

# Management Discussion and Analysis

2025

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## Executive Summary

### Operating Results Summary for 2025

In 2025, the National Economic and Social Development Council (NESDC) projects Thailand's economic growth at 2.0%<sup>1</sup>, a decrease from 2.5% in 2024. This growth is primarily driven by the continuous expansion of private consumption, government spending, and robust performance in the export sector. However, the Thai economy continues to face significant risks, including the imposition of U.S. import tariffs on Thai products, a global economic slowdown, and high levels of domestic household debt. Looking ahead to 2026, the economy is expected to expand within a range of 1.2% – 2.2%. Concurrently, the private hospital industry in 2025 is forecasted to grow by 3.2%<sup>2</sup>. This represents a deceleration aligned with the softening of both global and domestic economies, which has impacted the purchasing power for medical services among Thai and international patients. In contrast, the strategic investments of Nakornthon Hospital Public Company Limited (“Company”) to enhance service capabilities for specialized care are poised for continued growth. This resilience is supported by the global Longevity trend and the shift toward Value-based Care, both of which are expected to bolster the Company's performance over the medium to long term. These developments are consistent with the Company's ongoing investments in the Nakornthon 2 Hospital, the Nakornthon Long Life Center, and the 12<sup>th</sup> Floor VIP Ward extension.

In 2025, Nakornthon Hospital experienced a decline in patient volume, with Outpatient (OPD) visits decreasing by 2% and Inpatient (IPD) admissions dropping by 8%. Consequently, the bed occupancy rate moderated to 63.2%. This decline was attributed to the economic slowdown and the implementation of the medical Co-payment policy, which led to more cautious healthcare spending among patients. However, the impact of the Co-payment policy on the Company's 2025 performance remained limited, as existing lump-sum insurance policies continued to be utilized as usual. Revenue from patients using health insurance accounted for 41.3% of total revenue. Despite the lower volume, average revenue per unit demonstrated robust growth. The average revenue per outpatient visit increased by 5%, while the average revenue per inpatient visit rose by 10%. This growth resulted from service fee adjustments and the Company's strategic shift toward treating high-complexity medical cases. Meanwhile, the hospital's total capacity remained stable at 150 beds throughout the year.

In 2025, the Company reported total revenue of THB 2,021.4 million, remaining stable compared to the previous year. Revenue from outpatients grew by 3%, primarily driven by service fee adjustments. However, patient behavior shifted toward utilizing existing medical benefits and reducing overnight stays, influenced by

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<sup>1</sup> Thai Economic Performance in the Q3 and the Outlook for 2025, NESDC, 17 November 2025.

<sup>2</sup> Private Hospital Industry Outlook, 5 November 2025, by SCB EIC.

the economic climate and concerns regarding the medical Co-payment policy. This shift resulted in a 5% decline in revenue from inpatients. Total expenses increased by 2%, attributed to higher medical personnel costs to support high-complexity cases and preparations for the opening of Nakornthon 2 Hospital. Additionally, the Company intensified its digital marketing efforts to better reach contemporary target segments. Consequently, net profit stood at THB 195.4 million, representing a net profit margin of 10%. This reflects a slight decrease from the previous year, consistent with the increased expenditure required during this expansion phase.

## A Significant Milestone: The Launch of Nakornthon 2 Hospital

On 12 December 2025, Nakornthon Hospital Group significantly expanded its service network with the official opening of "Nakornthon 2 Hospital". Located on Ekachai–Kanchanaphisek Road, a high-potential area, the facility is strategically positioned to meet the growing healthcare demands of the surrounding communities. Offering both outpatient (OPD) and inpatient (IPD) services, the hospital provides comprehensive care for all age groups, effectively broadening access for the middle-to-mass market segments. The launch of Nakornthon 2 Hospital represents a key strategy to expand the Company's customer base and patient capacity while strengthening its long-term network synergy. The Company expects Nakornthon 2 Hospital to generate consistent revenue post-launch and play a pivotal role in the Group's overall growth. Positioned as a primary revenue driver, the hospital is projected to achieve steady growth in line with increasing utilization rates and efficient cost management. This strategic move is set to support the sustainable growth of Nakornthon Hospital Group over the medium-to-long term.

Regarding key financial ratios, Thailand's overall economic landscape in 2025 experienced significant volatility, driven by a slowdown amid trade war concerns, natural disasters, and political uncertainty. Despite these challenges, the Company maintained prudent and efficient operations. This resilience is reflected in our P/E and P/BV ratios, which remain lower than the healthcare industry average (10.62x and 1.09x, compared to the industry averages of 21.12x and 2.52x, respectively<sup>3</sup>). Furthermore, the Company remains committed to a consistent dividend policy, aligned with our operational performance and anchored by strong corporate governance and transparency. The Company is confident in its ability to capitalize on long-term sustainable growth opportunities as the economy and market conditions stabilize.

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<sup>3</sup> Source: SETSMART, data as of 5 February 2026.

## Progress of Project Implementation

Project	Progress Report
 <p>As of 3 February 2026</p>	<p><b>Nakornthon Long Life Center (NLLC)</b></p> <p>The structural work has been completed. Currently, the project is in the stage of installing above-ceiling and wall systems, proceeding concurrently with masonry and plastering and ceiling board installation. Additionally, the installation of decorative wall panels and built-in furniture is underway.</p> <p>The overall project completion rate stands at 73 percent.</p>
 <p>As of 3 February 2026</p>	<p><b>VIP Ward Renovation</b></p> <p>The project is currently in the process of ceiling closure, bathroom tiling, and equipment installation. Construction is progressing steadily as we expedite the remaining works to ensure completion in accordance with the scheduled timeline.</p> <p>The overall project completion rate stands at 77 percent.</p>

## Significant Events and Developments in 4Q2025

Significant Events / Developments	Description
 <p>17 November 2025</p> <p>Nakornthon Hospital Enhances its Labor &amp; Delivery Unit</p>	<ul style="list-style-type: none"> <li>Nakornthon Hospital has undertaken the renovation and enhancement of its Labor &amp; Delivery Room to elevate the quality of care for mothers and their families. The facility has been redesigned to provide increased privacy, cleanliness, and safety, integrated with standardized medical equipment. Furthermore, the hospital has strengthened the readiness of its medical and nursing teams to provide close, comprehensive care throughout the prenatal, delivery, and postnatal stages. This initiative reinforces the hospital's commitment to service excellence and continuous patient trust, while serving as a key component of Nakornthon Hospital's bed expansion project.</li> </ul>
 <p>24 November 2025</p> <p>Nakornthon Hospital was honored with the "Best Hospital Utilization Management Award"</p>	<ul style="list-style-type: none"> <li>Nakornthon Hospital was honored with the "Best Hospital Utilization Management Award" at the Krungthai-AXA Signature Awards 2025, presented by Krungthai-AXA Life Insurance Public Company Limited. This reflects the hospital's excellence in medical resource management, characterized by efficiency, cost-effectiveness, and high clinical standards, while consistently delivering superior patient satisfaction and underscores the collective success of our staff in adopting a customer-centric approach and highlights the strong and sustainable partnership between our organizations.</li> </ul>



1 December 2025

Memorandum of Understanding (MOU)  
Signing Ceremony: Nakornthon Long Life  
Center Project

- A Memorandum of Understanding (MOU) was officially signed for the “Nakornthon Long Life Center Project”, a strategic collaboration between Nakornthon Nursing Care Co., Ltd. (a subsidiary of Nakornthon Hospital Public Company Limited) and Chersery Home International Senior Care and Rehabilitation Hospital. This partnership aims to develop the “Nakornthon Long Life Center”, a holistic senior care and health promotion hub located in the Rama 2 area. The project is designed to enhance medical and rehabilitative service capabilities, addressing the needs of a rapidly growing aging society. Furthermore, it supports the long-term vision of becoming a regional leader in senior healthcare by 2030.

## Key Operating Statistics

Nakornthon Hospital Public Company Limited	For the year-end period		Change
	2025	2024	
Number of outpatient visits (times)	403,740	412,890	-2%
Number of inpatient admissions (times)	14,975	16,221	-8%
Number of available beds	150	150	Unchanged
Bed occupancy rate (%)	63.2%	73.1%	-9.9 จุด
Number of inpatient days (per year/per period)	34,600	40,143	-14%
Average revenue per outpatient visit (THB per visit)	3,133.8	2,974.1	5%
Average revenue per inpatient visit (THB per visit)	20,823.8	18,882.0	10%

Note: Operating statistics of Nakornthon Hospital only and exclude Nakornthon 2 Hospital, as the latter commenced operations on 12 December 2025.

### Summary of Changes in Key Operating Statistics

In 2025, the operational performance of Nakornthon Hospital (excluding Nakornthon 2 Hospital) recorded a total of 403,740 **outpatient visits**, a 2% decrease year-on-year (“YoY”). Similarly, **inpatient admissions** totaled 14,975, representing an 8% decline. Consequently, the **bed occupancy rate** adjusted from 73.1% to 63.2%, with total **inpatient days** amounting to 34,600, a 14% decrease. The decline in patient volume was primarily driven by the economic slowdown, which influenced patients to be more cost-conscious. This shift in behavior manifested in a preference for utilizing existing medical benefits and avoiding overnight stays unless clinically urgent. Additionally, the implementation of the medical Co-payment policy served as a key factor in the overall reduction of service utilization.

Despite the lower volume, the average revenue per patient unit demonstrated strong growth. The **average revenue per outpatient visit** increased by 5% to THB 3,133.8, while the **average revenue per inpatient visit** rose by 10% to THB 20,823.8. This robust performance was underpinned by service fee adjustments and a strategic increase in the proportion of high-complexity medical cases, in line with the Company’s long-term strategy. The hospital maintained a constant capacity of 150 **available beds** throughout the year.

## Financial Summary 2025

The financial performance of Nakhonthon Hospital Public Company Limited for the year ended 31 December 2025 and 2024 is as follows:

### Statement of Comprehensive Income

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the year-end period ended 31 December		Change
	2025	2024	
Total revenue	2,021.4	2,020.5	0.04%
Revenue from hospital operations	1,986.4	1,986.0	0.02%
<i>Revenue from outpatients (OPD)</i>	1,265.7	1,228.0	3%
<i>Revenue from inpatients (IPD)</i>	720.7	758.0	-5%
Other income	35.0	34.5	1%
Total expenses	1,763.2	1,723.5	2%
Cost of hospital operations	1,421.9	1,400.6	2%
Selling and service expenses	49.2	44.7	10%
Administrative expenses	292.1	278.2	5%
Earnings before interest and taxes (EBIT)	258.2	297.0	-13%
Profit for the period	195.4	233.7	-16%
Other comprehensive income	7.6	-	-
Total comprehensive income for the year	187.8	233.7	-20%

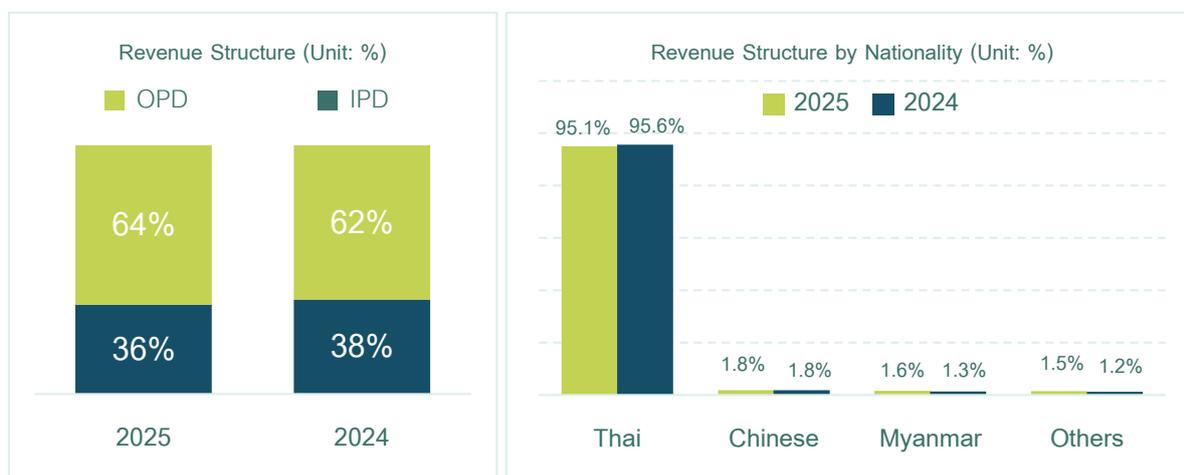
## Summary of Nakornthon Hospital Public Company Limited's financial performance for the year-end periods ended 31 December 2025 and 2024:

### Revenue

In 2025, the Company recorded **total revenue** of THB 2,021.4 million, slightly up by 0.04% from the same period last year.

- **Revenue from hospital operations** amounted to THB 1,986.4 million, slightly up by 0.02% from the same period last year.
  - **Revenue from outpatients (OPD)** amounted to THB 1,265.7 million, increased by 3% YoY, primarily driven by an average service fee adjustment of 3-4%. However, there was a significant shift in patient behavior due to the economic slowdown, which led to more cautious spending. Consequently, patients showed a growing preference for outpatient treatment (medication-only) over inpatient hospitalization for cases that were not clinically urgent.
  - **Revenue from inpatients (IPD)** amounted to THB 720.7 million, representing a 5% decrease YoY. This decline was primarily attributed to the economic slowdown, which prompted patients to become more cost-conscious. Consequently, there was a visible trend of avoiding hospitalization unless clinically urgent or opting for treatments under their existing medical welfare benefits. Furthermore, concerns regarding the Co-payment policy served as a significant factor in the contraction of inpatient revenue.
- **Other income** amounted to THB 35.0 million, a 1% increase from the same period last year.

### Revenue Breakdown of Hospital Operations by Category



## Cost and Expense

In 2025, the Company's **total expenses** amounted to THB 1,763.2 million, representing a 2% increase compared to the same period last year.

- Cost of hospital operations** amounted to THB 1,421.9 million, representing a 2% increase YoY. This rise was primarily driven by higher medical compensation, following a strategic shift toward high-complexity surgical cases, which command higher doctor fees. Additionally, the Company recruited more medical specialists in line with this year's strategic objectives. Furthermore, the Company incurred additional expenses related to the launch of Nakornthon 2 Hospital. These include pre-operating costs, guaranteed doctor fees, and personnel expenses from proactive manpower management to ensure operational readiness.
- Selling and service expenses** amounted to THB 49.2 million, a 10% increase YoY. This rise was driven by intensified digital marketing initiatives and collaborations with influencers to enhance the hospital's brand awareness. Additionally, the Company extended its annual Health Fair from three days to four, resulting in higher operational and promotional costs.
- Administrative expenses** amounted to THB 292.1 million, representing a 5% increase YoY. The primary drivers included higher personnel expenses related to proactive recruitment in preparation for the launch of Nakornthon 2 Hospital, and increased software maintenance costs following the system upgrades at both hospitals. Additionally, the Company recognizes full-year depreciation expenses from the expanded office space renovations, which were completed in late 2024.

## Cost Breakdown of Hospital Operations by Category



## Net Profit

In 2025, the Company reported **earnings before interest and taxes (EBIT)** of THB 258.2 million, representing an EBIT margin of 13% a slight decrease from 15% in the same period last year, primarily due to the increase in operating expenses. Meanwhile, **net profit** stood at THB 195.4 million, with a net profit margin of 10%, a slight decrease from 11% in the same period last year.

## Statement of Financial Position

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated		Change
	As of 31 December 2025	As of 31 December 2024	
Total assets	2,607.0	2,620.9	-1%
Total current assets	457.3	1,257.2	-64%
Total non-current assets	2,149.7	1,363.7	58%
Total liabilities	587.9	693.3	-15%
Total current liabilities	383.7	535.6	-28%
Total non-current liabilities	204.2	157.7	29%
Total shareholders' equity	2,019.1	1,927.6	5%

## Assets

As of 31 December 2025, the Company reported **total assets** of THB 2,607.0 million, a 1% decrease from 2024.

- **Current assets** amounted to THB 457.3 million, representing a 64% decrease from the end of 2024. This decline was primarily due to the repayment of THB 100 million in loans from financial institutions and the repayment of THB 50 million in promissory notes. Additionally, significant cash outflows were directed toward construction payments for the Nakornthon 2 Hospital and the Nakornthon Long Life Center projects, as well as the bed expansion project at Nakornthon Hospital. The Company also invested in medical equipment replacements for ageing assets, leading to a reduction in cash and cash equivalents this year.

- **Non-current assets** amounted to THB 2,149.7 million, a 58% increase from the end of 2024. This growth was driven by expanded investments in the Nakornthon 2 Hospital, alongside renovations at Nakornthon Hospital aimed at enhancing operational efficiency and elevating service standards. These improvements include the installation of a Solar Carport, the renovation of VIP Wards, and the development of the Labor & Delivery room and the Children's Health Center. Additionally, the Company procured additional medical tools and equipment to support the launch of Nakornthon 2 Hospital and recorded an increase in construction in progress for the Nakornthon Long Life Center.

### Liabilities

As of 31 December 2025, the Company reported **total liabilities** of THB 587.9 million, a 15% decrease from 2024.

- **Current liabilities** amounted to THB 383.7 million, down 28% from the end of 2024, primarily due to repayments of loans from financial institutions.
- **Non-current liabilities** amounted to THB 204.2 million, a 29% increase from the end of 2024. This was primarily driven by retention payables for the construction of Nakornthon 2 Hospital and Nakornthon Long Life Center, as well as interior renovation projects within the hospital. Additionally, the increase was attributed to higher employee benefit obligations.

### Shareholders' equity

As of 31 December 2025, the Company's **shareholders' equity** amounted to THB 2,019.1 million, representing a 5% increase from the end of 2024, primarily due to net profit for the period.

## Cash Flow Statement

Nakhonthon Hospital Public Company Limited Unit: THB million	Consolidated for the year-end period ended 31 December	
	2025	2024
Net cash generated from (used in) operating activities	380.6	352.9
Net cash generated from (used in) investing activities	(931.6)	246.4
Net cash generated from (used in) financing activities	(244.7)	297.4
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(795.8)</b>	<b>896.6</b>
Cash and cash equivalents at the beginning of the period	1,094.9	198.3
<b>Cash and cash equivalents at the end of the period</b>	<b>299.1</b>	<b>1,094.9</b>

The Company generated **net cash from operating activities** amounting to THB 380.6 million. **Net cash used in investing activities** totaled THB 931.6 million, primarily related to payments for the construction of Nakornthon 2 Hospital and the Nakornthon Long Life Center projects. **Net cash used in financing activities** was THB 244.7 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 795.8 million, ending at THB 299.1 million as of the end of the period.

## Key Financial Ratio

Nakhonthon Hospital Public Company Limited	For the year-end period	
	2025	2024
Current ratio*	1.2	2.4
Gross profit margin (%)	28.4	29.5
EBITDA margin (%)	19.5	21.2
Net profit margin (%)	9.7	11.6
Return on assets (%)	9.9	12.8
Return on equity (%)	9.9	13.5
Debt-to-equity ratio*	0.3	0.4

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
- (8) \*= Date as of 31 December

## Sustainability Initiatives 4Q2025

### Environmental



4 October 2025

8 November 2025

And 16 December 2025

#### 46<sup>th</sup>, 47<sup>th</sup>, 48<sup>th</sup> Mobile Orphan Waste Project

In 4Q2025, Nakornthon Hospital organized the “Mobile Orphan Waste Project” events (No. 46–48) in collaboration with the “Somboon Say Green” Facebook page to promote sustainable waste management. The initiative successfully collected a total of 32,840 kilograms of non-recyclable waste. This serving as a renewable energy alternative to coal in cement kilns. This project underscores the hospital's commitment to reducing landfill waste and fostering a circular economy through sustainable waste management practices.



5 November 2025

#### Nakornthon Hospital Signs MOU for Used Cooking Oil Management to Protect the Environment and Enhance Consumer Health

On Wednesday, 5 November 2025, Nakornthon Hospital Public Company Limited officially signed a Memorandum of Understanding (MOU) with BSGF Company Limited and Bangkok Fuel Pipeline and Logistics Company Limited (BFPL). This partnership aims to develop a tangible management system for used cooking oil, with the objectives of mitigating environmental impacts, promoting consumer health, and supporting the conversion of waste into Sustainable Aviation Fuel (SAF). This collaboration reflects the Company's ongoing commitment to the Circular Economy and its dedicated Corporate Social Responsibility (CSR) initiatives.



December 2025

Installation of a Solar Carport system at the parking area.

#### Nakornthon Hospital Prioritizes Environmental Management As A Fundamental Pillar Of Our Business Sustainability.

In 2025, Nakornthon Hospital Public Company Limited implemented environmental initiatives across four key pillars: 1. Energy Management, 2. Water Management & Green Area, 3. Waste Efficiency, and 4. Carbon Emissions Management. The Company prioritizes efficient resource and energy management by investing in renewable energy projects to support high-consumption systems. Simultaneously, the Company has enhanced water management and optimized water-use efficiency within its operations, while executing measures to reduce indirect greenhouse gas emissions from purchased electricity (Scope 2). These efforts not only reduce long-term operational costs and bolster energy security but also consistently drive the Company toward its carbon reduction goals under its Environmental ESG strategy.

## Social



2 October 2025

### Nakornthon Hospital Provides Lung Health Screenings for Traffic Police Officers at the Tha Kham Police Station.

On 2 October 2025, Nakornthon Hospital provided comprehensive lung health screenings for 25 traffic police officers from the Tha Kham Police Station. This initiative was designed to support the well-being of personnel working in high-risk environments. The screenings included pulmonary function tests, chest X-rays, and Low Dose CT (LDCT) scans for lung cancer screening. This activity reflects the hospital's ongoing commitment to Corporate Social Responsibility (CSR).



## Investor Relations Contact

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