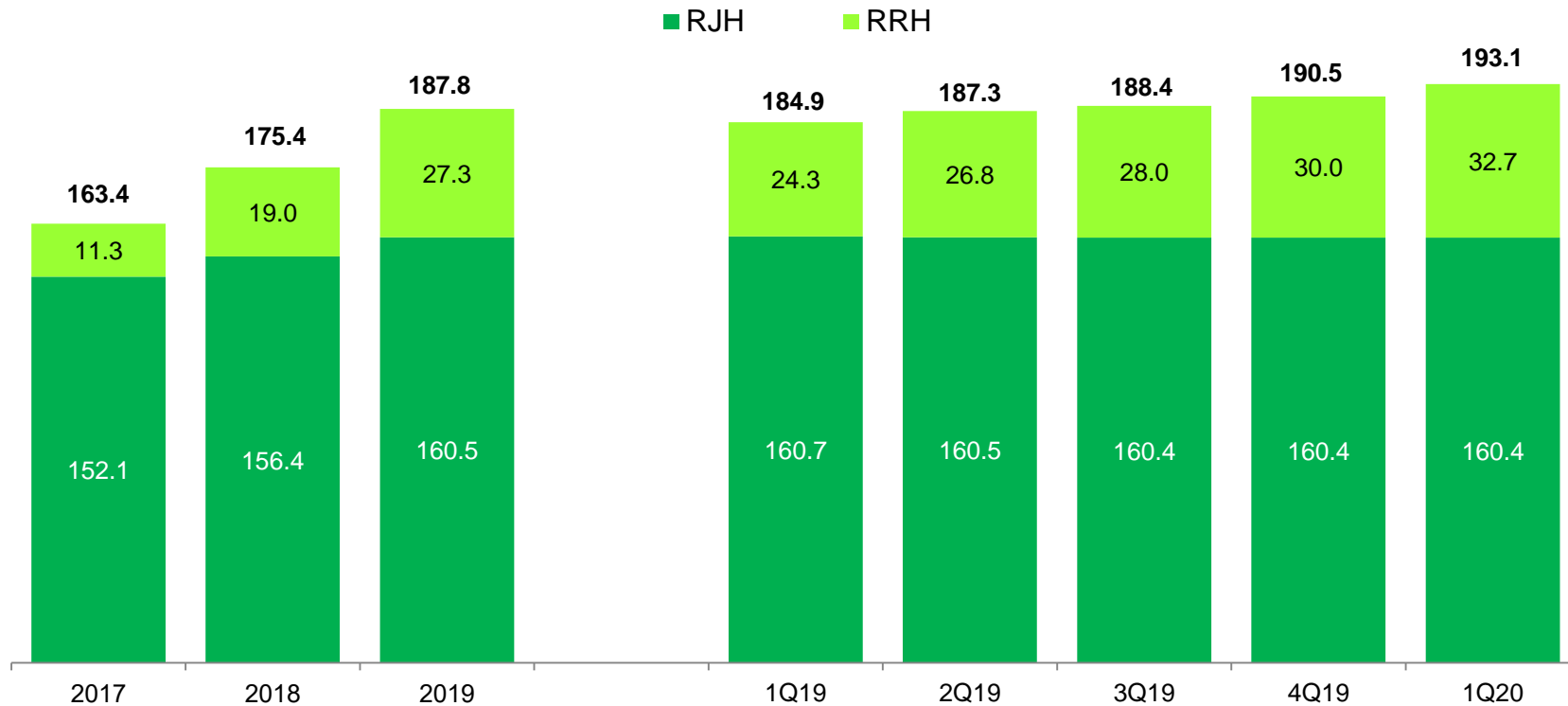


# Social Security Insurers



Average Insured Persons ('000 persons)

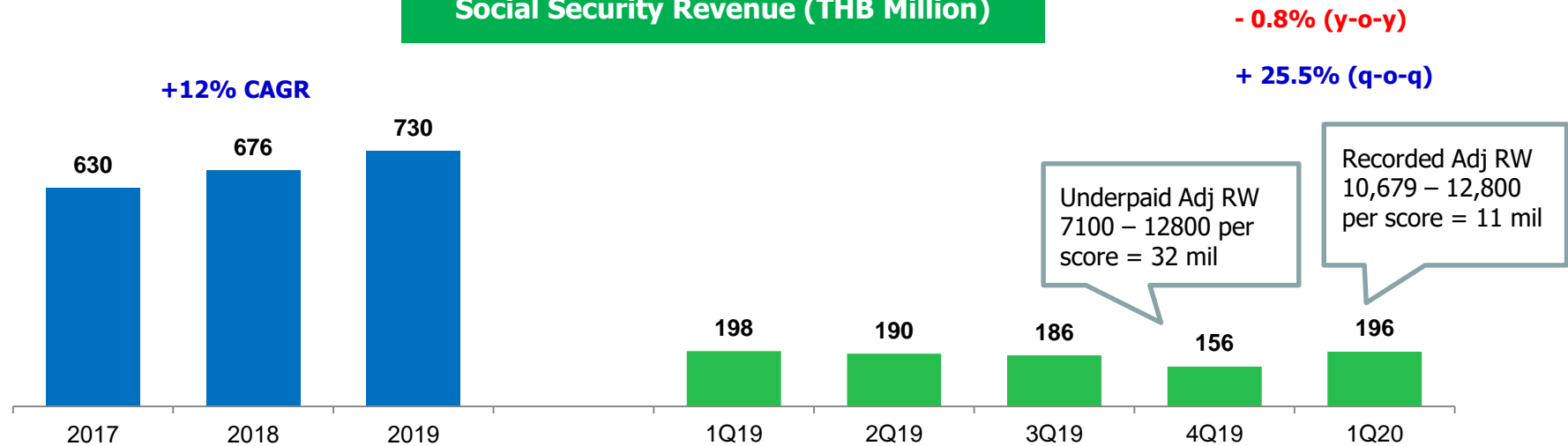
53% market share



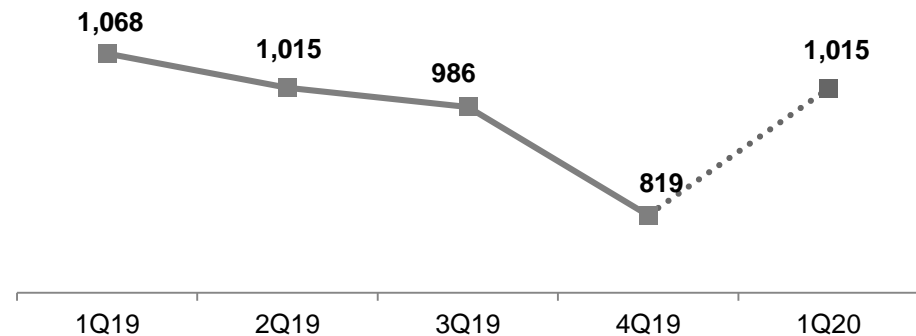
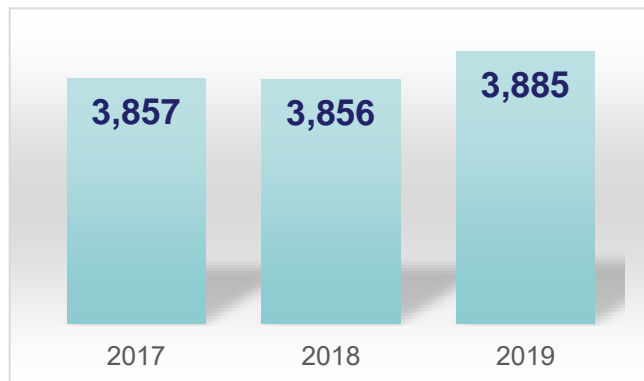
# Social Security Revenue



## Social Security Revenue (THB Million)



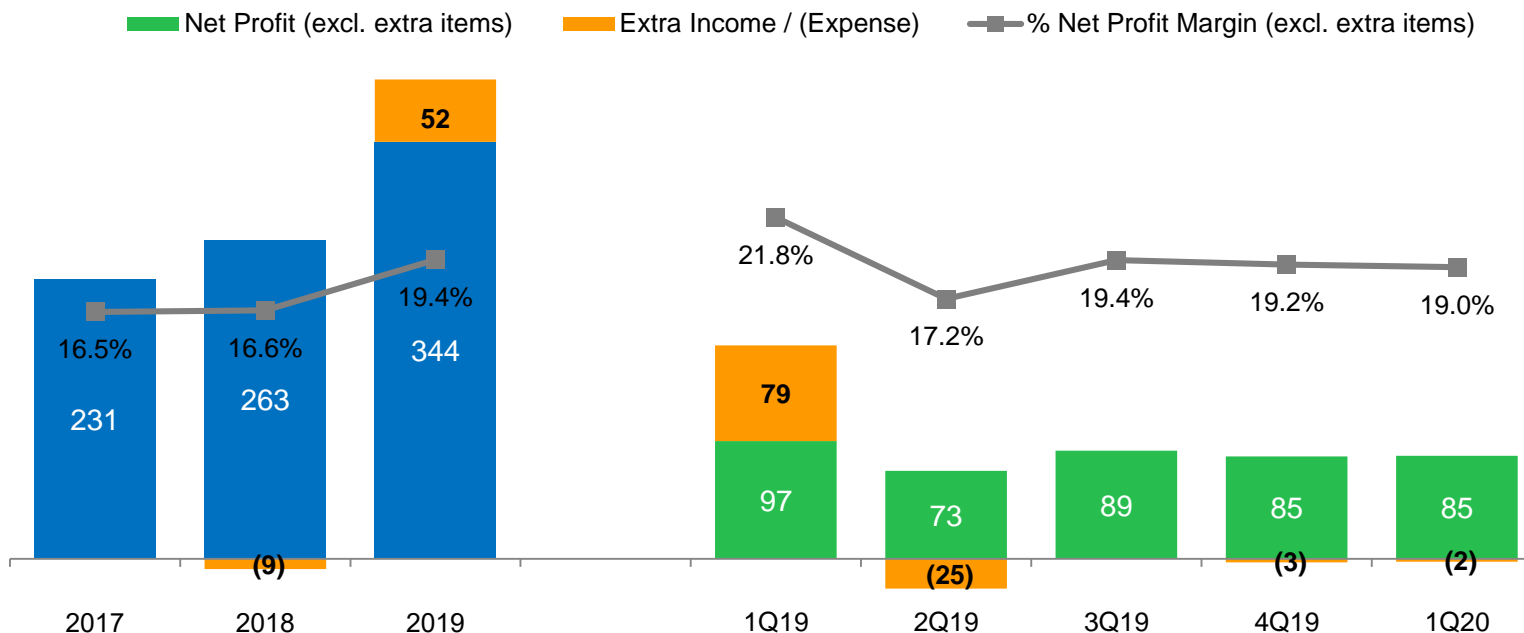
## Revenue per Average Insured Persons (THB/Head)



# Net Profit



## Net Profit (THB Million) & Net Profit Margin (%)



### • Extra Expenses / Income :

- 2018 : provision for underpaid previous year Adj RW for the amount of THB 8.6 million after tax.
- 1Q 2019 : vacant land sale yielding profit THB 79.0 million after tax
- 2Q-4Q 2019 : provision for underpaid previous year SW income THB million 19.2 after tax and provision for employee benefit THB 8.3 million after tax

# 04

## Strategies & Future Projects

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# New Hospitals



Rajthanee II Hospital	
<b>Size &amp; Location</b>	<ul style="list-style-type: none"><li>• 120-bed hospital located nearby existing hospitals</li><li>• Targeted only social security patients with quota of max 100,000 insured persons</li></ul>
<b>Investment &amp; Timeline</b>	<ul style="list-style-type: none"><li>• Green field project with estimated investment cost of THB 400 million (not included land which currently owned by RJH)</li><li>• Debt financing 65%</li><li>• Expected to start construction by Q1 2021 and start operation by Q4 2022</li></ul>
<b>Rationale</b>	<ul style="list-style-type: none"><li>• To unlock the existing crowded hospitals</li><li>• To clearly segregate facilities between cash and social security patients</li><li>• To capture more market share of social security patients</li></ul>

# New Hospitals



Rajthanee Nongkhae	
<b>Size &amp; Location</b>	<ul style="list-style-type: none"> <li>• 120-bed hospital located in Nongkhae district, Saraburi near WHA industrial estate</li> <li>• Targeted cash and social security patients with quota of max 100,000 insured persons</li> </ul>
<b>Investment &amp; Timeline</b>	<ul style="list-style-type: none"> <li>• Green field project with estimated investment cost of THB 450 million</li> <li>• Debt financing 65%</li> <li>• Expected to start construction in Q1 2021 and start operation by Q4 2022</li> </ul>
<b>Rationale</b>	<ul style="list-style-type: none"> <li>• 2 industrial estates located nearby : WHA and Nongkhae</li> <li>• 1,169 enterprises with 71,530 social security insurers in Nongkhae district</li> <li>• 3,662 enterprises with 123,717 social security insurers in other area of Saraburi province</li> <li>• Only one hospital in Nongkhae district ie. Nongkhae Hospital which is government hospital located on Paholyothin road</li> <li>• 2 private hospitals in Saraburi ie. Kasemrad Hospital and Mittraparp Memorial Saraburi which are located on Mittraphap road , 24 km from our new hospital</li> </ul>



# Expansion of Existing Hospitals



Segments	Strategies
<b>RJH</b>	<ul style="list-style-type: none"> <li>• New Hemodialysis started operation in March 2020 with the 1<sup>st</sup> phase of 8 units</li> <li>• Added 10 ER beds in March 2019 in order to accommodate cases of vehicle accidents</li> <li>• Renovate 29 bed-ward to 6 OPD units (already open 3 OPD units in Mar 2020)) and 12 ICU units (expected to open 1<sup>st</sup> phase of 4 units in June 2020)</li> <li>• Add 2-3 operation rooms expected to open in Q3 2020</li> <li>• Oncology Unit (opened on 31 May) : to reduce referral cost of cancer patients and to earn income from cancer cases referred from other hospitals in central region</li> </ul>
<b>Rojana</b>	<ul style="list-style-type: none"> <li>• Add Operation rooms for 1 units</li> <li>• Add ER 10 units</li> <li>• Add ward 20 units</li> </ul>
<b>Social Security</b>	<ul style="list-style-type: none"> <li>• Increase social security insured persons at RRH</li> <li>• More effective follow-up of chronic cases</li> <li>• Boost more Adj RW and equipment income from cathlab and MIS</li> </ul>



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# Thank You

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