

Thai Health - Medical Tourism & Wellness

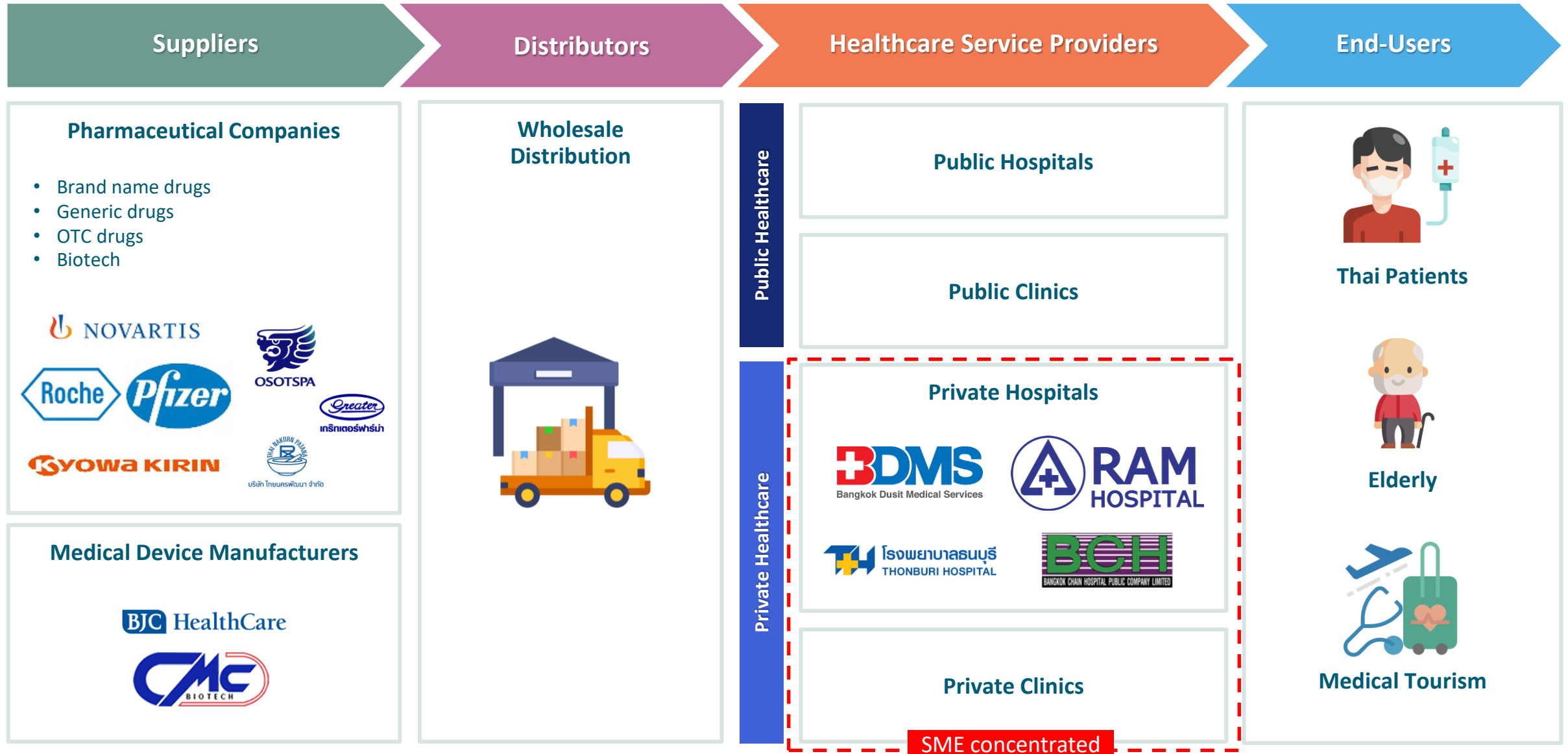
Agenda

- Thai Medical Tourism & Wellness: Overview
- Thai Medical Tourism & Wellness : Outlook
- Thai Medical Tourism & Wellness : SMEs
Business Opportunities



Business Research
January 2024

Thailand Health - Medical Tourism & Wellness : Supply Chain Overview



SME concentrated

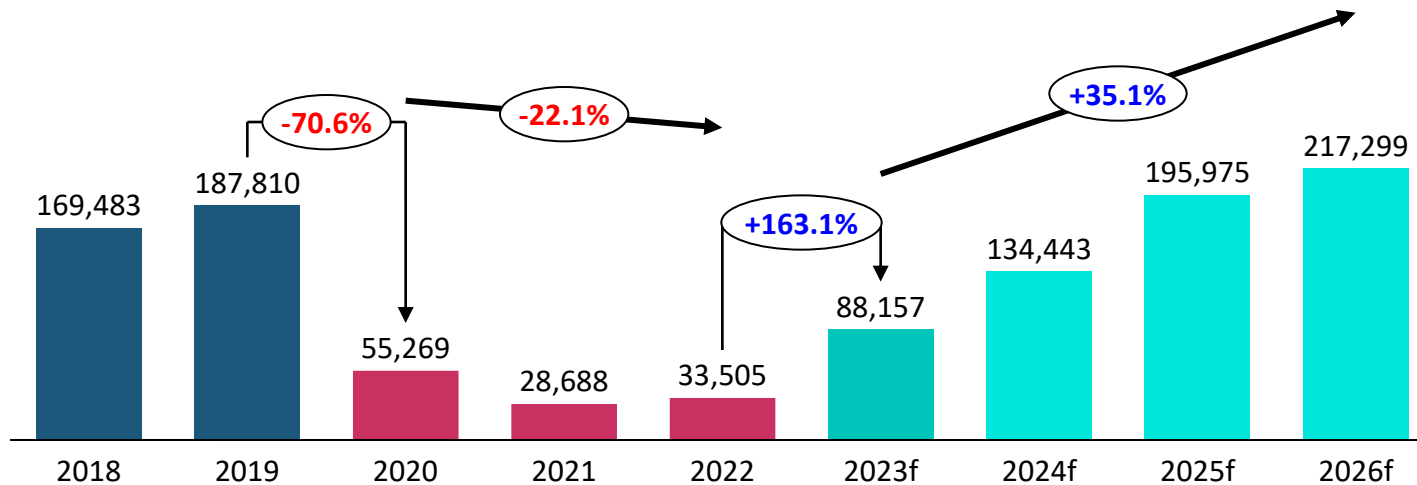
Thailand Health - Medical Tourism & Wellness : Overview

Thailand's medical tourism market is expected to recover significantly in 2023, with continued growth from 2022. This recovery is driven by the pending demand for medical treatment after being affected by travel restrictions during the COVID-19 epidemic in 2020-2021, especially tourists from the CLMV, the Middle East and China being a major target group.



Medical Tourism

Thailand Medical Tourism Market Value 2018-2026f (Mn THB)



Factors that continue to attract medical tourists to Thailand for medical treatment.

- Reasonable medical care prices
- Quality of Thai medical personnel with expertise in various fields
- Popular destination for foreigner tourists

Spending on Medical Care Services by Country (USD)

	USA	India	Thailand	Mexico
Heart Bypass Surgery	123,000	7,000	17,188	15,000 - 35,000
Angioplasty	28,200	5,500 - 6,200	10,938	5,000 - 12,000

Number of Joint Commission International (JCI) accredited medical facilities in Thailand as of October 2023, by type



Hospitals : 48



Ambulatory care program : 10



Long term care program : 2

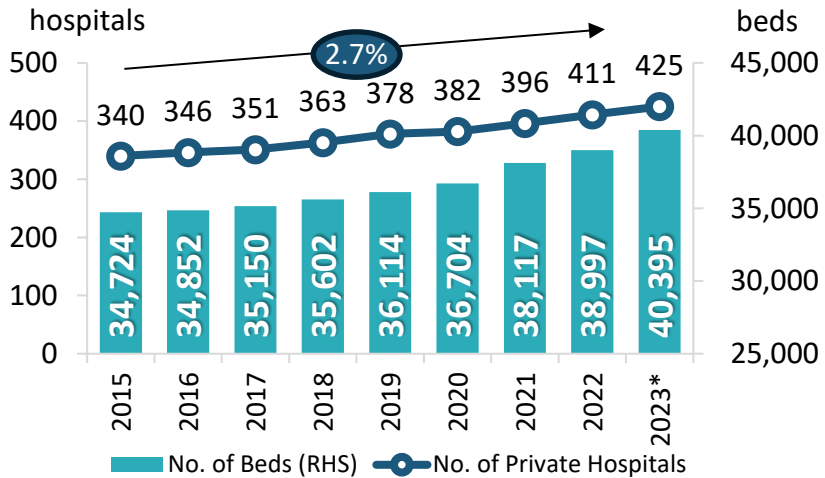


Home care program : 1

As of October 2023, Thailand has 61 medical facilities accredited by JCI, an international accreditation for hospitals and health care facilities that demonstrate quality patient care and safety.

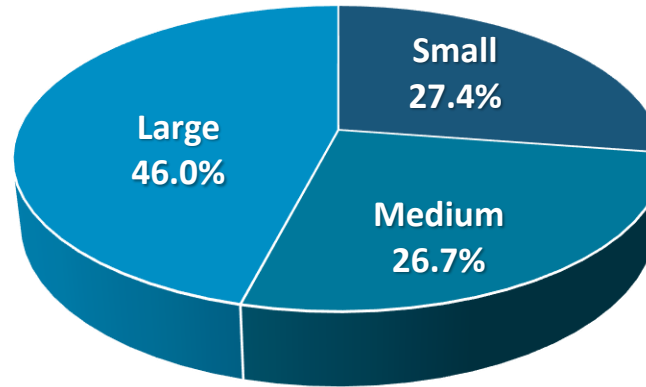
Thailand Health - Medical Tourism & Wellness : Private Hospital Overview

No. of Private Hospitals and Beds



*updated as of 30 Sep 2023

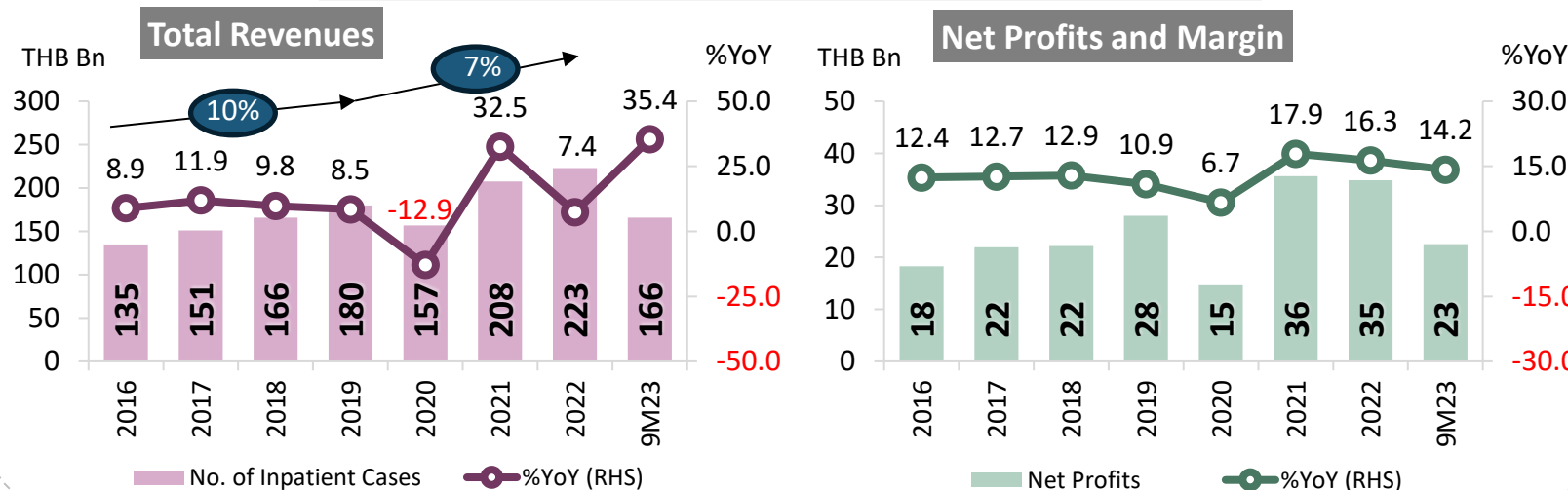
Share of Private Hospitals by Size*



Remark: small size (1-30 beds), medium size (31-200 beds), large size (more than 200 beds)

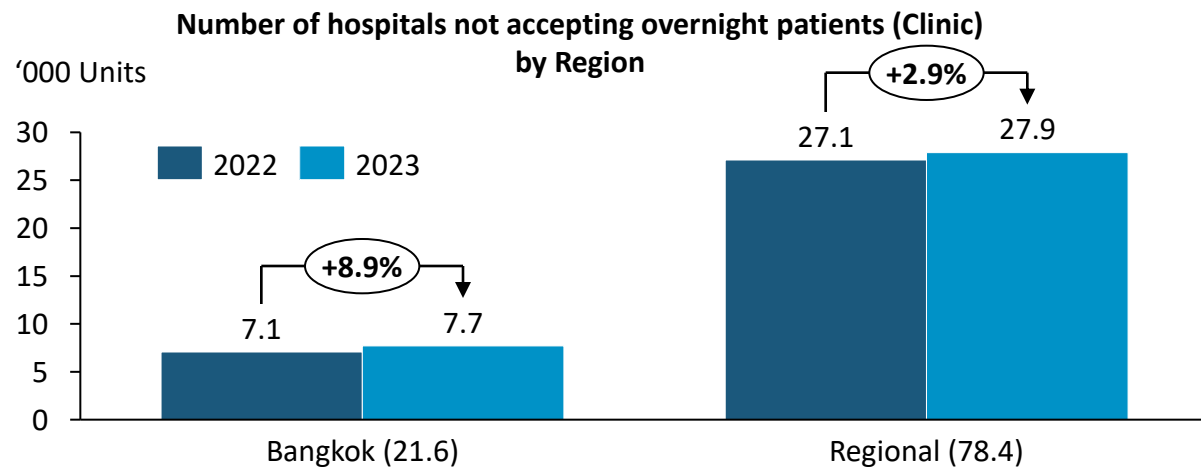
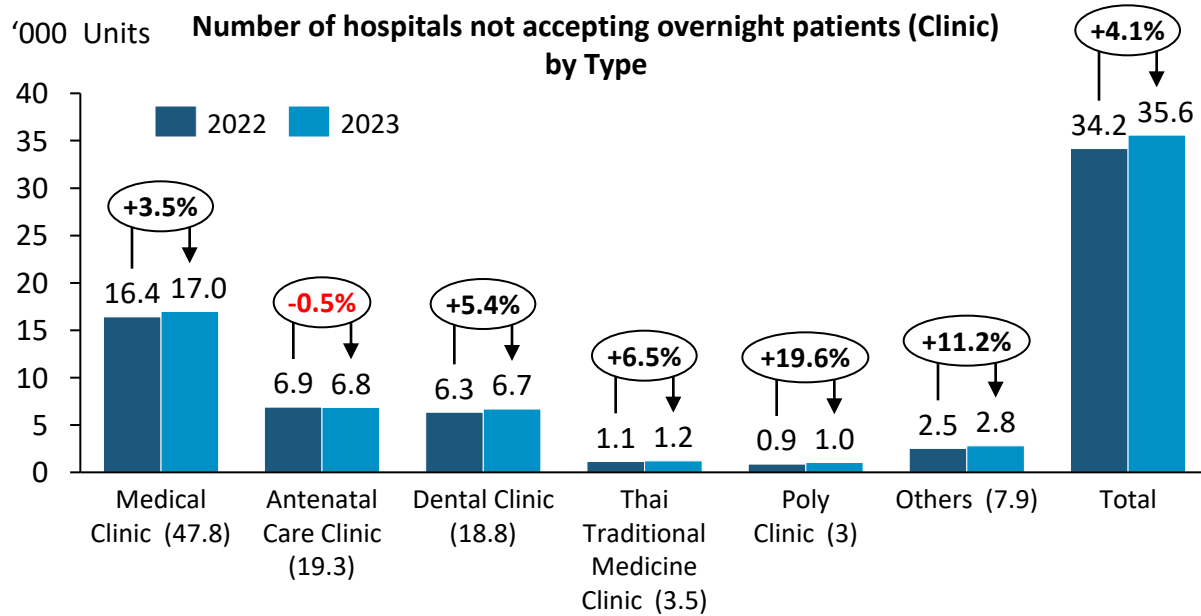
* Updated as of Aug 2022

Performance of SET-listed Private Hospitals in Thailand



- The number of private hospitals increased by 2.7% per year, especially large private hospitals with a proportion as high as 46% to support the expansion of urbanization in various provinces. With such a large population, there are not enough government healthcare facilities.
- Listed Private hospitals have revenue growth in 2020-2022 at 7% CAGR, lower than 10% CAGR before COVID-19 due to the number of foreign tourists. The patient has not fully recovered yet. And many private hospitals have had to invest more in higher quality and service standards since the outbreak. This is reflected in a decline in net profit margin.

Thailand Health - Medical Tourism & Wellness : Clinic Overview



Note: () %Share in 2023

- A clinic, as defined by the Ministry of Public Health, is a hospital that does not admit patients overnight. There are several types of clinics, depending on the type of services they provide. **Most clinics are small businesses owned by medical professionals, and their target customers are people in the neighborhood who want to reduce the cost of using the services of a general hospital.**
- As of September 2023, there were a total of 35,577 clinics, an increase of 4.7%YoY. **The clinic type with the highest proportion was the medical clinic with 47.8%, followed by the antenatal care clinic with 19.3% and the dental clinic with 18.8%. In terms of supply, clinics continued to show good growth. This is because many areas in Thailand still lack medical facilities due to a shortage of medical personnel and the concentration of medical facilities in large cities.** The number of antenatal clinics decreased slightly as more patients turned to general hospitals for antenatal services due to safety concerns and the discount package offered by general hospitals.
- In terms of area, it was found that the number of clinics in the Bangkok area tends to grow better than areas in the region due to both Bangkok's population density and purchasing power being higher than other regions, along with the Bangkok population becoming more interested in health.

Thailand Health - Medical Tourism & Wellness : Nursing Homes Overview

Nursing homes for the elderly and dependent patients are expected to grow through enterprise investment and factors supported by the growing number of elderly people. However, businesses will compete fiercely to reach potential customers, which are still limited.



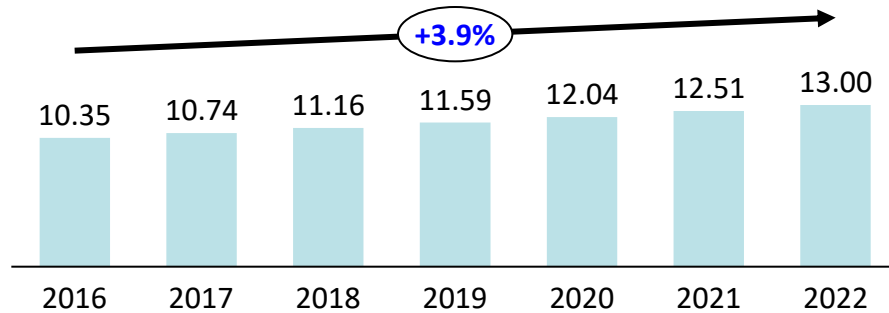
Nursing homes for the elderly and dependent patients

The target customers of the nursing home are a group with sufficient purchasing power, as the average fee for the services offered is quite high. Specifically, the average monthly service fee is 10,000 - 30,000 baht, which aligns with the service standards and personnel expertise. In addition, the nursing home offers the convenience and promptness of coordinating and transporting patients to medical facilities. In cases of complex treatments or emergencies, patients are typically admitted in groups.

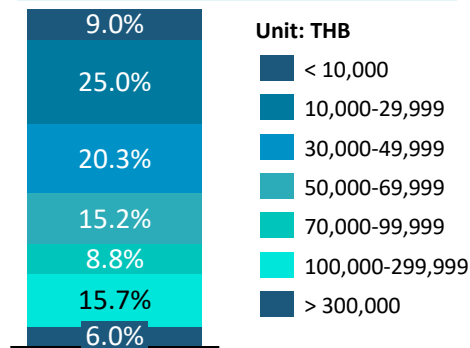
- The elderly people
- Dependent patients requiring assistance are currently undergoing rehabilitation or physical therapy, which their family may not have the capacity to provide on their own.

No. of elderly people

Unit : M persons



Proportion of elderly people with income in 2021, classified by average annual income



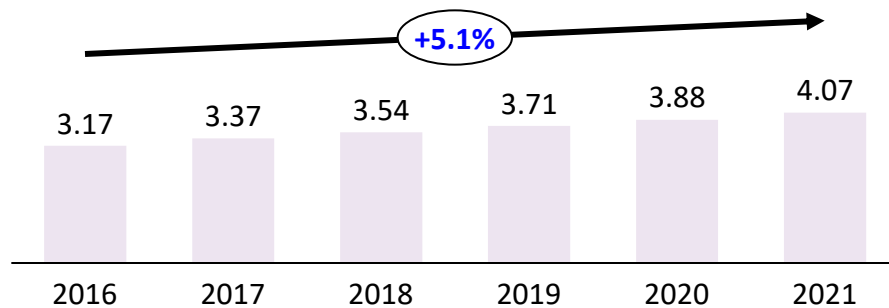
Unit: THB

- < 10,000
- 10,000-29,999
- 30,000-49,999
- 50,000-69,999
- 70,000-99,999
- 100,000-299,999
- > 300,000

Number of patients with 5 main NCDs* (fiscal year)

NCDs or non-communicable diseases

Unit : M persons



* 5 NCDs include diabetes, stroke, coronary artery disease, high blood pressure, and COPD (bronchitis, emphysema, chronic obstructive pulmonary disease)

Market Value Growth

CAGR (%)	2018-2023	2024-2028
	25.1	30.5

Estimate the number of elderly people who need housing.

12.9 M Total Elderly

~5%

650,000 persons Need Housing

Nursing Home Supply

Nursing Home	708 places
Capacity	15,324 persons
Occ. Rate	63.7%

Nursing Home Rental Rate per Month

Range (THB)	Places	Share (%)
<= 10,000	11	1.5
10,001-20,000	302	42.6
20,001-30,000	256	36.1
30,001-50,000	101	14.2
> 50,000	40	5.7

Thailand Health - Medical Tourism & Wellness : Policy Support



Health & Wellness Hub

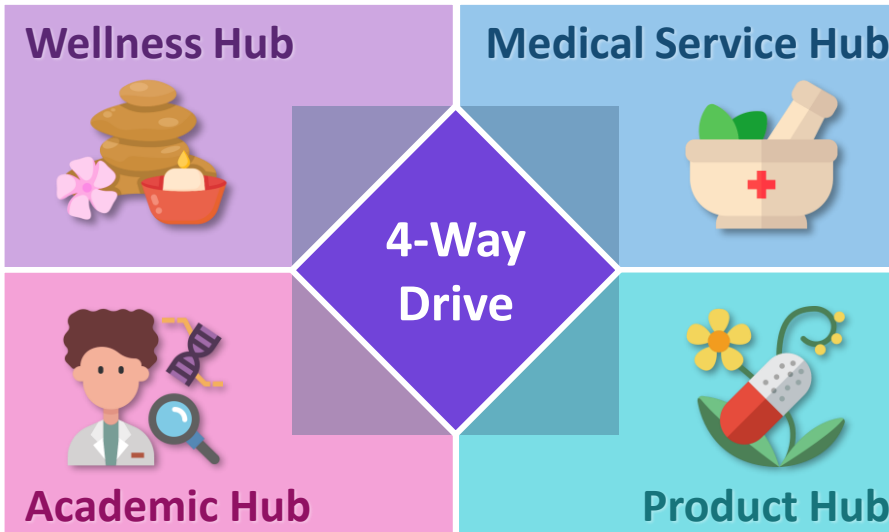


Medical Hub 2017-2026

Target : Market Value = 838 billion baht in 2027

- **Medical Tourism project**
 - R&D medical service standards.
 - Public relations and marketing support.
- **Wellness Innovation and Technology project**
 - Development and cultivation of entrepreneurs.
 - Organization of a health promotion innovation competition.

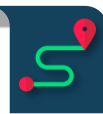
- **Healthcare Academic Collaboration project**
 - Promote cooperation in health education and training.
 - Promote academic collaboration in the health sector.
- **Healthcare Research and Development project**
 - Support funding for health research and development.
 - Organize health technology transfer activities.



- **Medical Facilities project**
 - Construction and environmental development.
 - Development of information systems and quality systems.
- **Medical Professionals project**
 - Medical curriculum development.
 - Medical staff development.

- **Drug and Healthcare Product Research and Development project**
 - Support for the development of new medicines.
 - Herbal medicine development.
- **Drug and Healthcare Product Manufacturing project**
 - Drug and Healthcare Product Testing Center.
 - Development of information systems to monitor and evaluate performance.

Strategy implementation has been divided into 2 periods.



01

Urgent Term (Quick Win)
2017-2018

Focus on developing key infrastructure and service systems. Support the expansion of the health tourism market.

02

Medium to Long-Term
2019-2026

Focus on developing the potential and quality of health services. To elevate Thailand to be an international health centre.

Factors influencing Thailand Health - Medical Tourism & Wellness

Tailwind

-  • **Thailand has tourist attractions that are known throughout the world.** The availability of private medical facilities with international standards is complete and popular with expatriates.
-  • **Doctors and medical staff have the knowledge** to meet foreigners' needs.
-  • **Thailand has a wide range of medical services**, including health examination, medical treatment, dentistry, cosmetic surgery, holistic health care, etc., covering the treatment of general, specialized and complex diseases.
-  • **The prices of medical services are reasonable** compared to the quality.
-  • **The service provider is service-oriented** and has complete services and facilities.
-  • **The market for medical tourism is large and growing**, especially wellness tourism.
-  • **Excellence in Thai traditional medicine and Thai herbal products.**
-  • **The grouping of countries under the ASEAN cooperation framework and the negotiation of various free trade agreements (FTAs)** is leading to population movements and growth in trade and investment in the healthcare sector.

Headwind

-  • **The problem of medical staff shortages will be exacerbated** if the service is opened up to foreign tourists.
-  • **Private medical fees continue to rise.** Medical technology is constantly evolving. It makes treatment more effective, but also more expensive, such as the use of diagnostic imaging equipment. Surgery with a camera, etc.
-  • **Thailand has competitors that are also potential countries for medical and health tourism**, such as Singapore, Malaysia, India and the Philippines.
-  • **Thai medical tourism business has been affected by a situation where the number of foreigners has dropped significantly during the COVID-19 outbreak.** As a result, some operators have had to close or downsize their operations.
-  • **English communication problems, problems with translation of medical documents** can make it difficult for medical tourists to communicate with medical staff.
-  • **The impact of the war on Thailand's medical tourism is still uncertain** and may affect international travel especially tourist from Middle East area.

Thailand Health - Medical Tourism & Wellness : Market Overview

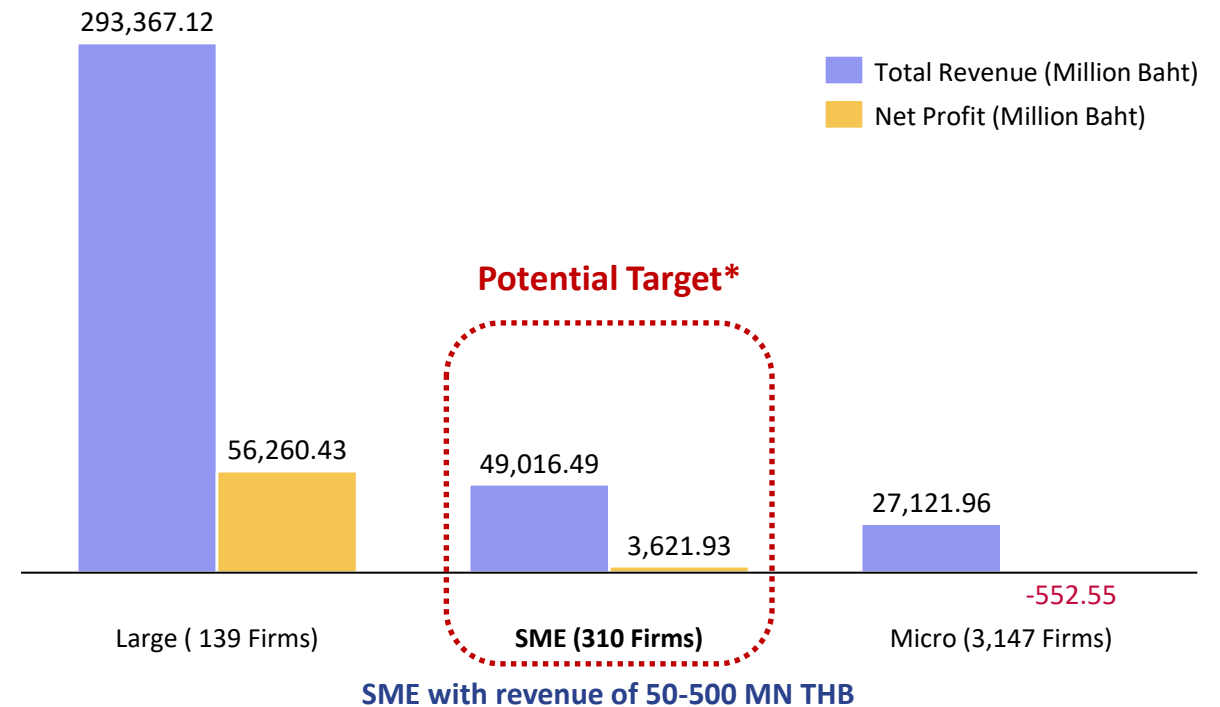
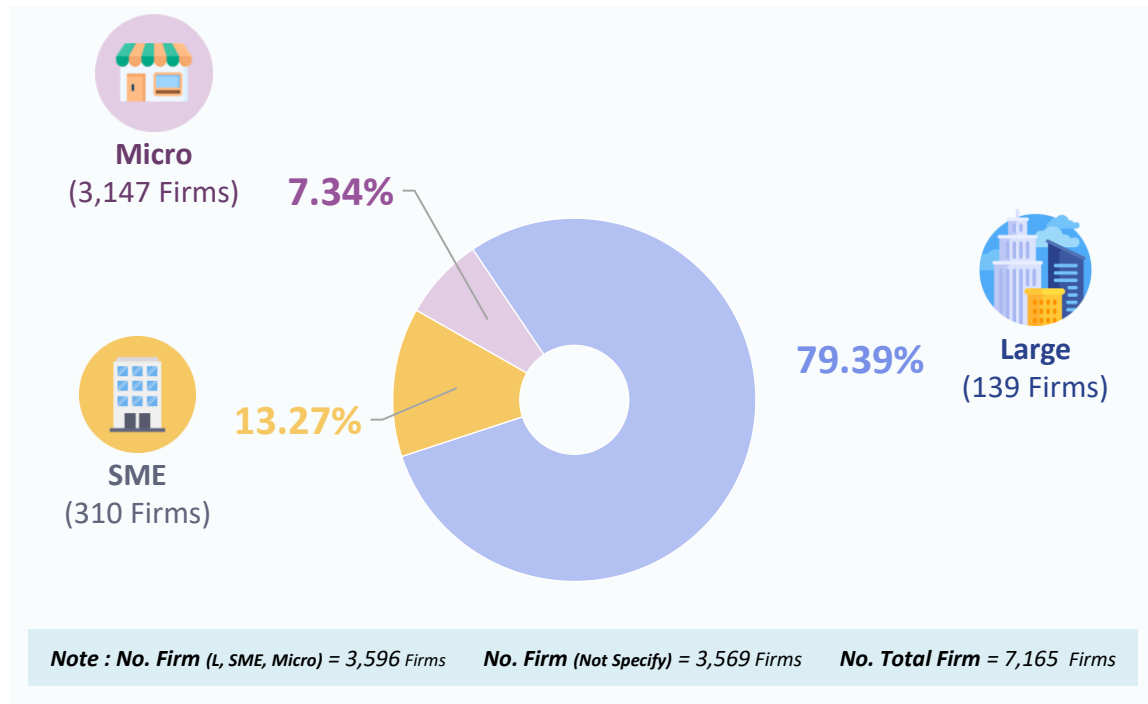
Based on selected TSIC groups (in 2022), Thailand's Medical Tourism & Wellness Business was valued at **369,505.56 million baht**, with large enterprises accounting for 79.39% of the market share. This is followed by SME with 13.27% and micro with 7.34%.

Share of Medical Tourism & Wellness Business Value by firm size

(86101, 87301, 86102, 86201, 86202, 86203)

Market Value (L, SME, Micro) = 369,505.56 Mn THB

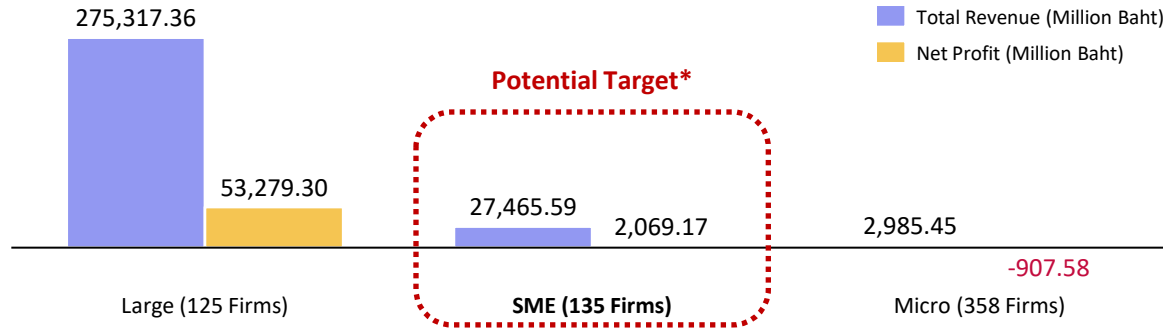
Total Firms = 7,165 Firms



Thailand Health - Medical Tourism & Wellness : Market Overview

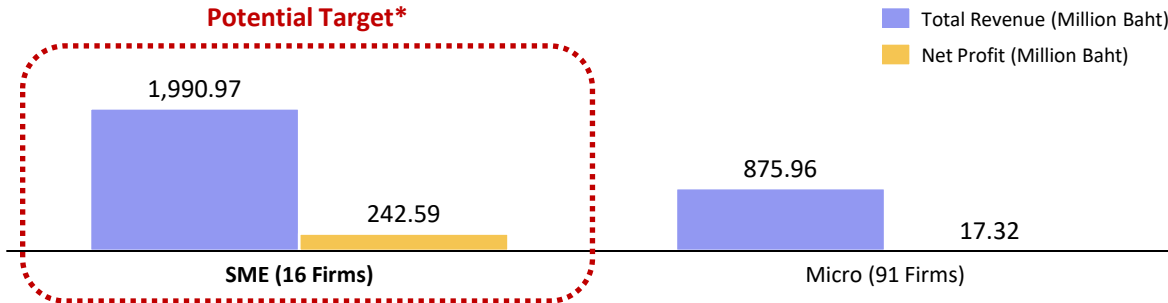
86101: Hospital activities (except specialized hospital activities)

Market Value = 305,768.41 Mn THB
Total Players = 919 Firms



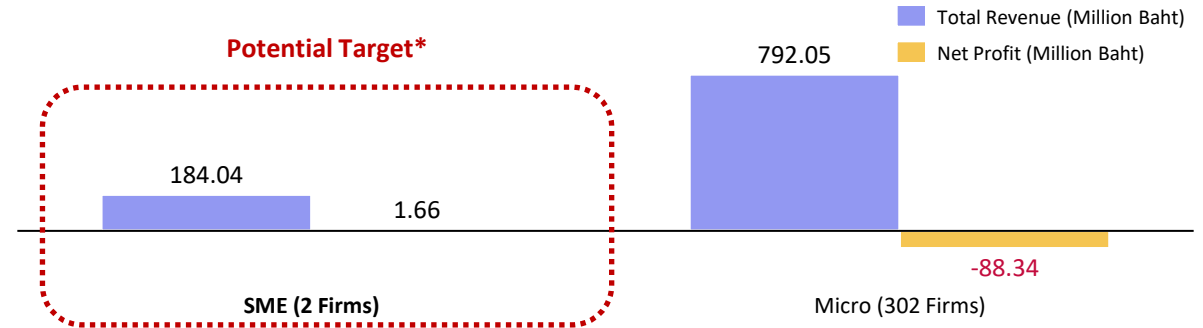
86102: Specialized hospital activities

Market Value = 2,866.93 Mn THB
Total Players = 171 Firms



87301: Residential care activities for the elderly

Market Value = 976.09 Mn THB
Total Players = 614 Firms



86201: General medical practice activities

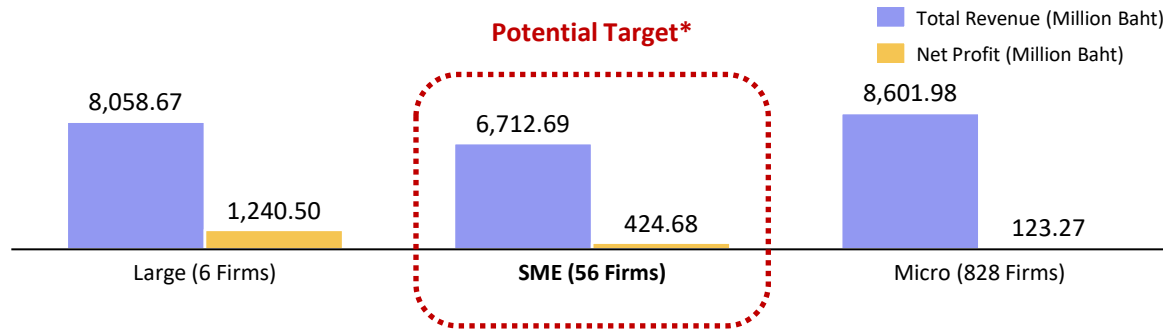
Market Value = 29,562.24 Mn THB
Total Players = 2,447 Firms



Thailand Health - Medical Tourism & Wellness : Market Overview

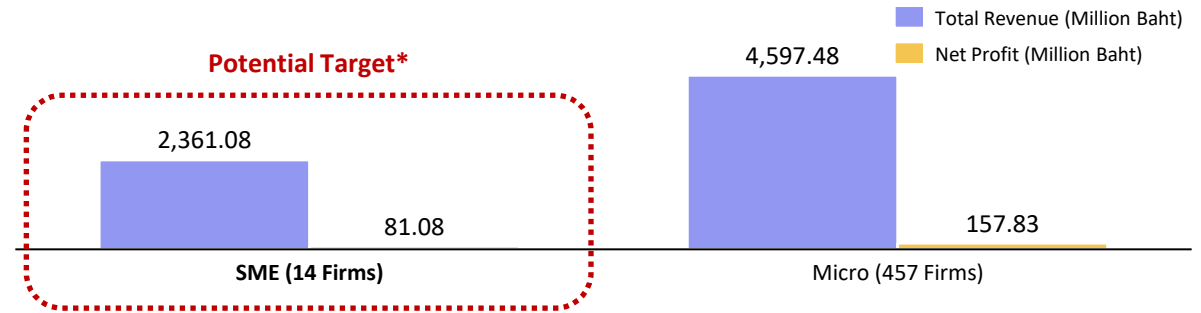
86202: Specialized medical practice activities

Market Value = 23,373.34 Mn THB
Total Players = 2,133 Firms



86203: Dental practice activities

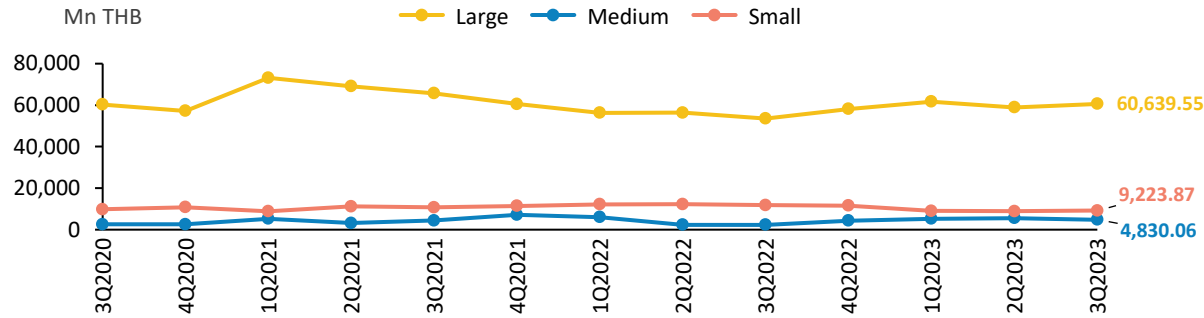
Market Value = 6,958.56 Mn THB
Total Players = 881 Firms



Thailand Health - Medical Tourism & Wellness : Loan Outstanding

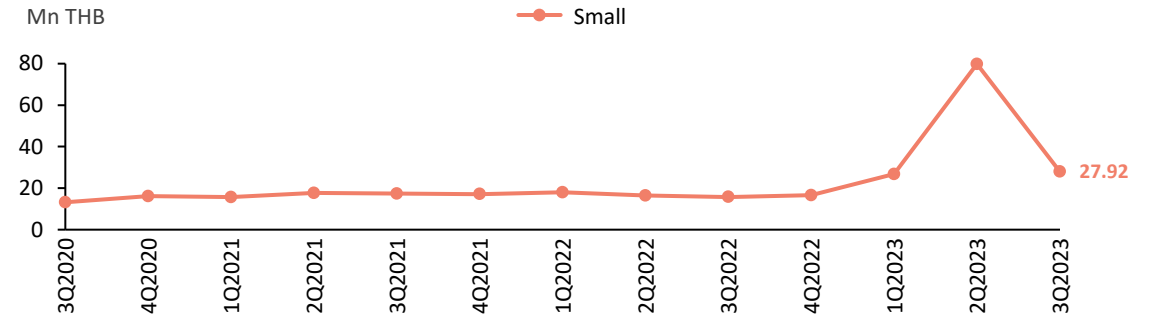
86101: Hospital activities (except specialized hospital activities)

Loan Size* = 74,693.47 Mn THB



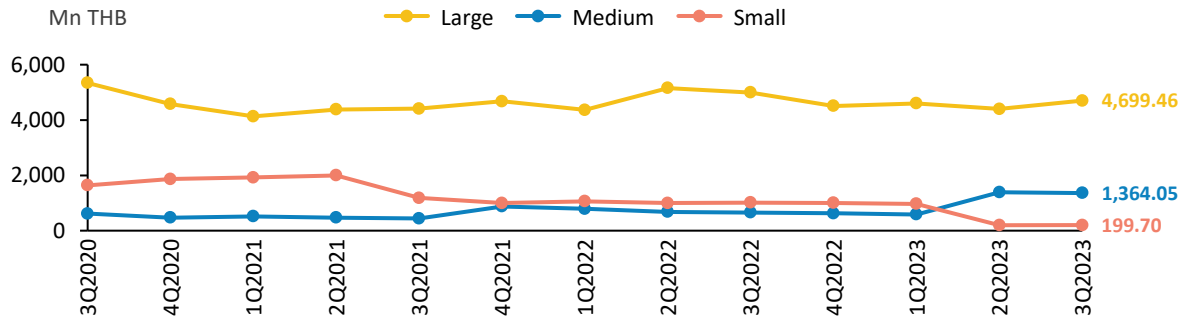
87301: Residential care activities for the elderly

Loan Size* = 27.92 Mn THB



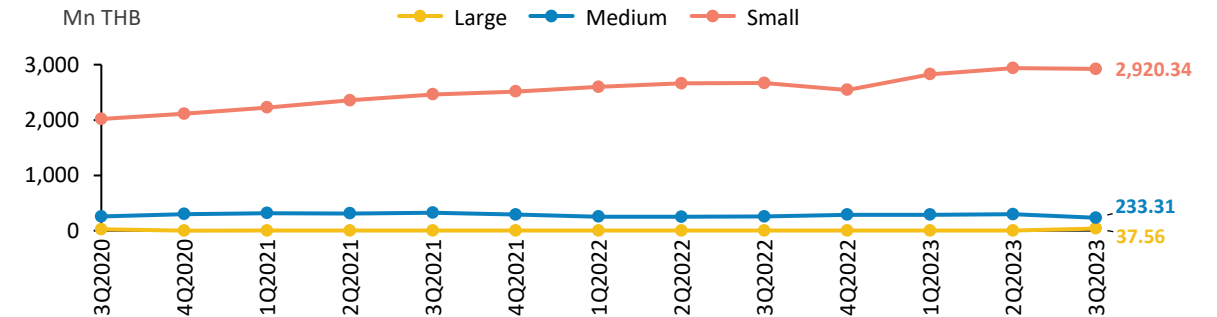
86102: Specialized hospital activities

Loan Size* = 6,263.22 Mn THB



86201: General medical practice activities

Loan Size* = 3,191.21 Mn THB

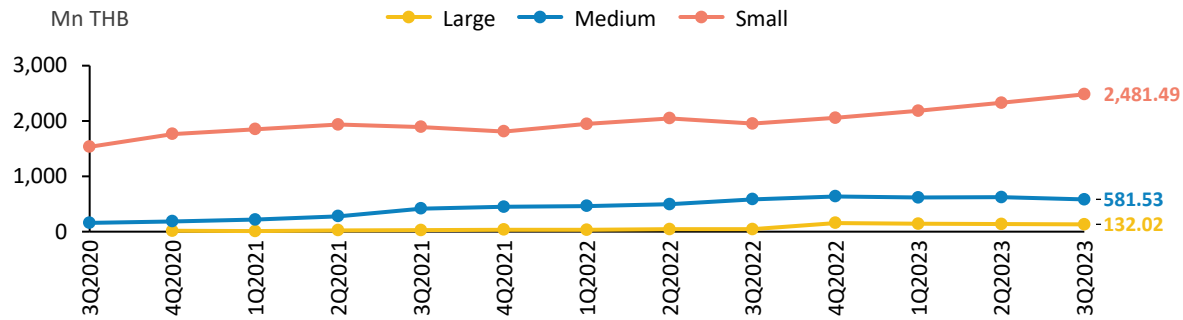


* Data as of 3Q2023

Thailand Health - Medical Tourism & Wellness : Loan Outstanding

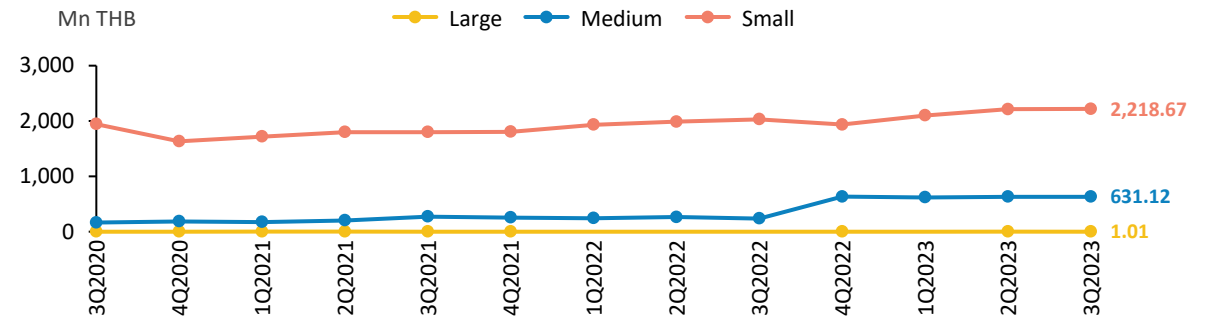
86202: Specialized medical practice activities

Loan Size* = 3,195.04 Mn THB



86203: Dental practice activities

Loan Size* = 2,850.81 Mn THB



End of Presentation

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