

Company Update

Wednesday, July 09, 2025



I V Global Securities Public Company Limited

Bangkok Dusit Medical Plc (BDMS)

Rating: BUY

Fair price: Bt24.4

Close price: Bt20.1

2Q turns to a low season

Company Information

Ticker:	BDMS TB
Sector:	Healthcare
Shares outstanding (m):	15,892.0
Market capitalization (Btm):	319,429.24
Trading vol/day (Btm):	894.07
Free float (%):	83.56
Beta:	0.51

Major Shareholders

Thai NVDR	9.66%
Prasert Prasartthong-osot	9.18%
Poramaporn Prasarttong-osot	5.80%
The Viriyah Insurance Pcl.	4.27%
Bangkok Airways Pcl	3.33%

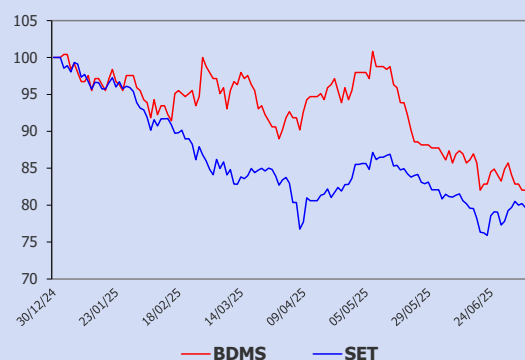
Consensus Bloomberg

2025F EPS (Bt):	1.07
Target price (Bt):	31.27

Price Performance

52 Wk high/low:	31.25 / 19.80
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	1M	3M	1Y	YTD
Absolute (%)	-6.1	-9.0	-24.2	-18.0
Relative (%)	-4.2	-12.9	-8.5	2.4



Rating	CGR	Thai CAC	SET ESG
BDMS		N/A	A

Analyst

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- We estimate 2Q25F net profit for BDMS to come in at Bt3.4bn, up 2% YoY and down 22% QoQ. The YoY growth would be primarily driven by rising hospital revenues from Thais (at low to mid-single digits) and continued growth in international patient numbers (in the high single digits). However, 2Q is generally the low season with long holidays. The earnings are therefore expected to fall by 22% QoQ from a high base. Top-line hospital service revenue is estimated to rise by 5% YoY and fall 4.2% QoQ to Bt25.9bn. For 1H25F, we forecast net profit to rise by 4.6% YoY to Bt7.75bn.
- For the monthly performance during 2Q25F, April hospital service revenue grew mildly by 4% YoY after the shock earthquake at end-March, while May income grew at a better rate of 7% YoY due partly to Covid-19 outbreak. Thai patient revenue is estimated to grow at a low-to-mid single-digit rate, following cautious consumption spending. Meanwhile, international patient revenue continues to grow at a high single-digit rate YoY, with growth stemming from the Middle East (+30%), mainly from Qatar (+60%), Oman (+60%), Kuwait (flat). China is growing at a single-digit rate (versus +14% in 1Q25). However, patient volume from Cambodia continues to decline, possibly at a double-digit rate during 2Q25 (versus a 2% decrease in 1Q25). Revenue from Cambodian patients accounts for just 1% of the total. Therefore, total hospital service revenues will likely increase by 5% YoY and fall 4.2% QoQ to Bt25.9bn, with the Thai patient revenue contribution at c.69% of the total and international patients accounting for the remaining balance of 31%. 1H25 hospital revenue is estimated to rise by 5.5% YoY, vs. management's target of 4-6%.
- We estimate EBITDA to rise 5% YoY to Bt6.0bn, with its EBITDA margin stable YoY at 22.1% in 2Q25F.
- In terms of the revenue breakdown in 1Q25, revenue from self-pay patients accounted for 48% of the total, followed by insurance (39%), contract (7%), social security (2%), and others (4%).
- In addition, the company will likely get some corporate tax savings benefits from BOI tax privileges, solar rooftop installation, and the hiring of science-based students. Corporate tax savings are estimated at c. Bt60m during 2Q25.
- Maintain BUY.** We have decided to cut our earnings estimates by 2% p.a. during 2025-27F, to reflect slightly lower revenue growth prospects. We now estimate BDMS's net profit to rise by 4% and 5% for 2025-26F, respectively. We prefer to maintain our BUY call with a new DCF-based price target of Bt24.4 (from Bt30). The stock currently trades at P/E of 19.2x for 2025F. The risk to our forecasts lies partly with unexpected, uncontrollable severe disease outbreaks, which might impact outpatient volumes.

Investment Summary

FY Dec 31	2022	2023	2024	2025F	2026F	2027F
Hospital rev (Btm)	88,535	97,077	103,675	107,896	112,508	117,925
YoY (%)	23.8	9.6	6.8	4.1	4.3	4.8
Net profit (Btm)	12,606	14,358	15,987	16,651	17,517	18,291
YoY (%)	58.8	13.9	11.3	4.2	5.2	4.4
Core profit (Btm)	12,606	14,358	15,987	16,651	17,517	18,291
YoY (%)	58.8	13.9	11.3	4.2	5.2	4.4
EPS (Bt)	0.79	0.90	1.01	1.05	1.10	1.15
YoY (%)	58.8	13.9	11.3	4.2	5.2	4.4
P/E (x)	25.3	22.2	20.0	19.2	18.2	17.5
DPS (Bt)	0.60	0.70	0.75	0.79	0.83	0.86
Yield (%)	3.0	3.5	3.7	3.9	4.1	4.3
EV/EBITDA (x)	14.3	13.3	12.4	11.7	11.0	10.5
BVPS (Bt)	5.47	5.83	6.15	6.44	6.75	7.07
P/BV (x)	3.7	3.4	3.3	3.1	3.0	2.8
ROE (%)	14.0	15.0	16.0	15.9	16.0	15.9
ROA (%)	8.9	10.0	10.6	11.1	11.2	11.6
Net D/E ratio (%)	9.6	9.1	9.6	7.8	5.3	3.1

Source: Company and IVG estimates

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Results preview

(Btm)	2Q25F	2Q24	% YoY	1Q25	% QoQ	1H25F	1H24	% YoY
Hospital operations	25,928	24,694	5.0	27,078	(4.2)	53,006	50,219	5.5
Foods	980	1,010	(3.0)	1,006	(2.6)	1,986	2,093	(5.1)
Total operating income	27,278	26,058	4.7	28,453	(4.1)	55,731	52,987	5.2
Cost of hospitals	(17,513)	(16,664)	5.1	(17,686)	(1.0)	(35,199)	(33,399)	5.4
Gross profit	9,766	9,394	4.0	10,767	(9.3)	20,532	19,588	4.8
SG&A	(5,394)	(5,146)	4.8	(5,153)	4.7	(10,547)	(10,039)	5.1
EBITDA	6,041	5,750	5.1	7,264	(16.8)	13,305	12,528	6.2
Other income	51	71	(27.9)	41	24.9	92	128	(28.3)
Equity income	22	14	56.5	19	18.4	41	27	50.9
Interest expense	(99)	(111)	(10.5)	(97)	1.9	(196)	(223)	(12.1)
Pre-tax profit	4,345	4,222	2.9	5,576	(22.1)	9,921	9,481	4.6
Income tax	(826)	(756)	9.2	(1,081)	(23.6)	(1,906)	(1,798)	6.0
Minority interests	(120)	(131)	(8.9)	(149)	(19.6)	(268)	(274)	(2.2)
Net profit	3,400	3,335	2.0	4,346	(21.8)	7,747	7,408	4.6
EPS (Bt)	0.21	0.21	2.0	0.27	(21.8)	0.49	0.47	4.6

Source: Company and IVG estimates

Financial ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25
Revenue growth YoY	10.8	6.9	6.9	4.1	5.7
Revenue growth QoQ	0.8	(3.2)	9.5	(2.5)	2.2
Gross margin	37.9	36.1	38.2	38.8	37.8
SG&A as % of revenue	18.2	19.7	18.6	19.7	18.1
EBITDA margin	25.2	22.1	25.0	24.9	25.5
Net margin	15.1	12.8	14.9	15.6	15.3
Net DE ratio (%)	3.4	8.2	10.3	9.6	5.2

Source: Company and IVG estimates

Track record

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25
Hospital operations	25,526	24,694	27,108	26,347	27,078
Foods	1,083	1,010	1,043	1,056	1,006
Total operating income	26,930	26,058	28,536	27,828	28,453
Cost of hospitals	(16,736)	(16,664)	(17,634)	(17,037)	(17,686)
Gross profit	10,194	9,394	10,901	10,791	10,767
SG&A	(4,893)	(5,146)	(5,313)	(5,476)	(5,153)
EBITDA	6,778	5,750	7,136	6,919	7,264
Other income	57	71	60	48	41
Equity income	13	14	24	25	19
Interest expense	(113)	(111)	(102)	(108)	(97)
Pre-tax profit	5,259	4,222	5,570	5,280	5,576
Income tax	(1,042)	(756)	(1,153)	(841)	(1,081)
Minority interests	(143)	(131)	(171)	(107)	(149)
Net profit	4,074	3,335	4,246	4,333	4,346
EPS (Bt)	0.26	0.21	0.27	0.27	0.27

Source: Company and IVG estimates

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P&L

(Btm)	2021	2022	2023	2024
Hospital operations	71,541	88,535	97,077	103,675
Foods	2,910	3,399	3,776	4,192
Total operating income	75,714	92,968	102,110	109,351
Cost of hospitals	(49,462)	(58,329)	(63,412)	(68,071)
Gross profit	26,252	34,638	38,698	41,280
SG&A	(15,029)	(17,655)	(19,806)	(20,828)
EBITDA	17,545	22,933	24,740	26,584
Other income	78	88	217	237
Equity income	21	42	89	76
Interest expense	(728)	(632)	(547)	(433)
Pre-tax profit	10,594	16,481	18,652	20,331
Income tax	(2,103)	(3,227)	(3,772)	(3,792)
Minority interests	(554)	(648)	(523)	(552)
Net profit	7,936	12,606	14,358	15,987
EPS (Bt)	0.50	0.79	0.90	1.01

Source: Company and IVG estimates

Financial ratios

(%)	2021	2022	2023	2024
Revenue growth YoY	9.6	22.8	9.8	7.2
Revenue growth QoQ	-	-	-	-
Gross margin	34.7	37.3	37.9	37.4
SG&A as % of revenue	19.8	19.0	19.4	19.7
EBITDA margin	23.2	24.7	24.2	24.3
Net margin	10.5	13.6	14.1	14.4
Net DE ratio (%)	7.4	9.6	9.1	3.0

Source: Company and IVG estimates

BDMS

E: Environmental

Global warming and climate change are affecting the quality of life and living conditions of many living creatures. BDMS's hospitals and subsidiaries strive to operate their businesses according to the firm's strategic plan. Specifically, BDMS strongly encourages the use of renewable energy (solar cells) to enhance the efficiency of energy consumption within the organization, reduce pollution emissions, and organize a carbon credit project, which is deemed a crucial part of supporting the achievement of net zero emissions by 2050.

S: Social

Nowadays, challenges in organizations related to employee retention and attraction are deemed crucial since the labor required in the medical service industry has been increasing, resulting in a higher turnover rate of employees. Therefore, organizations must revise their human resource management strategy to drive themselves forward consistently, including via employee incentives and retention and enhancement of all employees. BDMS strongly believes that ensuring employee engagement with the organization as well as enhancing their quality of life and work happiness while promoting employee life balance will enable it to retain high-potential employees, including the organization's future and effectiveness, promoting sustainable competitiveness, and lead it towards excellence and encouraging employees to bring about their highest potential for the benefits of the organization.

G: Governance

BDMS strives to operate its business under good corporate governance principles coupled with a transparent, honest, verifiable, and ethical manner. BDMS also emphasizes efficient risk management, which is deemed a key factor of business operations while ensuring competitiveness and self-adaptation under constant changes, all of which are foundations for the sustainable growth of the organization, fostering competitiveness and trust for all shareholders, creating value and added value to enable it to achieve the established missions and sustainability for every stakeholder group.

Comment

BDMS has been awarded a SET ESG rating of AA, indicating a strong commitment to environmental, social, and governance (ESG) practices and clear long-term objectives in this regard. Furthermore, the company demonstrates the ability to execute short-term goals effectively.

Source: Company and IVG estimates

I V Global Investment Research – Recommendation Definitions

Sector Recommendations

OVERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index by at least 10% over the next 12 months.

NEUTRAL: The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

UNDERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index by 10% over the next 12 months.

Stock Recommendations

BUY: Expecting positive total returns of 15% or more over the next 12 months.




HOLD: Expecting total returns of not more than -10% to +10% over the next 3 months.

SELL: Expecting negative total returns of 15% or more over the next 12 months.

Anti-corruption Progress Indicator Definitions

Level 5 Extended	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
Level 4 Certified	Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)
Level 3 Established	Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes. (3A: Established by Declaration of Intent, 3B: Established by Internal Commitment and Policy)
Level 2 Declared	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
Level 1 Committed	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
Partially progress	Insufficient or not clearly defined policy
No progress	Data not available / no policy

Corporate Governance Report (CGR)

	Excellent
	Very good
	Good

Disclaimers

The disclosure of the survey result of corporate governance, which is surveyed by the Thai Institute of Directors Association ("IOD"), and the Anti-Corruption Progress Indicators, which is assessed by Thaipat Institute, are the disclosure of the survey or assessment result based on the information received from the listed company that was stipulated in the form for Annual Corporate Governance Report of Thai Listed Companies (CGR) and the form for the assessment of Anti-corruption that refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) or other relevant documents or reports of such listed company (as the case may be). The survey or assessment result is based on the information of the listed company, which is disclosed to the public and can be accessed by all investors, and is made in order to comply with the policy of the Office of the Stock Exchange of Thailand.

Nevertheless, the survey or assessment result is made from the perspective of the IOD or Thaipat Institute that are the third party only. It is not an assessment of operation of the listed company and is not based on any inside information."

Since this survey or assessment result is only the survey or assessment result as of the date appearing in the survey or assessment result only, it may be changed after that date or when there is any change to the relevant information. Nevertheless, I V Global Securities Plc. (IVG) does not confirm, verify, or certify the accuracy and completeness of the survey or assessment result.



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