HEALTHY APPROACH

Billionaire investor Wichai Thongtang owes his fortune to a lively curiosity about the markets and shrewd timing, especially in the hospital business. By Nalin Viboonchart

WICHA THONGTANG

AGE
- 66

EDUCATION
- Bachelor’s Degree in Law, Thammasat University, 1970
- Master’s Degree in Political Science, Thammasat University

CAREER
- Lawyer, Thawee Charoenplak Law Firm
- Founder, Wichai Thongtang Law Firm

CORPORATE POSITIONS
- Chairman, Phyathai Group of Hospitals
- Second vice-chairman, Bangkok Dusit Medical Services Plc
- Chairman, Cable Thai Holding Plc
- Chairman, Yarnapund Plc
- Director, Grande Asset Hotels and Property Plc
- Director, IV Global Securities Plc

FAMILY
- Married with 4 children

HOBBIES
- Jogging and gardening
“A fortune teller told me that I’m not the kind of person who enjoys my money without working. I still have to work hard throughout my life, but I also enjoy doing it”

The turning point that transformed Wichai Thongtang from a lawyer to a billionaire dealmaker was a legal case involving a failed securities company. It got him curious for the first time about how the stock market works, and what he learned has served him very well. But without his father’s desire to see his son study law in the first place, that turning point would never have happened.

When he was young, his family was anything but rich, but simply like millions of others in the country’s agricultural heartland. Even when his family moved to their new house, six kilometres farther from the old one, they had to walk there with their possessions as they did not have any vehicles.

Today Wichai is among the 50 richest people in Thailand. This year Forbes magazine ranked him 17th with a net worth of US$1 billion, on a list that included his famous former client Thaksin Shinawatra (10th at $1.7 billion). Wichai successfully represented Thaksin in the former prime minister’s asset concealment case in 2001, becoming a celebrity overnight.

The former farm boy is also the owner of Cable Thai Holding (CTH), which shocked the media world last year when it won the rights to broadcast English Premier League football in Thailand for the next three seasons starting this month. CTH outgunned the incumbent TrueVisions, the country’s largest pay-TV operator controlled by its richest family, with an eye-popping bid of 202 million pounds ($3.8 billion baht).

“I was born in a rural area, Tambon Wat Bo in Phanat Nikhom district of Chon Buri province. My parents were farmers and my dad was also a traditional doctor. He learned his skills when he was ordained for 15 years in Bangkok. Our family were ordinary Thais living in a suburban area.” Wichai recalls.

Not long after Wichai, the youngest in the family, was born, his parents decided to move to Phanat Nikhom district for a better life and future for all seven children. His mother became a coconut seller, and his father a full-time traditional physician.

“My father had a good vision. He wanted [all seven children] to study as much as possible,” he says.

Although the Thongtang family was not rich, Wichai’s parents were able to support all their children’s education. Their fourth child became a physician, the fifth one a teacher, the sixth one a pharmacist and Wichai a lawyer.

The children studied what their father had already planned for each one of them. In Wichai’s case, his father kept telling him that the family needed a lawyer as he believed that knowledge of the justice system could help them with whatever happens in the future.

The underlying reason was related to politics. Wichai’s father was involved in local politics as an election canvasser for Democrat Party politician Thammanoon Thien-ngern. One day after his father joined a local political event, a mysterious man splashed gasoline on their house to threaten them.

“The reason my dad wanted me to study law stemmed from when our family faced that threat,” said Wichai.

“Then my dad started thinking that our family should have one child studying law. And I’m the child that my dad expected to be a lawyer.”

Wichai said he was not a gifted student, but he started reading books more and applied himself diligently. Eventually he passed the entrance exam to study law at Thammasat University. His first big break after graduation in 1970 came when Thawe Charoenpipat, one of the most famous lawyers during the 1960s, agreed to his request to take Wichai on as a trainee and, eventually, a lawyer at his firm.

Wichai was very eager and enthusiastic to learn everything from Thawe, who was an expert in partnerships and companies.
“I learned from every finance-related case,” he says. “And my important turning point came when I was hired to help in a case that stemmed from the collapse of the stock market in 1978.”

The Thai stock market was established in 1975. Three years later, speculation in Raja Finance led to a collapse. Wichai, who was 31 years old at that time, got involved with many cases rooted in the demise of Raja. The young lawyer decided that the best way to prepare for the case was to start trading himself, so he could see how the stock market functioned and how retail investors bought and sold stocks.

“It was a big turning point for me. I learned how to be a retail investor and found that it was very attractive for me. Then I started investing in the stock market.”

He has never looked back. Like any investor, he’s had gains and losses, but most of his investments produced positive results. And while law remained his career, he started to earn a lot from the stock market on the side.

“The charm of stock investment is when I can make profit,” he says. “It’s not about winning something, but it proves that what I’ve been thinking and viewing was correct.”

Wichai also expanded his wealth by buying and selling property, some of which he received from clients in lieu of cash as payment for his legal services. During the property boom that emerged when Gen Chatchai Choonhavan was prime minister from 1988-91, Wichai enjoyed profits from high land prices.

“At that time, I was borrowing money from banks in the hundreds of millions of baht, but I was investing more than that amount. So I was a serious investor for a long time, even before I was a lawyer for Thaksin,” he says.

It was his defence in the former premier’s asset concealment case that made the already successful lawyer a household name nationally. There was no political motivation, though. He told Forbes that his closest friend and classmate from law school, Somchai Wongsawat, Thaksin’s brother-in-law (and himself a former PM), had asked him to take the case, and he couldn’t refuse.

Nor was there any special reward for success, as claimed by some people who believe Wichai became Thaksin’s nominee to invest in the healthcare business. It was Thaksin, they point out, who conceived the idea of making Thailand a “medical hub”, and many private hospitals began to thrive on medical tourism.

Although Wichai bought Phyathai Hospital in 2001, the same year he handled Thaksin’s case, he points out that he had been interested in the business for many years, starting with an investment in Muangkrak Hospital in Ratchaburi in 1994. That was followed by Siriraj Hospital in 1999 and Paolo Hospital in 2000.

The Ratchaburi purchase was Wichai’s first exposure to learning how to manage a healthcare business. He owned a minor stake, so he did not have much power to set policy. It was just a learning process.

“My father and an elder brother are doctors, so I’m quite familiar with this business,” he says. “It’s in my blood as well. The healthcare business has been part of our lives since we were born. So, at that time I thought that it should be a good business.”

Today Wichai’s investment approach is not just buying and selling for profit. He has stepped up to major merger & acquisition (M&A) deals. Some have dubbed him the country’s takeover king, and he is widely respected as a shrewd investor.
kok Hospital chain and the country’s largest private hospital operator. Wichai persuaded BGH to acquire Prasit Patana, which subsequently was delisted from the stock market in 2011. He and his family now own a 15% stake in Bangkok Hospital.

When he was just a retail investor, Wichai managed his investments by himself. Once he moved on to M&A, he set up a small consulting team. Some still believe Thaksin is behind his business decisions but Wichai says such allegations are not true, and in any case he already has lots of good investment advice.

At 66 years old, the billionaire investor shows no signs of slowing down or retiring. Maybe this is his destiny, he says.

“A fortune teller told me that I’m not the kind of person who enjoys my money without working. I still have to work hard throughout my life, but I also enjoy doing it,” he says. “You can see that I always have appointments with my friends or businesspeople who come to me, asking me for business advice or to help turn around their businesses.”

The next step is to have a business presence overseas. Wichai says his focus remains on the healthcare, renewable energy and media industries. The target destinations are across the Asean+6 region (India, China, Japan, South Korea, Australia and New Zealand).

Any healthcare investments would be made through Bangkok Hospital, which has plans to move into neighbouring countries, particularly Myanmar and Cambodia, starting with representative offices in those countries to serve patients coming to its facilities in Thailand.

“I respect the way of thinking of Khun Prasert Prasarttong-osoth (the founder of Bangkok Hospital) about expanding more in Asean. I will follow Khun Prasert in having Bangkok Hospital grow in this region,” says Wichai.

For the media business, CTH will be his investment arm in neighbouring countries such as Laos and Cambodia, where he would like to air the English Premier League and other cable programmes through CTH.

“I still foresee these three businesses as the rising trends for Asean. This region is famous for medical tourism, particularly in three countries: Thailand, Malaysia and Singapore. In regard to renewable energy, Asean is good for solar, biomass and hydropower. So, there is a plenty of opportunity in two areas.”

Wichai’s entry into renewable energy has begun with the purchase of 60 million shares in Tong Hua Communication Plc. The company today is the publisher of a Chinese-language daily newspaper in Thailand, but it has announced plans to diversify. It is studying an investment in Eastern Renewable Energy (ERE), a waste management firm in Samut Prakan province.

“I will keep investing and have no plan to retire in the near future,” says Wichai, who still comes to his office at the Phyaathai 2 Hospital every day. People there are used to seeing him regularly walking up and down the stairs to his office on the fifth floor and even visiting physicians and other departments. He remains healthy as he does jogs at his home every morning before he comes to work.

One day he knows that he has to retire. When that day comes, he is confident that he will have nothing to worry about. He plans to move to Bang Khonthi district in Samut Songkhram province, which is his wife’s hometown.

“My daily job then will be gardening. I will be happy with that,” he says. “I think I’m now a successful person. It’s not because of my wealth, but it’s my family. My life is fulfilled with a good wife and children. I believe that they can carry on our business.

“I came from a rural area, so I will enjoy my retirement by going back to that and have a simple life with my family.”