Bumrungrad Hospital (BH TB)

3Q26: Strong Results

Highlights

- BH reported a net profit of Bt2.07b (+1.5% yoy, +9.3% qoq) in 3Q26, in line with our and consensus forecasts.
- The main growth contributor was Thai patient revenue which grew by 8.2% yoy, while foreign patient revenue rose 0.2% yoy. These resulted in EBITDA margins expanding slightly yoy and qoq.
- We remain optimistic on BH and maintain it as one of our top picks as we still expect Middle Eastern patient arrivals to strengthen in 4Q26. Maintain BUY with a target price of Bt240.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26	yoy (%)	qoq (%)	9M25	9M26	yoy (%)
Total Revenue	6,513	6,251	6,697	3%	7%	18,678	19,172	3%
Gross Profit	3,452	3,263	3,554	3%	9%	9,713	10,019	3%
SG&A	1,056	982	1,069	1%	9%	3,101	3,110	0%
EBITDA	2,734	2,596	2,818	3%	9%	7,609	7,864	3%
Pre-tax profit	2,514	2,349	2,563	2%	9%	6,985	7,141	2%
Net profit	2,035	1,889	2,065	1%	9%	5,627	5,744	2%
EPS (Bt)	2.56	2.14	2.60	1%	22%	7.08	7.23	2%
(%)								
Gross margin	53.0%	52.2%	53.1%	0.1 ppt	0.9 ppt	52.0%	52.3%	0.3 ppt
SG&A to sales	16.2%	15.7%	16.0%	-0.3 ppt	0.3 ppt	16.6%	16.2%	-0.4 ppt
EBITDA Margin	42.0%	41.5%	42.1%	0.1 ppt	0.5 ppt	40.7%	41.0%	0.3 ppt
Net profit margin	31.2%	30.2%	30.8%	-0.4 ppt	0.6 ppt	30.1%	30.0%	-0.2 ppt

Source: BH, UOB Kay Hian

Analysis

- **Delivers strong earnings in 3Q26.** Bumrungrad Hospital (BH) reported a net profit of Bt2.07b (+1.5% yoy, +9.3% qoq) in 3Q26, in line with our and consensus forecast. 3Q26 top-line was Bt6.7b (+2.8% yoy, +7.1% qoq), mainly driven by Thai patient revenue which grew by 8.2% yoy, while foreign patient revenue rose 0.2% yoy. Revenue contribution from Thai patients vs foreign patients stood at 34.9% to 65.1% in 3Q26, compared with 33.2% to 66.8% respectively in 3Q25. Gross margin expanded slightly yoy and qoq, corresponding to the increase in patient volume. Furthermore, BH's disciplined cost-saving measures resulted in a slight yoy reduction in SG&A to sales. As a result, EBITDA margin expanded slightly 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)	22.0	22.8	22.5	20.9	19.5
P/B (x)	5.7	5.1	5.3	5.0	4.4
EV/EBITDA (x)	14.1	14.3	13.9	13.0	12.2
Dividend yield (%)	2.5	5.6	2.4	2.4	2.6
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)	-	-	7,789	8,002	8,398
UOBKH/Consensus (x)	-	-	0.98	1.03	1.05

Source: Bumrungrad Hospital, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt193.00
Target Price	Bt240.00
Upside	+24.4%

Stock Data

Sector	Health Care
Bloomberg ticker	BH TB
Shares issued (m)	795.0
Market cap (Btm)	153,428.6
Market cap (US$m)	4,649.4
3-mth avg daily t'over (US$m)	21.2

Price Performance (%)

52-week high/low				Bt214.00/Bt136.00
1mth	3mth	6mth	1yr	YTD
5.3	4.8	12.2	10.3	25.7

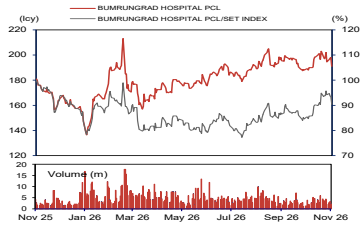
Major Shareholders (%)

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.

- **Still expect a stronger recovery in Middle Eastern patients.** We expect to see a stronger inflow of Middle Eastern patients in 4Q26, supported by resilient flight connectivity despite the ongoing regional conflict. Channel checks with BH's industry peers confirm that patients from the Middle East are continuing to seek treatment in Thailand, with no apparent disruption from the conflict. Since the conflict has stabilised once again, we should see a further return in Middle East patients. We remain optimistic and expect a growth in Middle Eastern patient revenue in 4Q26, with 9M26 revenue from Middle East patient up by 5.7% yoy.
- **Bangladeshi patient recovery and market expansion.** Revenue from Bangladeshi patients declined 4.4% yoy in 2Q26, mainly due to temporary visa regulation changes that disrupted patient arrivals. However, management noted a recovery toward the end of 2Q26 following the resolution of visa issues, which supported a strong revenue rebound in 3Q26. This recovery also reflects BH's continued efforts to deepen its presence in Bangladesh. Having previously established referral offices across tier-2 and tier-3 cities, BH now plans to open a clinic by year-end, following a model similar to its Myanmar clinic to provide selected services locally. In line with local regulations, the clinic will be staffed primarily by Bangladeshi doctors, while Thai specialists will provide services through periodic visits, as they are not permitted to reside permanently in Bangladesh and work full-time.
- **New market opportunity in Iraq.** Management highlighted a new market opportunity in Iraq, as Thailand and Iraq are awaiting the restoration of diplomatic relations 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 reestablished, 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.** Our valuation is based on 2027F EV/EBITDA multiple of 18.0x, in line with its five-year historical average. BH remains one of our top picks, supported by: a) the inflow of Middle Eastern patients, which we expect to strengthen in 4Q26; b) potential market expansion into new markets such as Iraq; and c) the recovery in Bangladeshi patient arrivals 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 aims to minimise the environmental impact of hazardous materials.

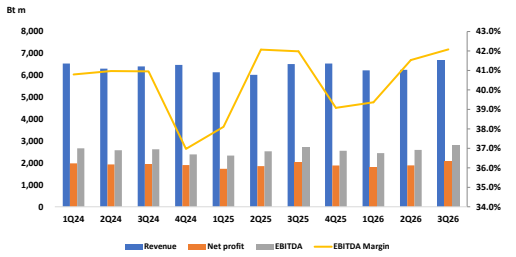
Social

- **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

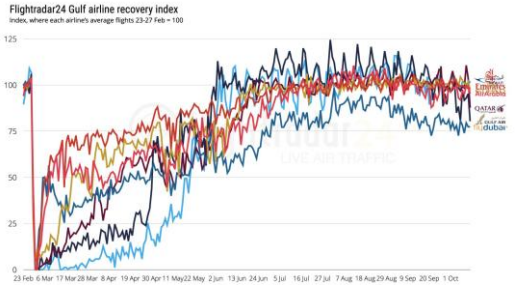
- **Corporate governance.** BH adheres to high standards of corporate governance with transparent reporting, strict regulatory compliance, and clear anti-corruption policies.

Quarterly Performance



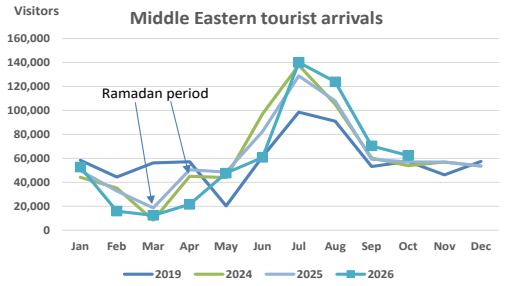
Source: BH, UOB Kay Hian

Middle East Flight Connectivity



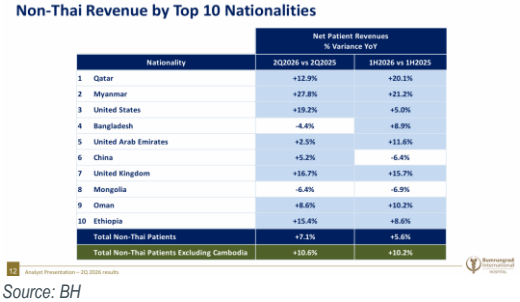
Source: Flightradar24

Middle East Arrivals



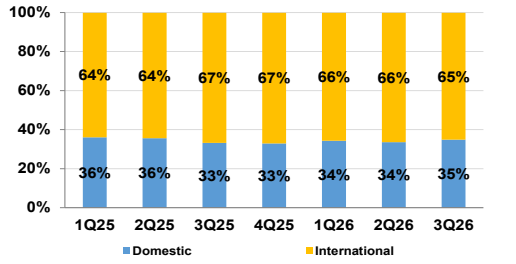
Source: Ministry of Tourism and Sports, UOB Kay Hian

Foreign patient revenue growth



Source: BH

Revenue Contribution By Nationality



Source: BH, UOB Kay Hian

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**

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**

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**

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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