

Management Discussion and Analysis

2Q2025

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Executive Summary

Operating Results Summary for 2Q2025 and 6M2025

In 2Q2025, Nakornthon Hospital Public Company Limited (“the Company”) recorded 102,595 outpatient visits, representing an increase of 2%. This growth was primarily driven by outbreaks of influenza and COVID-19. Meanwhile, the number of inpatient admissions was 3,282, a decrease of 7% from the economic slowdown and concerns among patients regarding the Co-Payment policy for medical expenses, as well as a prolonged holiday period. These factors led to a behavioral shift, with patients reducing their hospital admissions. As a result, the bed occupancy rate decreased to 56.1%, down from 65.4%. The total number of inpatient days dropped to 7,658 days, representing a 14% decrease. Nevertheless, the average revenue per outpatient visit and the average revenue per inpatient visit increased by 4% and 15%, respectively. These improvements were driven by a higher rate of screening services and the treatment of more complex medical conditions, which align with the Company’s strategic vision. The average revenue per outpatient visit was THB 3,051.3, while the average revenue per inpatient visit stood at THB 21,866.9.

In 2Q2025, revenue from outpatient services totaled THB 313.0 million, representing a 6% increase driven by both a higher number of patient visits and increased medical service fees, while revenue from inpatient services amounted to THB 167.5 million, a slight decrease of 1%. As a result, the Company reported total revenue of THB 491.7 million, reflecting a 4% increase. Total expenses for the quarter were THB 432.5 million, an increase of 3%. Cost of hospital operations amounted to THB 347.6 million, rising by 3% due to increased physician fees, which correlated with the growth in revenue-based compensation. Selling and service expenses totaled THB 15.8 million, up 10% primarily due to higher marketing and public relations expenditures. Administrative expenses were THB 69.1 million, a 1% increase attributed to post-listing compliance and related expenses following the Company’s registration on the Stock Exchange. As a result, the Company reported profit before interest and tax of THB 59.2 million, representing a 9% increase, and net profit of THB 42.1 million, a 1% increase from the same period last year.

In 6M2025, the number of outpatient and inpatient visits decreased by 0.2% and 5%, respectively. This decline was primarily due to the economic slowdown and patients’ concerns regarding the Co-Payment policy. The Company recorded 202,431 outpatient visits and 7,255 inpatient admissions during the period. The bed occupancy rate declined to 61.6%, down from 69.3% in the same period of the previous year, and the total number of inpatient days dropped by 11% to 16,736 days. Nevertheless, the average revenue per outpatient visit increased by 4% to THB 3,074.5, while the average revenue per inpatient visit rose by 11% to THB 21,066.9. These increases were driven by a greater volume of screening services and the treatment of more complex medical conditions.

In 6M2025, the Company reported total revenue of THB 992.2 million, representing a 2% increase. Outpatient revenue amounted to THB 622.3 million, up 4%, primarily driven by adjustments to certain service fees and the expansion of screening services. Inpatient revenue declined by 2% to THB 352.6 million. Total expenses for the period were THB 860.7 million, reflecting a 2% increase. Cost of hospital operations amounted to THB 694.4 million, a 1% increase due to higher physician compensation, which correlated with increased physician-related revenue. Selling and service expenses were THB 25.5 million, up 7%, while administrative expenses rose by 7% to THB 140.8 million. As a result, the Company reported profit before interest and tax of THB 131.5 million, a 1% decrease, and net profit of THB 98.2 million, a 5% decline compared to the same period last year.

Sustaining Core Operations with a Long-Term Investment Strategy

In 2Q2025, the Company continued to maintain the strength and stability of its core healthcare business, despite the ongoing economic slowdown. At the same time, the Company remains in an investment phase aimed at business expansion, including the construction of Nakornthon Hospital 2, a 151-bed facility designed to serve both Social Security patients and general patients in Bangkok Zone 7. Partial operations are expected to commence within this year, with a phased bed expansion to full capacity by 2026. The Company is also undertaking renovations of the existing hospital to increase the number of VIP rooms and enhance service capacity for the premium patient segment.

Despite ongoing economic uncertainties, the Company continues to manage its operations prudently and efficiently. This is reflected in its price-to-earnings (P/E) and price-to-book value (P/BV) ratios, which remain below the healthcare sector averages¹, 10.5 times and 1.27 times, respectively, compared to the sector averages of 21.7 times and 2.03 times. At the same time, the Company maintains a consistent dividend payment policy aligned with its performance, supported by strong and transparent corporate governance practices. The Company remains confident in its ability to capture long-term growth opportunities sustainably once the economic and market conditions stabilize.

¹ Source : SETSMART, Data as of 30 Jun 2025

Progress of Project Implementation

Project	Progress Report
 As of 9 July 2025	<p>Nakornthon Hospital 2 (NKT2)</p> <p>The architectural work is in the process of ceiling and doors installation. Building systems are being installed, focusing on ceiling-area equipment and main components Elevator work are in the preparation stage for handover. Interior finishing is underway of built-in furniture and decorative wall elements.</p> <p>The overall project completion rate stands at 75 percent.</p>
 As of 9 July 2025	<p>Nakornthon Long Life Center (NKT LLC)</p> <p>Pile foundation work is complete. Structural work is progressing with steel reinforcement and concrete pouring on the third-floor slab. Building systems are being installed, including water pipe sleeves and verification of opening dimensions.</p> <p>The overall project completion rate stands at 39 percent.</p>
 As of 9 July 2025	<p>VIP Ward Renovation</p> <p>The demolition of existing walls and systems has been completed. Preparations for the construction phase are underway. The selection process for contractors responsible for building systems, architectural works, and interior finishing is currently in progress.</p> <p>Project progress: Construction has not yet commenced; the demolition is complete.</p>

Significant Events and Developments in 2Q2025

Significant Events / Developments	Description
 6-8 June 2025 Nakornthon Hospital participated in an exhibition booth to promote its services at the Thailand Expo Yangon 2025.	<ul style="list-style-type: none"> From 6 to 8 June 2025, Nakornthon Hospital participated in an exhibition booth at Thailand Expo Yangon 2025, held at the Yangon Convention Center. The hospital joined forces with leading private organizations and top hospitals from Thailand, attracting significant interest from Myanmar attendees and agents. During the event, Dr. Sittipong Suttiudom delivered a presentation titled “Advanced Spine Solution Technology”, sharing medical knowledge and introducing modern treatment technologies to the participants.



24 June 2025

Nakornthon Hospital Received the Lean Model Award in Healthcare 2025

Nakornthon Hospital was honored with the Lean Model Award in Healthcare 2025 for three projects: Just In-Time Inventory, GI Smart Queue, and Effective IPD Discharge Time. The awards were presented by Mr. Krit Chansuwan, Inspector General of the Ministry of Industry. This competition aims to promote the development and implementation of Lean innovations to continuously enhance service quality in the healthcare system.



2 July 2025

Nakornthon Hospital Received the Thailand Moral Award 2024

- Assoc.Prof. Yandhet Thongsima, President of Nakornthon Hospital Public Company Limited, led a delegation of officials to receive the Thailand Moral Award 2024 in the Community and Organization category on 2 July 2025 at the National Gallery, Ministry of Culture. The award was presented by Air Chief Marshal Chalit Phukphasuk, Privy Councilor.
- This award is organized by the Moral Promotion Center (Public Organization) to recognize entities that promote morality and social credit systems. Nakornthon Hospital was among 39 organizations honored in the Community and Organization category.

Key Operating Statistics

Nakornthon Hospital Public Company Limited	For the six-month period		Change
	2025	2024	
Number of outpatient visits (times)	202,431	202,753	-0.2%
Number of inpatient admissions (times)	7,255	7,618	-5%
Number of available beds	150	150	Unchanged
Bed occupancy rate (%)	61.6%	69.3%	-7.7%
Number of inpatient days (per year/per period)	16,736	18,909	-11%
Average revenue per outpatient visit (THB per visit)	3,074.5	2,962.7	4%
Average revenue per inpatient visit (THB per visit)	21,066.9	18,941.6	11%

Summary of Changes in Key Operating Statistics

In 6M2025, the number of outpatient visits totaled 202,431, representing a slight decrease of 0.2%, while inpatient admissions amounted to 7,255, a decline of 5%. This decrease was mainly due to the economic slowdown and patients' concerns regarding the Co-Payment policy, which contributed to reduced patient visits. The bed occupancy rate for the six months stood at 61.6% down by 7.7 percentage points. Additionally, the total number of inpatient days decreased by 11%, reaching 16,736 days for this period.

The average revenue per outpatient visit and the average revenue per inpatient visit for the six months of 2025 increased by 4% and 11%, respectively. This growth was driven by price adjustments and the treatment of more complex medical conditions. The average revenue per outpatient visit was THB 3,074.5, while the average revenue per inpatient visit stood at THB 21,066.9. Additionally, the Company maintained a total of 150 available beds, unchanged from last year.

Financial Summary 2Q2025

The financial performance of Nakhonthon Hospital Public Company Limited for the three-month and six-month period ended 30 June 2025 and 2024 is as follows:

Statement of Comprehensive Income

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the three-month period ended 30 June		Change	Consolidated for the six-month period ended 30 June		Change
	2025	2024		2025	2024	
Total revenue	491.7	474.0	4%	992.2	976.4	2%
Revenue from hospital operations	480.5	464.9	3%	974.9	958.8	2%
<i>Revenue from outpatients (OPD)</i>	313.0	296.0	6%	622.3	600.7	4%
<i>Revenue from inpatients (IPD)</i>	167.5	168.9	-1%	352.6	358.1	-2%
Other income	11.2	9.1	23%	17.3	17.6	-2%
Total expenses	432.5	419.6	3%	860.7	843.3	2%
Cost of hospital operations	347.6	336.8	3%	694.4	687.9	1%
Selling and service expenses	15.8	14.3	10%	25.5	23.9	7%
Administrative expenses	69.1	68.5	1%	140.8	131.5	7%
Earnings before interest and taxes (EBIT)	59.2	54.4	9%	131.5	133.1	-1%
Profit for the period	42.1	41.6	1%	98.2	103.8	-5%

Revenue

In 2Q2025, the Company recorded **total revenue** of THB 491.7 million, representing a 4% increase compared to the same period last year.

- Revenue from hospital operations** amounted to THB 480.5 million, representing a 3% increase. This growth was primarily due to outbreaks of influenza and COVID-19 in 2025, which resulted in a higher volume of hospital service users.
- Revenue from outpatients (OPD)** amounted to THB 313.0 million, representing a 6% increase. This growth was driven by a higher volume of outpatient visits and a 4% increase in average revenue per outpatient visit, resulting from adjustments to certain medical service fees.
- Revenue from inpatients (IPD)** amounted to THB 167.5 million, representing a 1% decrease. This decline was mainly due to a reduction in inpatient admissions, which resulted from the economic slowdown and patient concerns regarding the Co-Payment policy.
- Other income** amounted to THB 11.2 million, representing a 23%. This growth was mainly due to interest income from deposits and the reclassification of accrued dividend income as other income.

Revenue Breakdown of Hospital Operations by Category



Cost and Expense

In 2Q2025, the Company's **total expenses** amounted to THB 432.5 million, representing a 3% increase compared to the same period last year.

- **Cost of hospital operations** amounted to THB 347.6 million, representing a 3% increase. This increase was primarily due to higher medical personnel compensation resulting from the rising number of complex cases treated in 2025, which aligns with the Company's core strategy for the year.
- **Selling and service expenses** amounted to THB 15.8 million, representing a 10% increase. This was mainly due to the hospital's annual "Health Fair" promotional activities, which this year were extended to four days instead of the usual three, resulting in higher event-related expenses.
- **Administrative expenses** amounted to THB 69.1 million, representing a 1%. The increase was related to expenses incurred following the Company's listing on the stock exchange.

Cost Breakdown of Hospital Operations by Category



Net Profit

In 2Q2025, the Company reported **earnings before interest and taxes (EBIT)** of THB 59.2 million, representing a 9% increase due to improved operational performance. The EBIT margin for this quarter was 12%, up from 11% in the same period last year. **Net profit** at the end of the quarter was THB 42.1 million, a 1% increase from the corresponding period last year.

A snapshot of Nakornthon Hospital Public Company Limited's financial performance for the six-month ended on 30 June 2025 and 2024 is summarized below:

In 6M2025, the Company's **total revenue** and **revenue from hospital operations** increased by 2%, amounting to THB 992.2 million and THB 974.9 million, respectively. **Revenue from outpatients** was THB 622.3 million, representing a 4%. This growth was driven by a shift in patient behavior towards greater use of outpatient services amid the economic slowdown, with patients opting to receive medication and recover at home. Additionally, the Company adjusted certain medical service fees in 2025. **Revenue from inpatients** decreased by 2%, mainly due to a reduction in hospital admissions. This decline was influenced by economic conditions, leading patients to be more cautious with spending and to choose healthcare providers based on their entitlements. Concerns regarding the Co-Payment policy also contributed to the decrease in inpatient services.

Total expenses amounted to THB 860.7 million, representing a 2% increase. **The Cost of hospital operations** increased by 1% to THB 694.4 million, mainly due to higher physician compensation associated with the treatment of complex cases and an increase in the number of doctors. **Selling and service expenses** amounted to THB 25.5 million, a 7% increase, driven by increased marketing and promotional activities, including the extended duration of the annual "Health Fair" event this year. **Administrative expenses** were THB 140.8 million, also up 7% reflecting costs related to the Company's stock exchange listing and maintenance fees for computer software systems.

As a result, for the six months of 2025, the Company reported **earnings before interest and taxes (EBIT)** of THB 131.5 million, representing a 1% decrease, and a **net profit** of THB 98.2 million, a 5% decline.

Statement of Financial Position

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated		Change
	As of 30 June 2025	As of 31 December 2024	
Total assets	2,449.6	2,620.9	-7%
Total current assets	845.0	1,257.2	-33%
Total non-current assets	1,604.6	1,363.7	18%
Total liabilities	520.0	693.3	-25%
Total current liabilities	346.6	535.6	-35%
Total non-current liabilities	173.4	157.7	10%
Total shareholders' equity	1,929.6	1,927.6	0.1%

Assets

As of 30 June 2025, the Company reported **total assets** of THB 2,449.6 million, a 7% decrease from 2024.

- **Current assets** amounted to THB 845.0 million, representing a 33% decrease from the end of 2024. From the cash outflows for investments in NKT2 and the NKT LLC project, as well as loan repayments to financial institutions and the dividend payments to shareholders.
- **Non-current assets** amounted to THB 1,604.6 million, an 18% increase from last year from progress in construction work for NKT2 and NKT LLC project, hospital facility improvements such as the Children's Health Center and VIP Ward, as well as an increase in medical equipment.

Liabilities

As of 30 June 2025, the Company reported **total liabilities** of THB 520.0 million, a 25% decrease from 2024.

- **Current liabilities** amounted to THB 346.6 million, representing a 35% decrease, resulting from the repayment of financial institution loans, corporate income tax payments, and early settlement of trade payables to receive cash discounts.

- **Non-current liabilities** amounted to THB 173.4 million, representing a 10% increase from the end of 2024. This increase was primarily due to performance guarantees related to construction projects for Nakornthon Hospital 2 and the Nakornthon Long Life Center, as well as hospital facility renovations.

Shareholders' equity

As of 30 June 2025, the Company's **shareholders' equity** amounted to THB 1,929.6 million, representing a 0.1% increase from the end of 2024, primarily due to net profit for the six months.

Statement of Cash Flows

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the six-month period ended 30 June	
	2025	2024
Net cash generated from (used in) operating activities	169.5	187.4
Net cash generated from (used in) investing activities	(344.4)	333.0
Net cash generated from (used in) financing activities	(246.6)	(528.2)
Net increase (decrease) in cash and cash equivalents	(421.5)	(7.8)
Cash and cash equivalents at the beginning of the period	1,094.9	198.3
Cash and cash equivalents at the end of the period	673.4	190.5

The Company generated **net cash from operating activities** amounting to THB 169.5 million. **Net cash used in investing activities** totaled THB (344.4) million, primarily related to payments for the construction of Nakornthon Hospital 2 and the Nakornthon Long Life Center projects. **Net cash used in financing activities** was THB (246.6) million, mainly due to dividend payments to shareholders for the 2024 fiscal year and repayment of loans from financial institutions. As a result, the Company's **cash and cash equivalents** decreased by THB (421.5) million, ending at THB 673.4 million as of the end of the period.

Key Financial Ratio

Nakhonthon Hospital Public Company Limited	For the six-month period	
	2025	2024
Current ratio (times)	2.4	0.9
Gross profit margin (%)	28.8	28.3
EBITDA margin (%)	19.8	20.4
Net profit margin (%)	9.9	10.6
Return on assets (%)	14.4	17.3
Return on equity (%)	17.3	22.8
Debt-to-equity ratio (times)	0.3	1.2

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

Sustainability Initiatives 2Q2025

Environmental



14 June 2025

42nd Mobile E-Waste Collection Campaign

Nakornthon Hospital, in collaboration with the Facebook page “Sombun Sai Green”, organized the 42nd Mobile E-Waste Collection Campaign to collect non-recyclable waste for use as alternative fuel in cement kilns. The activity was led by Mrs. Sompen Thongsima and Dr. Siremon Thongsima by collecting a total of 11,500 kilograms of waste successfully.



25 June 2025

Nakornthon Hospital received the BKKGC+ Award Plaque

Mr. Piyadeth Thongsima, Director of IT and Organization Efficiency, represented Nakornthon Hospital in receiving the 2023 BKKGC+ Silver Award from Bangkok Governor Mr. Chadchart Sittipunt at the Environmental Health and Wellness Integration Summit: Bangkok 2025, held at Bangkok World. The award, presented by the Department of Health and the Medical Services Department of BMA, honors healthcare facilities that meet BKKGC+ standards through effective environmental management and ongoing awareness efforts.

Social



23 April 2025

Private Sector Moral Well-being Open House

Hospital welcomed executives from the Moral Promotion Center during the “Open House for Private Sector Moral Well-being” event. Designated as a “Moral Well-being Learning Center,” the hospital continues to lead social projects and serve as a private sector role model in promoting moral values.



14 June 2025

Nakornthon Hospital supported influenza vaccines for the Economic Reporters Association.

Nakornthon Hospital, represented by Dr. Wisan Saipetch and Dr. Siremon Thongsima, donated influenza vaccines to the Economic Reporters Association and provided vaccination services to its members at Nakornthon Hospital. They also discussed potential collaboration on health initiatives and joint activities in the future.



Investor Relations Contact

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