

Bumrungrad Hospital (BH TB)

Robust Growth Expected In 3Q26

Highlights

- We expect BH to report a robust net profit of Bt2.1b (+3.5% yoy, +11.5% qoq) in 3Q26.
- Middle East patient inflow is strong in 3Q26 despite the ongoing tension in the Middle East and the robust inflow is expected to continue in 4Q26
- We remain optimistic about BH and maintain it as one of our top picks due to the strong supporting factors in 3Q26 and onwards. Maintain BUY with a higher target price of Bt240.00 (previously Bt236.00).

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Total Revenue	6,513	6,251	6,785	4%	9%	18,678	19,260	3%
Gross Profit	3,452	3,263	3,624	5%	11%	9,713	10,089	4%
SG&A	1,056	982	1,073	2%	9%	3,101	3,114	0%
EBITDA	2,734	2,596	2,871	5%	11%	7,609	7,918	4%
Pre-tax profit	2,514	2,349	2,619	4%	11%	6,985	7,196	3%
Net profit	2,035	1,889	2,106	4%	11%	5,627	5,785	3%
EPS (Bt)	2.56	2.14	2.65	4%	24%	7.08	7.28	3%
(%)								
Gross margin	53.0%	52.2%	53.4%	0.4 ppt	1.2 ppt	52.0%	52.4%	0.4 ppt
SG&A to sales	16.2%	15.7%	15.8%	-0.4 ppt	0.1 ppt	16.6%	16.2%	-0.4 ppt
EBITDA Margin	42.0%	41.5%	42.3%	0.3 ppt	0.8 ppt	40.7%	41.1%	0.4 ppt
Net profit margin	31.2%	30.2%	31.0%	-0.2 ppt	0.8 ppt	30.1%	30.0%	-0.1 ppt

Source: BH, UOB Kay Hian

Analysis

- Robust earnings growth expected in 3Q26.** Bumrungrad Hospital (BH) should report a net profit of Bt2.1b (+3.5% yoy, +11.5% qoq) in 3Q26. We expect the top-line in 3Q26 to be at Bt6.8b (+4.2% yoy, +8.5% qoq), showing strong growth in the inflow of Middle Eastern patients during the peak season. Despite the ongoing war in the Middle East, we still expect the traffic of Middle East patients in 3Q26 to be strong and exceed the management's guidance of around 3% yoy growth in top-line. We expect a slight expansion in gross margin yoy and qoq, proportionate to the growth in high-margin Middle East patient arrivals. Furthermore, we expect BH to remain disciplined with their cost-saving measures which should result in strong margins in 3Q26 on the reduction of SG&A expenses. As a result, we expect the margins to expand both yoy and qoq in 3Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	25,718	25,215	26,942	28,838	30,758
EBITDA	10,265	10,164	10,433	11,132	11,857
Operating profit	9,188	9,096	9,248	9,941	10,659
Net profit (rep./act.)	7,775	7,512	7,641	8,210	8,801
Net profit (adj.)	7,793	7,523	7,641	8,210	8,801
EPS (Bt)	9.0	8.7	8.8	9.5	10.1
PE (x)	21.0	21.8	21.5	20.0	18.6
P/B (x)	5.5	4.9	5.0	4.8	4.2
EV/EBITDA (x)	13.4	13.6	13.2	12.4	11.6
Dividend yield (%)	2.6	5.8	2.5	2.5	2.7
Net margin (%)	30.2	29.8	28.4	28.5	28.6
Net debt/(cash) to equity (%)	(43.6)	(44.8)	(42.5)	(50.7)	(57.2)
Interest cover (x)	1,231.6	1,533.5	1,926.8	2,021.1	2,116.2
ROE (%)	30.3	25.7	25.2	25.7	24.1
Consensus net profit (Btm)	-	-	7,767	8,005	8,400
UOBKH/Consensus (x)	-	-	0.98	1.03	1.05

Source: Bumrungrad Hospital, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt189.00
Target Price	Bt240.00
Upside	+24.9%
Previous TP	Bt236.00

Stock Data

Sector	Health Care
Bloomberg ticker	BH TB
Shares issued (m)	795.0
Market cap (Btm)	150,262.4
Market cap (US\$m)	4,480.2
3-mth avg daily t'over (US\$m)	22.4

Price Performance (%)

52-week high/low			Bt214.00/Bt136.00	
1mth	3mth	6mth	1yr	YTD
(3.3)	2.2	9.6	7.7	20.0

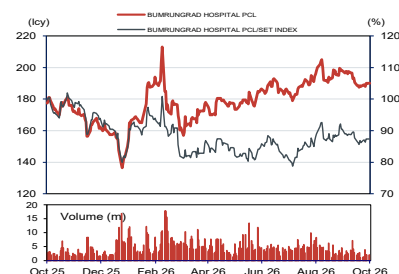
Major Shareholders (%)

Harnphanich family	50.0
Thai NVDR	11.5

Balance Sheet Metrics

FY26 NAV/Share (Bt)	37.44
FY26 Net Debt/ Share (Bt)	15.93

Price Chart



Source: Bloomberg

Company Description

Bumrungrad Hospital provides healthcare services. The company offers behavioural health, diabetes management, digestive disease treatment, hyperbaric oxygen therapy, joint replacement, rehabilitation, travel medicine, and refractive surgery services. Bumrungrad Hospital serves patients in Thailand.

- **Strong inflow of Middle East patients continues.** We see the strong inflow of Middle East patients continuing in 3Q26 and onwards as flight connectivity remains high despite the ongoing war in the Middle East. Our channel checks with BH's industry peers indicate that the Middle East patients are continuously coming for treatment and there are no pauses due to the conflict in the Middle East. In fact, the number of Middle East arrivals has shown robust yoy growth every single month in 3Q26 which is a very strong positive indicator for the healthcare industry. Therefore, we believe that BH should see a stronger yoy growth in top-line than the guideline provided by its management at around 3% yoy. We also expect this strong inflow of Middle East arrivals to continue into 4Q26.
- **Bangladeshi patient recovery and expansion.** Revenue from Bangladeshi patients fell 4.4% yoy in 2Q26, a temporary setback mainly due to changes in visa regulations that slowed patient arrivals. However, management reported a recovery in Bangladeshi patient arrivals toward the end of 2Q26 after the visa issue was resolved, supporting expectations for a strong rebound in revenue growth in 3Q26. This recovery reflects BH's ongoing efforts to strengthen its presence in Bangladesh. Previously, BH focused on establishing referral offices across the country's Tier 2 and Tier 3 cities. Given the market's strong growth potential, BH plans to open a new clinic by year-end, following a model similar to its clinic in Myanmar, to expand selected services locally. In accordance with local regulations, most doctors stationed at the clinic will be Bangladeshi, as Thai doctors are not permitted to reside permanently in Bangladesh and work full-time. Thai doctors will instead provide specialist services through periodic visits to the clinic.
- **New market opportunity from Iraq.** Management highlighted a new market opportunity in Iraq, as the two countries are awaiting the reestablishment of diplomatic ties for the first time in 20 years. In late-Jun 26, the Iraqi cabinet approved plans to reopen its embassy in Thailand. Depending on how quickly diplomatic relations are restored, BH could enter the Iraqi market promptly, as it has already signed a guarantee of payment (GOP) agreement with the Iraqi government. Demand for medical treatments among Iraqi patients is expected to be similar to that of other Middle Eastern markets, with strong demand for spine and orthopaedic surgeries, cardiovascular procedures, oncology treatments, and other neuroscience-related treatments.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt240.00 (previously Bt236.00).** We roll over our valuation to 2027 EV/EBITDA multiple of 18.0x, which is around the five-year mean of its historical multiples. BH remains as one of our top picks, due to: a) continuous strong flow of Middle East patients which should continue into 4Q26, b) potential new markets like Iraq, and c) the return of Bangladesh patients from 3Q26 onwards.

Environment, Social, Governance (ESG) Updates

Environmental

- **Energy efficiency.** BH has invested in eco-friendly infrastructure to reduce the hospital's carbon footprint and energy consumption.
- **Waste management.** BH emphasises the safe disposal of medical waste and aim to minimise the environmental impact of hazardous materials.

Social

- **Healthcare access.** BH provides high-quality healthcare services to both local and international patients. It also engages in charitable work, providing free medical services to underprivileged communities.

Governance

- **Corporate governance.** BH adheres to high standards of corporate governance with transparent reporting, strict regulatory compliance, and clear anti-corruption policies.

Quarterly Performance



Source: BH, UOB Kay Hian

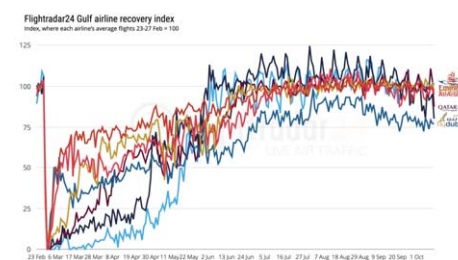
Foreign Patient Revenue Growth

Non-Thai Revenue by Top 10 Nationalities

Nationality	2Q2026 vs 2Q2025	2H2026 vs 2H2025
1. Qatar	+12.9%	+10.1%
2. Myanmar	+17.8%	+11.3%
3. United States	+10.2%	+5.0%
4. Bangladesh	-4.4%	+8.9%
5. United Arab Emirates	+2.5%	+11.6%
6. China	+5.2%	-6.4%
7. United Kingdom	+16.7%	+18.7%
8. Mongolia	-6.4%	-6.9%
9. Oman	+8.6%	+10.7%
10. Ethiopia	+12.0%	-6.6%
Total Non-Thai Patients	+7.1%	+5.6%
Total Non-Thai Patients Excluding Cambodia	+10.6%	+10.2%

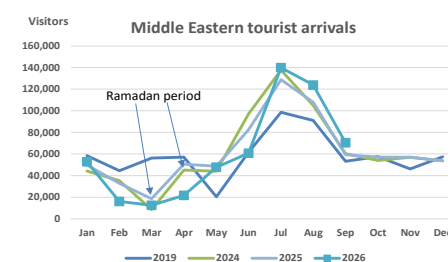
Source: BH

Middle East Flight Connectivity



Source: Flightradar24

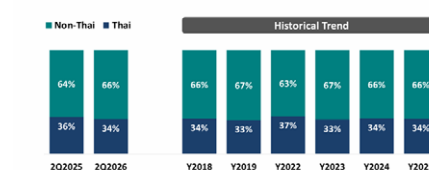
Middle East Arrivals



Source: Ministry of Tourism and Sports, UOB Kay Hian

Revenue Contribution By Nationality

Net Patient Revenue Proportion by Nationality



Source: BH

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	25,215	26,942	28,838	30,758
EBITDA	10,164	10,433	11,132	11,857
Deprec. & amort.	1,068	1,184	1,191	1,199
EBIT	9,096	9,248	9,941	10,659
Total other non-op. income	212	159	165	171
Associate contributions	(1)	2	2	2
Net interest income/(expense)	(7)	(5)	(6)	(6)
Pre-tax profit	9,301	9,403	10,102	10,827
Tax	(1,737)	(1,693)	(1,818)	(1,949)
Minorities	(52)	(70)	(74)	(77)
Net profit	7,512	7,641	8,210	8,801
Net profit (adj.)	7,523	7,641	8,210	8,801

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	7,689	7,409	8,887	9,462
Pre-tax profit	9,301	9,403	10,102	10,827
Tax	(1,737)	(1,693)	(1,818)	(1,949)
Deprec. & amort.	1,068	1,184	1,191	1,199
Associates	(406)	(23)	(165)	(164)
Working capital changes	464	(806)	77	78
Non-cash items	(1,002)	(655)	(498)	(526)
Other operating cashflows	(2,628)	(504)	(930)	(961)
Investing	(2,056)	(440)	(968)	(999)
Capex (growth)	2,810	2,812	2,814	2,816
Investment	(3,382)	(2,875)	(2,776)	(2,778)
Others	(4,043)	(8,729)	(3,816)	(4,103)
Financing	(3,974)	(8,744)	(3,820)	(4,105)
Dividend payments	0	15	2	2
Proceeds from borrowings	(33)	0	0	0
Others/interest paid	(36)	0	2	0
Net cash inflow (outflow)	1,018	(1,823)	4,141	4,399
Beginning cash & cash equiv.	5,284	6,302	4,479	8,620
Ending cash & cash equiv.	6,302	4,479	8,620	13,019

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	14,376	13,632	13,409	13,209
Other LT assets	3,301	3,324	3,362	3,400
Cash/ST investment	13,948	12,782	17,421	22,349
Other current assets	4,833	5,318	5,667	6,018
Total assets	36,459	35,055	39,859	44,976
ST debt	23	35	36	37
Other current liabilities	4,063	3,718	3,980	4,245
LT debt	84	86	88	90
Other LT liabilities	1,118	1,078	1,154	1,230
Shareholders' equity	30,863	29,760	34,150	38,845
Minority interest	308	378	452	529
Total liabilities & equity	36,459	35,055	39,859	44,976

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	40.3	38.7	38.6	38.6
Pre-tax margin	36.9	34.9	35.0	35.2
Net margin	29.8	28.4	28.5	28.6
ROA	21.7	21.4	21.9	20.7
ROE	25.7	25.2	25.7	24.1
Growth (% yoy)				
Turnover	(2.0)	6.8	7.0	6.7
EBITDA	(1.0)	2.6	6.7	6.5
Pre-tax profit	(1.4)	1.1	7.4	7.2
Net profit	(3.4)	1.7	7.5	7.2
Net profit (adj.)	(3.5)	1.6	7.5	7.2
EPS	(3.5)	1.6	7.5	7.2
Leverage				
Debt to total capital	0.3	0.4	0.4	0.3
Debt to equity	0.3	0.4	0.4	0.3
Net debt/(cash) to equity	(44.8)	(42.5)	(50.7)	(57.2)
Interest cover (x)	1,533.5	1,926.8	2,021.1	2,116.2

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