

February 27, 2026

**Subject:** Management's Discussion and Analysis of the consolidated financial statements for the fourth quarter ("4Q25") and year ended 31 December 2025 ("2025")

**To:** Directors and Managers  
The Stock Exchange of Thailand

### **Overview of the Private Hospital Business in 2025**

In 2025, Thailand's private hospital industry began showing signs of deceleration, with certain customer segments approaching market saturation. According to TTB Analytics, the overall industry expanded at a modest rate of approximately 3%, with a total market value of around THB 330 billion.

Private Hospital Market conditions reflected distinct challenges between domestic and international patient segments. Thai patients, who represent the core customer base for mid-sized hospitals, continued to face pressure from a low economic growth environment and persistently high household debt levels. As a result, middle-income consumers became increasingly cautious in their healthcare spending. A portion of patients postponed non-urgent or elective procedures and placed greater emphasis on value-for-money considerations when selecting healthcare providers.

In contrast, international patients remained a key growth driver for the industry, recording an average expansion rate of approximately 6–7.6%. Growth was supported by the continued strength of Thailand's medical tourism market and the country's competitive advantage in delivering internationally accredited medical services at relatively competitive pricing. However, early signs of a slowdown in patient flows from certain Middle Eastern countries emerged during the year, representing a factor that requires close monitoring.

### **Key Developments in 2025**

Throughout 2025, Chularat Hospital Public Company Limited ("the Company") achieved significant milestones reflecting continued progress in quality standards, professional excellence, and service expansion.

At the beginning of the year, several hospitals within the Group received awards for excellence in insurance claim management and patient service experience from leading insurance companies. These recognitions reinforced the Group's operational efficiency and high levels of patient satisfaction. In parallel, the Company expanded specialized medical services, including the addition of pediatric endocrinology and metabolism specialists, while also receiving regional awards for clinical excellence and sustainability—demonstrating a balanced commitment to quality healthcare and sustainable development.

During the first quarter through early second quarter, several hospitals within the Group successfully obtained Hospital Accreditation (HA) certifications, including reaccreditation and Step 3 accreditation, reinforcing the Group's quality standards. The Company also showcased patient safety innovation initiatives at national academic conferences, reflecting its strong commitment to clinical governance, patient safety, and continuous quality enhancement.

By mid-year, Century Care Nursing Home received awards for service excellence and Platinum-level recognition for senior-friendly building standards. Meanwhile, Chularat 304 International Hospital officially launched its advanced Cardiac Center equipped with high-standard catheterization laboratory technology, enhancing comprehensive heart disease treatment capabilities. In addition, the Company expanded its preventive healthcare strategy through the establishment of a Wellness Center focused on proactive health promotion. The Company also introduced "CHG Daily Plus" vitamin products, formulated by medical professionals to address targeted health needs, marking further diversification of healthcare services beyond traditional hospital-based treatment.

### **Overview of Operating Results**

Chularat Hospital Public Company Limited reported strong operating performance for the 4Q25. Total revenue amounted to THB 2,219.6 million, representing an increase of 15% from THB 1,934.6 million in the same period last year. Revenue growth was observed across all patient segments, driven primarily by capacity expansion and enhanced service capabilities. In addition, the Company did not experience adverse impacts from government reimbursement, which contributed positively to both revenue and profitability growth in the quarter.



For the 2025, total revenue amounted to THB 8,417.3 million, a slight decrease of 0.7% from THB 8,480.3 million in the previous year. The decline was mainly attributable to lower revenue from the Social Security scheme, partially offset by continued growth in the general patient segment. As a result, the Company reported net profit of THB 929.4 million, representing a decrease of 3.7% YoY.

## Operating Results for the Fourth Quarter and Full Year 2025

### Management's discussion and analysis of financial statement for 4Q25 ended 31 December 2025

Chularat Hospital Public Company Limited ("the Company") reported the operating performance for the 4Q25 as follows:

<b>Statement of comprehensive income</b>	<b>4Q25</b>	<b>4Q24</b>	<b>Increase (Decrease)</b>	<b>Change (%)</b>
<b>Unit : Million Baht</b>				
Revenues from hospital operations	2,204.9	1,920.9	284.0	15%
Other revenues	14.7	13.7	1.0	8%
<b>Total revenues</b>	<b>2,219.6</b>	<b>1,934.6</b>	<b>285.1</b>	<b>15%</b>
Cost of hospital operations	1,564.1	1,499.6	64.5	4%
Administrative expenses	349.4	302.2	47.3	16%
<b>Net Profit of the Company</b>	<b>224.3</b>	<b>91.6</b>	<b>132.7</b>	<b>145%</b>
<i>Earnings per share (Baht/share)</i>	<i>0.0204</i>	<i>0.0083</i>		
<i>Gross Profit Margin (%)</i>	<i>29.06%</i>	<i>21.93%</i>		
<i>Net Profit Margin (%)</i>	<i>10%</i>	<i>5%</i>		

The Company's net profit was Baht 224.3 million for 4Q25, increasing by Baht 132.7 million, or 145% YoY. Net profit margin increased from 5% to 10%. Overview of operating results was discussed as below.

### **Revenues from Hospital Operations**

In 4Q25, the Company has revenues from hospital operations of Baht 2,204.9 million, increasing by Baht 284.0 million, or 15% YoY.

**Revenue from General Patients** in 4Q25 increased by 10% YoY, driven by growth in both outpatient (OPD) and inpatient (IPD) services. OPD revenue increased by Baht 79.57 million, while IPD revenue rose by Baht 57.73 million. All hospitals within the Group continued to demonstrate steady expansion in service revenue. A key growth driver was the recovery of international patient volumes, in line with the ongoing rebound in the medical tourism industry. The Group's strong clinical capabilities and service standards further supported this momentum. The Company's Centers of Excellence recorded year-on-year growth, particularly in the Cancer Center, Gastrointestinal Surgery Center, and Heart Center. These specialized service lines continue to enhance revenue intensity and strengthen the Group's competitive positioning. In addition, the expansion of the Elderly Care Center reflects the Company's proactive adaptation to Thailand's structural demographic shift toward an aging society. This long-term demographic trend supports sustainable demand and contributes to stable recurring revenue generation.

**Revenue from Social Security Scheme** in 4Q25 increased by 17% YoY. The key growth drivers were the continued increase in insured members and the Company's effective management of high-cost cases with higher reimbursement rates ( $Adj.RW \geq 2$ ), reflecting strong clinical capabilities in treating complex conditions as well as efficient claims management. During the quarter, the Company recorded a downward revision of estimated revenue related to the treatment of 26 chronic diseases. However, unlike the prior year, the Company was not affected by reductions in government reimbursement budget allocations.

**Revenue from Other Governmental Schemes** in 4Q25 increased by 77% YoY. The primary driver of this growth was the strong performance of the Company's Heart Center, reflecting enhanced capacity to manage and receive referrals for highly specialized and complex cases, which translated into higher reimbursement for advanced cardiac treatments. In addition, revenue under the UCEP (Universal Coverage for Emergency Patients) program contributed meaningfully to growth within the government segment. The Company maintained high standards in emergency response, ensuring timely and accurate treatment for critical patients, which further supported revenue expansion in this category.

Unit: Million Baht	4Q25	4Q24	Increase (Decrease)	Change (%)
<b>Revenue from general patients</b>	<b>1,471.14</b>	<b>1,333.84</b>	<b>137.30</b>	<b>10%</b>
Revenue from outpatients (OPD)	727.62	648.04	79.57	12%
Revenue from inpatients (IPD)	743.52	685.80	57.73	8%
<b>Revenue from government welfare programs</b>	<b>733.77</b>	<b>587.04</b>	<b>146.73</b>	<b>25%</b>
Social security schemes	592.53	507.46	85.07	17%
Other governmental schemes	141.24	79.58	61.66	77%
<b>Total revenue from hospital operations</b>	<b>2,204.91</b>	<b>1,920.88</b>	<b>284.03</b>	<b>15%</b>

### Cost of Hospital Operations

In 4Q25, cost of hospital operations increased by THB 65 million compared to the same period last year. The increase was in line with revenue growth and primarily attributable to higher expenses for pharmaceuticals, medical supplies, physician fees, and other treatment-related costs.

### Administrative Expenses

Administrative expenses in 4Q25 increased by THB 47 million YoY. The main drivers were higher personnel-related expenses, including workforce expansion and employee bonus payments, as well as increased marketing expenditures to support revenue growth initiatives. In addition, general operating expenses rose in line with the overall expansion of business operations.

### Management's discussion and analysis of financial statement for year ended 31 December 2025

Chularat Hospital Public Company Limited ("the Company") reported the operating performance for year ended 2025 as follows:

Statement of comprehensive income	2025	2024	Increase (Decrease)	Change (%)
Unit : Million Baht				
Revenues from hospital operations	8,346.9	8,236.8	110.1	1.3%
Other revenues	70.5	243.5	(173.0)	(71.0%)
<b>Total revenues</b>	<b>8,417.3</b>	<b>8,480.3</b>	<b>(63.0)</b>	<b>(0.7%)</b>
Cost of hospital operations	5,973.5	6,067.7	(94.2)	(1.6%)
Administrative expenses	1,192.0	1,127.0	65.0	5.8%
<b>Net Profit of the Company</b>	<b>929.4</b>	<b>965.2</b>	<b>(35.8)</b>	<b>(3.7%)</b>
<i>Earnings per share (Baht/share)</i>	<i>0.0845</i>	<i>0.0877</i>		
<i>Gross Profit Margin (%)</i>	<i>28.43%</i>	<i>26.33%</i>		
<i>Net Profit Margin (%)</i>	<i>11%</i>	<i>11%</i>		

The Company reported net profit of Baht 929.4 million for 2025, representing a decrease of Baht 35.8 million, or 3.7%, compared to 2024. Net profit margin remained stable at 11%. Details of the operating performance are discussed below.

### Revenues from Hospital Operations

In 2025, the Company generated revenue from hospital operations of Baht 8,346.9 million, representing an increase of Baht 110.1 million, or 1.3%, compared to 2024.

**Revenue from General Patients** in 2025 increased by 4% YoY, despite a challenging economic environment that led consumers to exercise greater caution in discretionary spending, particularly for non-urgent major surgeries. The primary growth driver was the outpatient (OPD) segment, which expanded by 8%, supported by a growing emphasis on preventive healthcare and proactive health check-ups. This trend aligns with Thailand's continued transition into an aging society, driving sustained demand for chronic disease management and long-term healthcare services. Additionally, the recovery of the medical tourism sector contributed to the return of international patients seeking treatment at the Company's specialized centers. In contrast, inpatient (IPD) revenue remained relatively stable during the year and was partially impacted by lower revenue from certain service lines, particularly gastrointestinal surgery and cardiac procedures, as softer purchasing power may have led some patients to defer elective surgeries. However, this pressure was offset by strong growth in other Centers of Excellence, especially the Cancer Center and the Elderly Care Center. These service lines are closely aligned with Thailand's evolving demographic structure and continue to address structural healthcare demand, reinforcing the sustainability of the Group's long-term revenue base.

**Revenue from Social Security Scheme** in 2025 decreased by 6% YoY. The contraction was primarily attributable to a downward revision of prior-year revenue related to the treatment of 26 chronic diseases. Actual reimbursement received was lower than previously accrued, resulting in a necessary adjustment to revenue recognition in 2025 to align with realized outcomes. In addition, revenue was impacted by a decline in high-cost and complex cases (Adj.RW > 2). In particular, revenue from gastrointestinal surgery, which had been a significant growth driver in the previous year, moderated during the current year. This trend was partly influenced by more stringent budget allocation policies implemented by the Social Security Office.

**Revenue from Other Governmental Schemes** in 2025 increased by 22% YoY, driven by the expansion of tertiary care services, particularly under the UCEP (Universal Coverage for Emergency Patients) program and through the Company's Heart Center. These service lines helped offset softness in other segments and reflect the Group's strengthened capability in managing complex and critical cases. The growth also underscores the Company's role as a key partner to the public sector in alleviating congestion in public hospitals and enhancing access to specialized care.

**Other Revenue** in 2025 decreased by Baht 173.0 million, primarily due to the discontinuation of a hospital management service contract with a public hospital.

Unit: Million Baht	2025	2024	Increase (Decrease)	Change (%)
<b>Revenue from general patients</b>	<b>5,597.45</b>	<b>5,402.44</b>	<b>195.01</b>	<b>4%</b>
Revenue from outpatients (OPD)	2,723.37	2,525.39	197.98	8%
Revenue from inpatients (IPD)	2,874.08	2,877.05	(2.97)	0%
<b>Revenue from government welfare programs</b>	<b>2,749.41</b>	<b>2,834.38</b>	<b>(84.97)</b>	<b>(3%)</b>
Social security schemes	2,332.32	2,491.50	(159.18)	(6%)
Other governmental schemes	417.09	342.87	74.21	22%
<b>Total revenue from hospital operations</b>	<b>8,346.86</b>	<b>8,236.82</b>	<b>110.04</b>	<b>1%</b>

### Cost of Hospital Operations

In 2025, cost of hospital operations decreased by Baht 94.2 million, or 1.6% YoY. The primary reason for the decline was the discontinuation of the Pattaya project. In addition, the Company maintained disciplined and systematic cost management across all operational areas. Key initiatives included effective price negotiations for pharmaceuticals and medical supplies, improvements in procurement processes and inventory management to enhance cost efficiency, and optimized workforce scheduling to align staffing levels with patient volume and service demand.

### Administrative Expenses

Administrative expenses increased by Baht 65.0 million, or 5.8% YoY, driven by several key factors. These included salary adjustments aimed at retaining and attracting qualified personnel, as well as annual bonus payments, which form part of the Company's strategy to strengthen workforce capability in support

of business expansion. Additional increases were associated with higher operating scale, including expanded marketing expenditures to drive revenue growth and customer acquisition, as well as higher general expenses such as utilities, maintenance, and other administrative support costs.

Statement of financial position	31 December	31 December	Increase	Change
Unit : Million Baht	2025	2024	(Decrease)	(%)
Total assets	10,239	10,386	(147)	(1.42%)
Total liabilities	1,979	2,256	(277)	(12.28%)
Shareholders' equity	8,260	8,130	130	1.60%
Debt to equity ratio (x)	0.24	0.28		

As of December 31, 2025, the Company has **total assets** of Baht 10,239 million, decreased by Baht 147 million from December 31, 2024, primarily due to

- Cash and cash equivalents increased by Baht 76 million, primarily supported by operating cash flows generated by the Group, as detailed in the statement of cash flows.
- Trade and other current receivables decreased by Baht 74 million, while Accrued medical treatment income declined by Baht 377 million, mainly due to collections received in accordance with scheduled payment terms.
- Other current assets increased by Baht 83 million, primarily attributable to advances paid to contractors and assets pending donation.
- Property, plant and equipment increased by Baht 148 million, reflecting investments in medical equipment as well as capital expenditures related to facility expansion and renovation of existing hospital premises.

**Total liabilities** amounting to Baht 1,979 million as of December 31, 2025, decreasing by Baht 227 million from December 31, 2024, as described below.

- Trade and other payables increased by Baht 28 million.
- Long-term loans from financial institutions decreased by Baht 106 million, mainly due to scheduled loan repayments during the year.

**Total shareholders' equity** amounting to Baht 8,260 million as of December 31, 2025, increasing by Baht 130 million from December 31, 2024 is in line with the operating result of the Company.

**Debt to equity ratio** (DE Ratio) stood at 0.24x, remaining at a low level. This reflects the Group's strong financial position and substantial capacity to undertake additional borrowing to support future business expansion in line with the Company's strategic growth plan.

<b>Cash Flow Statement</b>			
<b>Unit : Million Baht</b>	<b>2025</b>	<b>2024</b>	<b>Change</b>
Net cash from operating activities	1,669	1,713	(44)
Net cash used in investing activities	(668)	(550)	(118)
Net cash used in financing activities	(924)	(871)	(53)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>77</b>	<b>292</b>	<b>(215)</b>
Cash and cash equivalents at beginning of period	1,692	1,400	292
<b>Cash and cash equivalents at end of period</b>	<b>1,769</b>	<b>1,692</b>	<b>77</b>

In 2025, the Company generated Net cash from operating activities amounting to Baht 1,669 million, compared to Baht 1,713 million in 2024. Operating cash flows were primarily driven by collections from trade receivables and outstanding medical service receivables from government agencies.

For investing activities, the Company recorded Net cash outflows of Baht 668 million in 2025, compared to Baht 550 million in 2024. The increase was mainly attributable to advance payments for construction costs and medical equipment, as well as expenditures for the acquisition of land, buildings, and equipment to support business expansion and enhance service capabilities.

In terms of financing activities, the Company reported Net cash outflows of Baht 924 million, compared to Baht 871 million in 2024. The outflows were primarily due to repayments of long-term borrowings, lease liabilities, and higher interest payments. During the year, the Company did not obtain additional borrowings from financial institutions and also paid dividends to shareholders.

### Factors Potentially Affecting Future Operations and Growth

Revenue volatility from the Social Security Office may affect future operating performance due to ongoing adjustments in reimbursement criteria and budget allocation mechanisms, particularly for high-cost cases ( $AdjRW \geq 2$ ). These changes have prompted the Company to refine strategies in bed capacity management and cost control to ensure optimal resource utilization and treatment efficiency. In addition, certain insurance companies have introduced health insurance policies incorporating copayment mechanisms, aimed at containing overall healthcare system costs. While such measures are intended to promote cost discipline, they have created short-term psychological impacts on insured patients. As a result, patients are increasingly comparing treatment pricing, coverage terms, and hospital service offerings more carefully prior to making healthcare decisions.

Intensifying competition within the industry has further driven private hospitals, including Chularat Hospital Group, to accelerate investments in advanced medical technologies and the development of specialized medical centers. These strategic initiatives aim to create value differentiation, reduce price-based competition, and enhance the Group's capability to address increasingly complex medical conditions in the future.

### Sustainability Performance in 2025

- Environmental and Climate Change Performance

In 2025, the Company continued to advance key climate-related initiatives, focusing on reducing greenhouse gas emissions, increasing the share of renewable energy, and enhancing transparency in environmental reporting. These efforts support the Group's long-term sustainable growth strategy and reinforce its commitment to responsible healthcare operations.

#### **1) Solar Photovoltaic (Solar PV) Installation**

During 2025, the Group completed the installation and commenced operations of solar photovoltaic (Solar PV) systems across nine hospitals. As a result, these hospitals achieved an average renewable energy share of approximately 16% of total electricity consumption. This initiative reduces reliance on fossil fuel-based electricity, supports long-term energy cost management, and lowers indirect greenhouse gas (Scope 2) emissions. In addition, the project enhances energy security for hospital operations, which is critical to ensuring service continuity and safeguarding patient safety.

## 2) Third-Party Verification of Greenhouse Gas Emissions

The Group continues to prioritize the accuracy and credibility of its greenhouse gas emissions data. In 2025, the Company completed its third consecutive year of independent third-party verification of greenhouse gas emissions. The scope of verification was expanded to cover nine hospitals and one nursing home within the Group, reflecting the ongoing enhancement of climate data management and reporting coverage. This initiative strengthens transparency, builds stakeholder confidence, and supports alignment with international disclosure standards, while preparing the Company for increasingly stringent ESG and climate-related disclosure requirements in the future.

In addition, the Group is in the process of enhancing its climate-related disclosure practices to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the sustainability reporting standards issued by the International Sustainability Standards Board (ISSB) under the framework of the IFRS Foundation, particularly IFRS S2 Climate-related Disclosures.

- **Social Performance**

In 2025, the Company continued to advance its growth strategy alongside its social responsibility commitments, with a focus on strengthening human rights standards within the organization and enhancing equitable access to quality healthcare services in the communities it serves.

### 1) Recognition as a Human Rights Model Organization

The Company received the “Human Rights Model Organization Award 2025,” reflecting the effective integration of human rights policies into its business operations in a systematic manner. Implementation covers key areas including non-discrimination, equality and diversity, personal data protection, occupational health and safety, and transparent grievance mechanisms. This recognition not only affirms the Company’s strong corporate governance standards but also contributes to mitigating legal and reputational risks, while strengthening trust among patients, employees, investors, and business partners. It further supports the achievement of relevant Sustainable Development Goals (SDGs).

In 2025, the Company reported no significant human rights complaints or violations, underscoring the effectiveness of its internal governance and monitoring systems.

## 2) Medical Equipment Support Project under BOI-CSR Incentive

The Company implemented a medical equipment support initiative under the BOI-CSR incentive program, with a total investment value of Baht 65 million. The project aims to enhance diagnostic and treatment capabilities and to accommodate increasing healthcare demand across six government Hospitals. This investment improves service efficiency, reduces patient waiting times, and elevates treatment quality, thereby enhancing patient experience, particularly in underserved and remote areas. The initiative reflects a Shared Value approach, linking investment promotion with the strengthening of local public healthcare systems.

- **Good Corporate Governance Performance**

In 2025, the Company continued to strengthen its corporate governance standards, emphasizing transparency, accountability, and the protection of shareholders' and stakeholders' rights. These efforts are reflected in the Company's strong performance in external assessments conducted by reputable national organizations, as detailed below:

### 1) Corporate Governance Report (CGR) Assessment

The Company received a 5-star rating, or "Excellent CG Scoring," in the 2025 Corporate Governance Report (CGR) of Thai Listed Companies. The assessment is conducted by the Thai Institute of Directors Association in collaboration with the Stock Exchange of Thailand. The Company achieved an overall score of 99 out of 100, representing the highest score ever attained by the Company. This result reflects the effectiveness of the Company's governance structure, the roles and responsibilities of the Board of Directors, internal control systems, risk management practices, as well as transparent and equitable disclosure standards.

### 2) Annual General Meeting (AGM) Checklist Assessment

The Company received a full score of 100 in the AGM Checklist assessment conducted by the Thai Investors Association. This achievement reflects the Company's commitment to organizing shareholder meetings in accordance with good governance principles, ensuring transparency, equitable treatment of shareholders, and comprehensive advance disclosure of information to facilitate informed decision-making.

### 3) Sustainability Assessment (THSI / SET ESG Rating)

The Company participated in the Thailand Sustainability Investment (THSI) assessment, which has evolved into the SET ESG Rating under the Stock Exchange of Thailand. The initiative aims to identify listed companies that operate sustainably, with performance evaluated across Environmental, Social, and Governance (ESG) dimensions. The assessment serves as an important reference for investors who prioritize responsible investment. The Company received a rating of “A,” reflecting systematic progress in sustainability management, effective corporate governance practices, and tangible management of ESG-related risks and opportunities.

**Please be informed accordingly.**

**Yours faithfully,**  
**(Mr.Kriengsak Plussind)**  
**Chairman of the Board**

