

Praram 9 Hospital (PR9 TB)

Expect A Record High Net Profit In 3Q26

Highlights

- PR9 is expected to report a strong net profit of Bt232m in 3Q26 (+3.7% yoy, +25.7% qoq).
- The main contributor is Thai patients, who could show a 9% yoy revenue growth driven by the epidemic and increasing revenue intensity.
- We remain optimistic about PR9 and maintain it as our top pick, given the positive earnings outlook for 4Q26, supported by improving patient arrivals from the Middle East and pent-up demand following the floods.
- Maintain BUY with a target price of Bt24.60.

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Total revenue	1,364	1,311	1,436	5.3%	9.5%	3,880	4,031	3.9%
Gross profit	498	468	533	7.0%	14.0%	1,417	1,453	2.5%
SG&A	(270)	(266)	(267)	-1.1%	0.2%	(765)	(782)	2.1%
Operating EBITDA	328	311	382	16.8%	23.1%	935	1,000	6.9%
Core profit	223	184	232	3.7%	25.7%	606	601	-0.9%
Net profit	223	184	232	3.7%	25.7%	606	601	-0.9%
EPS (Bt)	0.28	0.23	0.29	3.7%	25.7%	0.77	0.76	-0.9%
(%)	3Q25	2Q26	3Q26F	yoy (ppt)	qoq (ppt)	9M25	9M26F	yoy (ppt)
Gross margin	36.5%	35.7%	37.1%	0.6	1.5	36.5%	37.5%	0.9
SG&A to sales	19.8%	20.7%	18.6%	(1.2)	(2.1)	-19.7%	-20.1%	(0.4)
EBITDA margin	24.0%	23.7%	26.6%	2.6	2.9	24.1%	25.8%	1.7
Net profit margin	16.4%	14.1%	16.1%	(0.2)	2.1	15.6%	14.9%	(0.7)

Source: PR9, UOB Kay Hian

Analysis

- Expect robust yoy and qoq growth in 3Q26.** Praram 9 Hospital (PR9) is likely to report a strong net profit of Bt232m in 3Q26 (+3.7% yoy, +25.7% qoq). Top-line should reach Bt1.44b (+5.3% yoy, +9.5% qoq), primarily driven by Thai patients across both the self-pay and insured segments. The key drivers are the epidemic and increased revenue intensity per patient, which should drive Thai patient revenue in 3Q26 up by 9% yoy. On the other hand, we project that the foreign patient revenue will slightly decline in 3Q26 due to a drop in Middle Eastern patients' volume from the unrest situation. PR9 is actively controlling its SG&A expenses, hence we estimate that SG&A to sales will drop yoy. We foresee no tax benefit in 3Q26. At the same tax rate, earnings in 3Q26 should show a robust growth of 11.1% yoy. We expect both gross margins and EBITDA margins to expand significantly yoy and qoq.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	4,635	5,277	5,574	6,021	6,516
EBITDA	1,114	1,276	1,399	1,544	1,710
Operating profit	808	963	1,067	1,198	1,345
Net profit (rep./act.)	713	823	880	987	1,107
Net profit (adj.)	713	823	880	987	1,107
EPS (Bt)	0.9	1.0	1.1	1.3	1.4
PE (x)	21.0	18.2	17.0	15.1	13.5
P/B (x)	2.7	2.5	2.4	2.1	2.0
EV/EBITDA (x)	12.6	11.0	10.0	9.1	8.2
Dividend yield (%)	2.1	2.6	2.9	3.3	3.7
Net margin (%)	15.4	15.6	15.8	16.4	17.0
Net debt/(cash) to equity (%)	(7.2)	(11.0)	(13.9)	(19.3)	(23.6)
Interest cover (x)	2,265.9	1,669.8	3,123.8	3,379.7	3,669.4
ROE (%)	13.6	14.5	14.4	14.8	15.2
Consensus net profit (Btm)	-	-	862	944	1,051
UOBKH/Consensus (x)	-	-	1.02	1.05	1.05

Source: Praram 9 Hospital, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt19.00
Target Price	Bt24.60
Upside	+29.5%

Stock Data

Sector	Health Care
Bloomberg ticker	PR9 TB
Shares issued (m)	786.3
Market cap (Btm)	14,939.7
Market cap (US\$m)	442.5
3-mth avg daily t'over (US\$m)	1.5

Price Performance (%)

52-week high/low				Bt22.90/Bt15.70
1mth	3mth	6mth	1yr	YTD
(1.6)	6.7	15.9	(16.3)	1.6

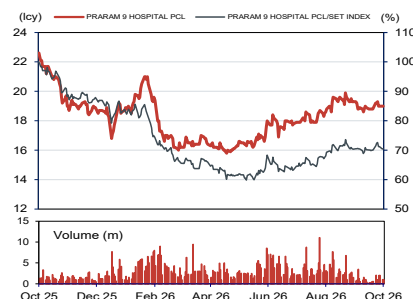
Major Shareholders (%)

Damapong Family	37.3
Thai NVDR	3.3

Balance Sheet Metrics

FY26 NAV/Share (Bt)	8.07
FY26 Net Debt/ Share (Bt)	1.12

Price Chart



Source: Bloomberg

Company Description

Praram 9 Hospital provides medical services that include check-ups, diagnoses, skincare, rehabilitation, X-rays, and surgeries, as well as treatment of joint diseases, kidneys, high blood pressure, cancer, diabetes, neurology, vertigo, and headaches. The hospital serves patients mostly from Thailand.

- **Slight impact from Bangkok flood.** There were flash floods in Bangkok during late-Sep 26 to early-Oct 26 due to heavy monsoon rainfall. Although there is no property damage at the hospital headquarters, the flood disrupted patient access to the hospital for around a week. Hence, some appointments between late-Sep 26 and early-Oct 26 were deferred. PR9 encourages patients to reschedule those appointments within Oct 26; hence, there should be no impact on this year's earnings. As a result of these delayed treatments, revenue growth in Sep 26 should be softer than Jul-Aug 26, which is still decent. Hence, there is no significant impact on 3Q26 earnings, and revenue from deferred appointments should be realised in 4Q26.
- **Remain confident in strong 4Q26 outlook.** Management updated that it remains confident on the performance in Oct 26; it should see a strong revenue growth yoy and a strong 4Q26 earnings outlook. Foreign patient revenue should revert back to an uptrend, as PR9 is seeing improving momentum in the return of Middle Eastern patients. The pent-up demand from the flood in late-Sep 26 should also provide strong support to 4Q26 earnings. Meanwhile, expenses in 4Q26 are being strictly monitored and some costs such as marketing costs are being cut. Therefore, we expect to see a yoy growth in 4Q26 earnings.
- **Actively exploring new markets for specialty care offerings.** PR9 has established a strong reputation for its expertise in diabetic wound care and kidney transplantation, particularly among Middle Eastern patients. Kidney transplant cases slightly softened in 3Q26, due to rising competition from rural public hospitals. As a result, PR9 has shifted its strategy towards actively penetrating foreign markets such as Bangladesh, Mongolia, and Kazakhstan. PR9 continues to strengthen its complex care services through investments in advanced medical technology, including the Da Vinci robotic surgical system launched in 1Q26. The system enables minimally invasive procedures across various specialties, including cancer surgery and hysterectomy.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt24.60.** Our valuation for PR9 is based on 2027 EV/EBITDA multiple of 12.0x (around the historical five-year mean multiple). We maintain PR9 as one of our top picks and remain positive on its 4Q26 earnings outlook. We see several supporting factors such as: a) the improving momentum of Middle Eastern patient arrivals in Oct 26, b) pent-up demand from cases postponed by the flood, and c) strict cost cutting measures in 4Q26.

Environment, Social, Governance (ESG) Updates

Environmental

- **Energy efficiency and resource management.** PR9 continues to improve energy efficiency through the use of energy-saving equipment.
- **Waste management.** Follows strict medical waste disposal standards and promotes efficient use of water and other resources.

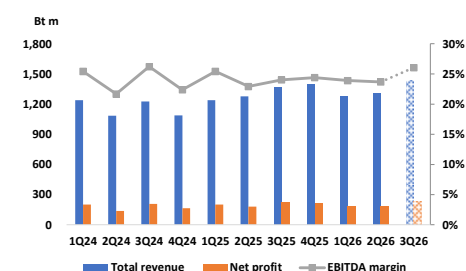
Social

- **Quality healthcare.** Focuses on specialised tertiary care and continues investing in advanced medical technologies to enhance patient outcomes.
- **People and community.** Provides continuous staff training and supports community health screening and education programmes.

Governance

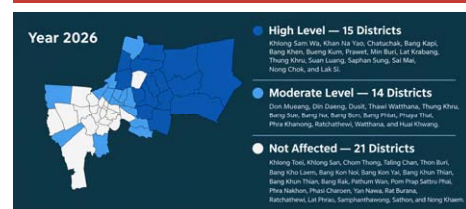
- **Corporate governance.** Maintains an independent board structure with dedicated committees overseeing governance, audit, and risk management.
- **Risk and compliance.** Implements enterprise risk management, anti-corruption policies, and transparent corporate disclosure practices.

Quarterly Performance



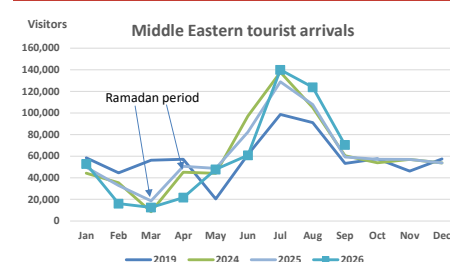
Source: PR9, UOB Kay Hian

Bangkok Flooded Area In Late-Sep 26



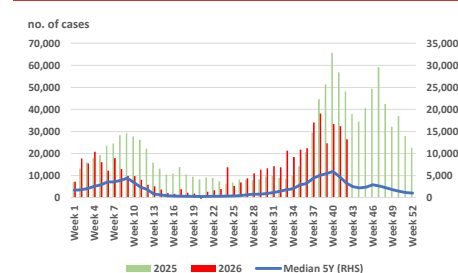
Source: Department of Disaster Prevention and Mitigation

Middle Eastern Patient Arrivals



Source: Ministry of Tourism and Sports, UOB Kay Hian

No. of Influenza Cases (1 Jan-17 Oct 26)



Source: Department of Disease Control, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	5,277	5,574	6,021	6,516
EBITDA	1,276	1,399	1,544	1,710
Deprec. & amort.	313	333	346	365
EBIT	963	1,067	1,198	1,345
Total other non-op. income	51	21	21	22
Associate contributions	0	0	0	0
Net interest income/(expense)	(1)	(0)	(0)	(0)
Pre-tax profit	1,013	1,087	1,218	1,367
Tax	(191)	(206)	(232)	(260)
Minorities	0	0	0	0
Net profit	823	880	987	1,107
Net profit (adj.)	823	880	987	1,107

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	816	1,088	1,211	1,337
Pre-tax profit	1,013	1,087	1,218	1,367
Tax	(191)	(206)	(232)	(260)
Deprec. & amort.	313	333	346	365
Associates	(179)	20	38	43
Working capital changes	(140)	(107)	(161)	(178)
Non-cash items	0	(37)	0	0
Other operating cashflows	(176)	(479)	(378)	(402)
Investing	(500)	(484)	(388)	(413)
Capex (growth)	104	109	114	120
Investment	220	(104)	(105)	(109)
Others	(340)	(418)	(368)	(493)
Financing	(351)	(411)	(440)	(493)
Dividend payments	11	0	0	0
Proceeds from borrowings	0	(7)	0	0
Others/interest paid	0	0	72	0
Net cash inflow (outflow)	300	191	464	442
Beginning cash & cash equiv.	397	697	888	1,352
Ending cash & cash equiv.	697	888	1,352	1,794

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	3,475	3,626	3,668	3,716
Other LT assets	190	200	213	226
Cash/ST investment	661	888	1,352	1,794
Other current assets	2,702	2,839	3,036	3,252
Total assets	7,027	7,553	8,268	8,988
ST debt	7	5	6	6
Other current liabilities	873	923	997	1,078
LT debt	9	4	4	4
Other LT liabilities	262	277	299	324
Shareholders' equity	5,876	6,344	6,963	7,577
Minority interest	0	0	0	0
Total liabilities & equity	7,027	7,553	8,268	8,988

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	24.2	25.1	25.6	26.2
Pre-tax margin	19.2	19.5	20.2	21.0
Net margin	15.6	15.8	16.4	17.0
ROA	12.3	12.1	12.5	12.8
ROE	14.5	14.4	14.8	15.2
Growth (% yoy)				
Turnover	13.8	5.6	8.0	8.2
EBITDA	14.5	9.7	10.4	10.7
Pre-tax profit	17.5	7.3	12.1	12.2
Net profit	15.4	7.0	12.1	12.2
Net profit (adj.)	15.4	7.0	12.1	12.2
EPS	15.4	7.0	12.1	12.2
Leverage				
Debt to total capital	0.3	0.1	0.1	0.1
Debt to equity	0.3	0.1	0.1	0.1
Net debt/(cash) to equity	(11.0)	(13.9)	(19.3)	(23.6)
Interest cover (x)	1,669.8	3,123.8	3,379.7	3,669.4

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