



# Management Discussion and Analysis 1Q2026



## Investor Relations Contact

Nakhonthon Hospital Public Company Limited

## Mr. Simathong Thongsima

(Assistant Chief Executive Officer and Investor Relations)

Email: [simathong\\_t@nakornthon.com](mailto:simathong_t@nakornthon.com) Tel: +66-2450-9999 ext. 5115

## Table of Contents

---

EXECUTIVE SUMMARY	1
KEY MILESTONES AND DEVELOPMENTS 1Q2026	2
Nakornthon 2 Hospital Is Now in Full Operation	2
Project Implementation Progress & Other Key Highlights	3
KEY OPERATING STATISTICS	4
FINANCIAL SUMMARY 1Q2026	5
Statement of Comprehensive Income	5
Statement of Financial Position	8
Cash Flow Statement	9
Key Financial Ratio	10
BUSINESS OUTLOOK	11
SUSTAINABILITY INITIATIVES 1Q2026	12
Environmental	12
Social	13

## Executive Summary

---

In 2026, the Ministry of Finance forecasts that the Thai economy will expand by 2.0%<sup>1</sup>, a slight deceleration from 2.2% in the previous year. This aligns with the Bank of Thailand's projections under normal economic conditions<sup>2</sup>. However, the Middle East conflict that emerged in late February has directly impacted Thailand's medical industry, particularly private hospitals with a major customer base from that region. This situation led to a decline in stock prices within the sector. Conversely, Nakornthon Hospital Public Company Limited ("the Company") experienced limited impact due to its low proportion of patients from the Middle East.

In the first quarter of 2026 ("1Q2026"), the Company fully commenced operations of "Nakornthon 2 Hospital" on a high-potential site on Ekachai-Kanchanaphisek Road. This expansion aims to broaden the revenue base to include the middle-market segment and enhance the capacity to serve patients across all age groups. This network expansion is a key strategy to generate recurring revenue streams. The Company positions the new hospital as a primary engine for profit growth, driven by increased utilization rates and efficient cost management to ensure sustainable, long-term growth.

In 1Q2026, Nakornthon Hospital fully consolidated the financial results of Nakornthon 2 Hospital, increasing the number of available beds to 252. Despite the expanded capacity, patient volumes saw a decline, with the number of outpatient visits decreasing by 1% and the inpatient admissions dropping by 16% year-on-year ("YoY"). This contraction was primarily driven by the ongoing Middle East conflict and the domestic economic slowdown, which influenced patient decision-making and led to a shift toward utilizing social welfare benefits. Additional headwinds included the implementation of the Co-payment policy and concerns about providers potentially cancelling lump-sum health insurance plans. Furthermore, the increase in available beds from the newly opened Nakornthon 2 Hospital, which is currently in its ramp-up phase with low initial utilization, resulted in the bed occupancy rate declining to 33.9%. Nevertheless, revenue per unit continued to grow, reflecting the strategy to focus on complex medical care. Average revenue per inpatient visit increased by 13%, and average revenue per outpatient visit rose by 1% YoY.

For 1Q2026, the Company reported total revenue of THB 491.4 million, a 2% decrease YoY, primarily due to lower inpatient admissions volumes amidst economic and insurance policy pressures. Meanwhile, total expenses rose by 9% to THB 468.0 million, following the full-quarter recognition of personnel costs and depreciation from Nakornthon 2 Hospital. Consequently, EBIT decreased by 68% to THB 23.4 million, while net profit stood at THB 7.7 million, reflecting an 86% decline compared to the same period last year.

---

<sup>1</sup> Ministry of Finance, *Thailand's Economic Outlook for 2025 and 2026*, 27 January 2026.

<sup>2</sup> *Thailand's Economic Challenges 2026*, 13 January 2026.

Despite significant volatility in the Thai economy during 1Q2026, which was driven by the economic slowdown and geopolitical concerns regarding the Middle East, the Company has maintained a prudent and efficient operational approach. This resilience is reflected in our P/E and P/BV ratios, which remain below the healthcare sector average at 11.34x and 1.10x (compared to the industry averages of 16.49x and 2.32x, respectively<sup>3</sup>). Furthermore, the Company remains committed to a consistent dividend policy, aligned with our financial performance and a foundation of strong, transparent corporate governance. We remain confident in our ability to capitalize on long-term growth opportunities and achieve sustainable expansion as the economy and market conditions normalize.

## Key Milestones and Developments 1Q2026

---

### Nakornthon 2 Hospital Is Now in Full Operation

Nakornthon 2 Hospital is now fully operational to meet the growing demand for healthcare services in Western Bangkok and its vicinity. The hospital is strategically positioned as a private medical facility catering to general patients, health insurance holders, and corporate clients.

Currently, the hospital is operating at approximately 67.5% of its total capacity, with 151 beds available for service and 102 beds officially registered for the initial phase. The hospital plans to increase bed capacity in alignment with patient volume and staffing readiness. Its facility is staffed by specialized medical teams across various fields, including Internal Medicine, Surgery, Orthopedics, Obstetrics & Gynecology, and Pediatrics, alongside experienced nursing and clinical personnel, ensuring a continuous elevation of patient care quality.

In terms of medical technology, the hospital has invested in state-of-the-art equipment, including C-arm machines, CT scans, and high-standard operating rooms, alongside highly efficient diagnostic support systems. These investments are aimed at enhancing treatment precision and capacity to meet the needs of patients seeking fast, comprehensive, and accurate medical services.

In terms of target segments, the hospital focuses on building a robust revenue base from self-pay individuals, health insurance holders, and corporate contract clients. This is complemented by the expansion of strategic partnerships with insurance providers, employers, and local business allies within the region.


---

<sup>3</sup> SETSMART, Data as of 31 March 2026.

Over the next 1–3 years, the hospital plans to gradually increase its bed occupancy. The hospital aims to drive the utilization rate by expanding specialized services, increasing medical staff, and implementing proactive marketing strategies targeting health insurance and corporate segments.

In addition, the hospital plans to establish further Centers of Excellence, such as Orthopedic, Women’s Health, Check-up, and Rehabilitation centers, to differentiate itself from competitors and enhance its capacity for specialized care. Simultaneously, the hospital is developing integrated referral systems in collaboration with clinics, partner hospitals, and medical networks to strengthen its long-term patient base.

## Project Implementation Progress & Other Key Highlights

Significant Events / Developments	Detail
 <p data-bbox="300 1037 469 1059">As of 26 March 2026</p>	<h3 data-bbox="592 813 1059 846">Nakornthon Long Life Center (NLLC)</h3> <p data-bbox="592 864 1390 976">The building structure has been fully completed. Currently, the project is in the stage of building systems testing and final finishing works across various sections to ensure readiness for upcoming operations.</p> <p data-bbox="592 1032 1066 1059">The overall project completion rate stands at 96%</p>

## Key Operating Statistics

Nakornthon Hospital Public Company Limited	For the three-month period ended 31 March		Change
	2026	2025	
	Number of outpatient visits (times)	98,867	
Number of inpatient admissions (times)	3,333	3,973	-16%
Number of available beds	252	150	68%
Bed occupancy rate (%)	33.9%	67.2%	-33.3 pts
Number of inpatient days (per year/per period)	7,680	9,078	-15%
Average revenue per outpatient visit (THB per visit)	3,128.7	3,098.3	1%
Average revenue per inpatient visit (THB per visit)	23,017.0	20,392.0	13%

### Summary of Changes in Key Operating Statistics

In 1Q2026, Nakornthon Hospital recorded a total of 98,867 **outpatient visits**, a slight decrease of 1% YoY. Meanwhile, **inpatient admissions** stood at 3,333, representing a 16% decline. Consequently, the **bed occupancy rate** dropped from 67.2% to 33.9%, with the **number of inpatient days** reaching 7,680 days per year per period, a 15% decrease. The decline in patient volume was primarily driven by the conflict in the Middle East and the economic slowdown, which prompted patients to become more cost-conscious. This shift in behavior includes a preference for utilizing existing social welfare benefits and avoiding overnight hospital stays unless medically urgent. Furthermore, performance was impacted by public concerns regarding Co-payment policy and the potential cancellation of lump-sum health insurance plans by providers. Additionally, Nakornthon 2 Hospital is currently in its initial launch phase with a developing utilization rate, which served as a key factor in the overall decrease in service volume for the period.

Nevertheless, average revenue per patient continued to grow. **Average revenue per outpatient visit** increased by 1% to THB 3,128.7, while **average revenue per inpatient visit** rose by 13% to THB 23,017.0. This growth was primarily driven by the strategic shift toward a higher proportion of complex medical treatments. Additionally, the hospital's **number of available beds** has increased to 252 beds following the opening of Nakornthon 2 Hospital, aiming to support future customer base expansion.

## Financial Summary 1Q2026

The financial performance of Nakhonthon Hospital Public Company Limited for the three-month period ended 31 March 2026 and 2025 is as follows:

### Statement of Comprehensive Income

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the three-month period ended 31 March		Change
	2026	2025	
Total revenue	491.4	500.5	-2%
Revenue from hospital operations	486.1	494.4	-2%
<i>Revenue from outpatients (OPD)</i>	309.3	309.3	-0.01%
<i>Revenue from inpatients (IPD)</i>	176.8	185.1	-4%
Other income	5.3	6.1	-13%
<b>Total expenses</b>	<b>468.0</b>	<b>428.3</b>	<b>9%</b>
Cost of hospital operations	374.0	346.8	8%
Selling and service expenses	11.5	9.7	18%
Administrative expenses	82.5	71.7	15%
<b>Earnings before interest and taxes (EBIT)</b>	<b>23.4</b>	<b>72.3</b>	<b>-68%</b>
<b>Profit for the period</b>	<b>7.7</b>	<b>56.1</b>	<b>-86%</b>

## Summary of Nakornthon Hospital Public Company Limited’s financial performance for the three-month periods ended 31 March 2026 and 2025:

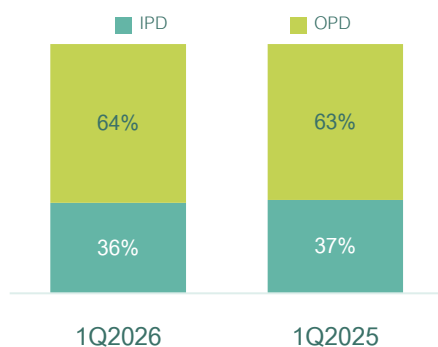
### Revenue

In 1Q2026, the Company recorded **total revenue** of THB 491.4 million, a 2% decrease YoY.

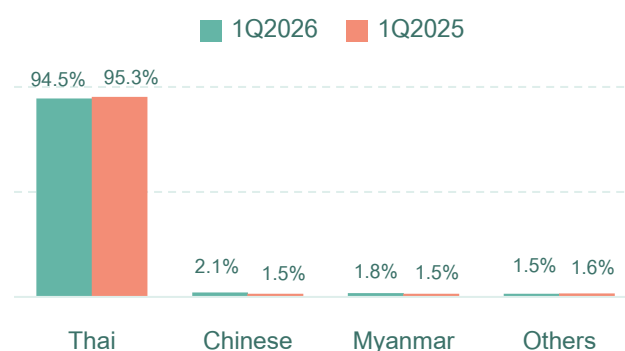
- **Revenue from hospital operations** amounted to THB 486.1 million, a 2% decrease YoY.
- **Revenue from outpatients (OPD)** amounted to THB 309.3 million, a slight decrease of 0.01% YoY. This was primarily driven by the Middle East conflict, which led patients to become more cost-conscious and opt for their eligible welfare benefits instead of private hospital services.
- **Revenue from inpatients (IPD)** amounted to THB 176.8 million, a 4% decrease YoY. This was due to the Middle East conflict, coupled with concerns regarding the trend of Co-payment policy and the cancellation of lump-sum health insurance plans by providers, which led to a decline in inpatient admissions.
- **Other income** amounted to THB 5.3 million, a 13% decrease YoY, primarily due to a decline in interest income.

### Revenue Breakdown of Hospital Operations by Category

Revenue Structure (Unit: %)



Revenue Structure by Nationality (Unit: %)

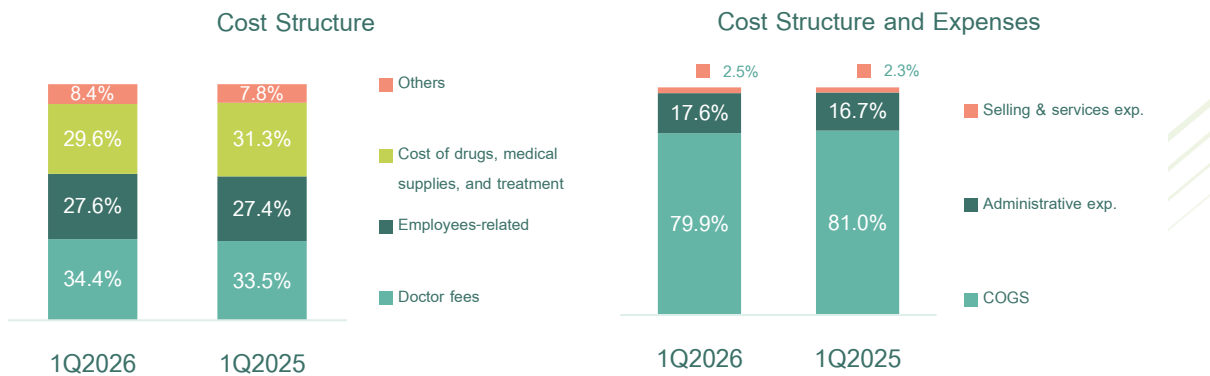


## Cost and Expense

In 1Q2026, the Company's **total expenses** amounted to THB 468.0 million, a 9% increase YoY.

- **Cost of hospital operations** amounted to THB 374.0 million, an 8% increase YoY. This was primarily driven by the commencement of Nakornthon 2 Hospital's operations in December 2025, which led to higher personnel expenses and medical fees due to the expansion of the workforce to support services. Additionally, the increase was attributed to the recognition of higher depreciation for the building and medical equipment following the opening of the new branch.
- **Selling and service expenses** amounted to THB 11.5 million, an 18% increase YoY, primarily due to increased expenses in digital marketing.
- **Administrative expenses** amounted to THB 82.5 million, a 15% increase YoY. This was primarily driven by the commencement of Nakornthon 2 Hospital's operations, which resulted in higher recognition of depreciation and various administrative costs compared to 2025.

### Cost Breakdown of Hospital Operations by Category



## Net Profit

In 1Q2026, the Company's **Earnings Before Interest and Taxes (EBIT)** stood at THB 23.4 million, representing an EBIT margin of 5%, a decrease from 14% in the same period last year due to higher operational expenses.

**Net profit** amounted to THB 7.7 million, with a net profit margin of 2%, down from 11% YoY.

## Statement of Financial Position

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated		Change
	As of 31 March 2026	As of 31 December 2025	
<b>Total assets</b>	2,964.1	2,607.0	-1%
Total current assets	669.2	457.3	46%
Total non-current assets	2,294.9	2,149.7	7%
<b>Total liabilities</b>	937.4	587.9	59%
Total current liabilities	377.3	383.7	-2%
Total non-current liabilities	560.1	204.2	174%
<b>Total shareholders' equity</b>	2,026.7	2,019.1	0.4%

### Assets

As of 31 March 2026, the Company's **total assets** amounted to THB 2,964.1 million, a 1% decrease from the end of 2025.

- **Current assets** amounted to THB 669.2 million, a 46% increase from the end of 2025. This was primarily driven by a THB 350 million loan from financial institutions secured by a subsidiary for a construction project's working capital. Additionally, the Company increased its inventory reserves to mitigate risks from the Middle East conflict, which could potentially impact logistics systems and lead to future product shortages.
- **Non-current assets** amounted to THB 2,294.9 million, a 7% increase from the end of 2025. This was primarily driven by the recognition of work-in-progress for the Nakornthon Long Life Center project and investments in fixed assets for Nakornthon 2 Hospital. These investments included the procurement of advanced medical equipment, such as Mammogram, C-arm, Echo, and Ultrasound machines, as well as the installation of electrical control panels and office furniture to ensure operational readiness.

## Liabilities

As of 31 March 2026, the Company's **total liabilities** amounted to THB 937.4 million, a 59% increase from the end of 2025.

- **Current liabilities** amounted to THB 377.3 million, a 2% decrease from the end of 2025. This was primarily due to gradual payments for the construction of Nakornthon 2 Hospital following the commencement of its operations. However, trade payables increased as a result of stockpiling medicines and medical supplies to mitigate risks from the conflict and transportation constraints.
- **Non-current liabilities** amounted to THB 560.1 million, a 174% increase from the end of 2025. This was primarily driven by retention payables from construction and loans from financial institutions.

## Shareholders' equity

As of 31 March 2026, the Company's **shareholders' equity** amounted to THB 2,026.7 million, a 0.4% increase from the end of 2025, primarily driven by net profit for the period.

## Cash Flow Statement

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the three-month period ended 31 March	
	2026	2025
Net cash generated from (used in) operating activities	116.8	115.7
Net cash generated from (used in) investing activities	(252.3)	(149.2)
Net cash generated from (used in) financing activities	349.6	(150.0)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>214.1</b>	<b>(183.5)</b>
Cash and cash equivalents at the beginning of the period	299.1	1,094.9
<b>Cash and cash equivalents at the end of the period</b>	<b>513.2</b>	<b>911.4</b>

The Company generated **net cash from operating activities** amounting to THB 116.8 million. **Net cash used in investing activities** totaled THB 252.3 million, primarily consisting of construction payments for Nakornthon 2 Hospital and the Nakornthon Long Life Center project, as well as VIP ward renovations and medical equipment purchases. **Net cash from financing activities** was THB 349.6 million, sourced from long-term loans from

financial institutions. As a result, the Company's cash and cash equivalents decreased by THB 214.1 million, ending at THB 513.2 million as of the end of the period.

## Key Financial Ratio

Nakhonthon Hospital Public Company Limited	For the three-month period ended 31 March	
	2026	2025
Current ratio (Time)	1.8	2.8
Gross profit margin (%)	23.1	29.9
EBITDA margin (%)	14.2	20.9
Net profit margin (%)	1.6	11.2
Return on assets (%)	7.6	12.5
Return on equity (%)	7.3	14.3
Debt-to-equity ratio (Time)	0.5	0.3

Remarks:

- (1) Current Ratio = Current Assets / Current Liabilities
- (2) Gross Profit Margin = (Revenue from Hospital Operations - Cost of Hospital Operations) / Revenue from Hospital Operations
- (3) Earnings before interest, taxes, depreciation and amortization = (Earnings before interest, taxes, depreciation and amortization) / Total Revenue
- (4) Net Profit Margin = Net Profit / Total Revenue
- (5) Return on Assets = Operating Profit / Average Total Assets
- (6) Return on Equity = Net Profit / Average Total Shareholders' Equity
- (7) Debt-to-Equity = Total Liabilities / Total Shareholders' Equity

## Business Outlook

---

For the remainder of 2026, Nakornthon 2 Hospital will focus on accelerating service capacity and continuously expanding its patient base. The hospital plans to gradually increase the number of available beds in alignment with actual patient volume (Demand-driven capacity expansion) and the availability of medical personnel, aiming to maximize resource utilization and operational efficiency.

**In terms of service development**, the hospital aims to strengthen its medical services in high-demand segments within the area, specifically Orthopedics, Geriatric Care, and Preventive Health Check-ups. This includes integrating comprehensive diagnostic and treatment services to enhance care capabilities for both general and chronic disease patients. These initiatives are designed to support a continuous care model and drive an increase in average revenue per case.

**In terms of marketing strategy**, the hospital will focus on penetrating new customer segments in Western Bangkok and neighboring provinces, including self-pay individuals, health insurance holders, and corporate clients. This will be achieved through strategic partnerships, affordable check-up and treatment packages, local promotional activities, and the expansion of digital communication channels to enhance brand awareness and drive service utilization.

**Regarding financial performance**, the hospital expects to see a gradual increase in revenue in line with rising utilization rates and the number of available beds. This growth will be supported by an improved Bed Occupancy Rate, the development of services catering to both general and chronic disease patients, and an increased proportion of high-purchasing-power clients. Furthermore, the hospital remains committed to stringent cost control and operational efficiency management to support sustainable long-term growth.

## Sustainability Initiatives 1Q2026

---

### Environmental



13 January 2026

17 February 2026

and 16 March 2026



31 March 2026

### 49<sup>th</sup> – 51<sup>st</sup> Mobile Orphan Waste Project

In 1Q2026, Nakornthon Hospital organized the 49<sup>th</sup> – 51<sup>st</sup> Mobile Orphan Waste Project events in collaboration with the Somboon Say Green page to promote sustainable waste management. The initiative successfully collected a total of 36,180 kilograms of non-recyclable waste, which was processed into refuse-derived fuel to replace coal in cement kilns. This effort significantly reduced the volume of waste sent to landfills and reinforced the hospital's commitment to long-term environmental sustainability.

**Nakornthon Hospital, in collaboration with AIA Thailand, organized the Mobile Orphan Waste Project event to promote environmental responsibility.**

Nakornthon Hospital, in collaboration with AIA Thailand, organized the Mobile Orphan Waste Project event in Bang Rak District. Ms. Yaowared Thongsima, Director of Administration, alongside Ms. Chanthip Itthiratchai, Premier Advisor and MDRT representative from AIA, led a team of volunteers to participate in the activity. The event was honored by the presence of Ms. Pornpan Wattanasin, Director of Bang Rak District, who provided a warm welcome and facilitated the venue for the initiative.

## Social



23 January 2026

Nakornthon Hospital, in collaboration with the National Blood Centre of the Thai Red Cross Society, hosted a blood donation drive under the project “Give Blood Now”.

On 23 January 2026, Nakornthon Hospital, in collaboration with the National Blood Centre of the Thai Red Cross Society, hosted a blood donation drive under the “Give Blood Now” project at the hospital's front plaza. The event received a positive response from doctors, nurses, staff, visitors, and local residents, who gathered to contribute to the national blood supply for patients in need. In this session, 120 individuals registered to donate, with 107 successful donors contributing approximately 48,150 cc of blood. The next blood donation event is scheduled for April 2026.



2 March 2026

Nakornthon Hospital participated in the 2025 annual scholarship presentation for students of Bangpakok Wittayakom School.

On 2 March 2026, Mr. Tawatchai Thongsima, Director of Corporate Social Responsibility, representing Nakornthon Hospital Public Company Limited, participated in the 2025 annual scholarship presentation ceremony. The scholarships were awarded to students with outstanding academic records and exemplary conduct at Bangpakok Wittayakom School, Rat Burana District, to provide encouragement and support further educational opportunities. The delegation was warmly welcomed by Mr. Boonchu Klakhaeng, Director of the school, at the Yoong Thong Auditorium.



27 March 2026

Nakornthon Hospital presented reflective vests to police officers.

On 27 March 2026, Mr. Tawatchai Thongsima, Director of Corporate Social Responsibility at Nakornthon Hospital, presented 40 reflective safety vests sponsored by the hospital to the Bang Khun Thian Police Station. The vests are intended to enhance the safety of police officers while performing their duties and serving the public within the community. The donation was received by Pol. Col. Boonrot Lojaya, Superintendent of Bang Khun Thian Police Station, on the 1<sup>st</sup> floor of Nakornthon Hospital.