

20 MAY 2021

THAILAND / HEALTHCARE

CHULARAT HOSPITAL CHG TB

BUY

UNCHANGED

TARGET PRICE	THB4.00
CLOSE	THB3.26
UP/DOWNSIDE	+22.7%
PRIOR TP	THB3.90
CHANGE IN TP	+2.6%
TP vs CONSENSUS	+15.8%

Covid จะผลักดันกำไร 2Q21 สู่ระดับสูงเป็นประวัติการณ์

การเติบโตของกำไรจะเพิ่มขึ้นใน 2Q21

CHG รายงานกำไรจากการดำเนินงานที่ดีในช่วง 3 ไตรมาสที่ผ่านมา (3Q20-1Q21) โดยโตขึ้น 33% y-y เราคาดว่ากระแสการเติบโตที่ดีดังกล่าวจะต่อเนื่องไปใน 2Q21 โดยกำไรรายไตรมาส อาจขึ้นสูงเป็นประวัติการณ์จากรายได้ที่เกี่ยวข้องกับ Covid ที่อยู่ในระดับสูง

สัดส่วนรายได้ที่เกี่ยวข้องกับ Covid จะเพิ่มขึ้นใน 2Q21

รายได้ที่เกี่ยวข้องกับ Covid ซึ่งคิดเป็น 7% ของรายได้รวมใน 1Q21 ควรเพิ่มขึ้นใน 2Q21 บริการตรวจคัดกรอง Covid ได้เพิ่มจากค่าเฉลี่ยที่ 300 ราย/วันใน 1Q21 เป็น 700-800 ราย/วันในเดือน เม.ย. และ 500 ราย/วันในเดือน พ.ค. ในด้านของรายได้จากผู้ป่วย Covid นั้น CHG มีผู้ป่วยติดเชื้อมากขึ้นประมาณ 900 เตียง (200 รายเป็นผู้ป่วยในและ 700 เป็นผู้ป่วยใน Hospitel) ผู้บริหารคาดว่าจะอัตรากำไรของผู้ป่วย Covid ไม่ควรจะต่ำกว่าระดับปกติเมื่อพิจารณาจากรายได้ต่อการรับเป็นผู้ป่วยในที่ประมาณ 70,000-90,000 บาทสำหรับการรักษาในห้องพักโรงพยาบาลและมากกว่า 200,000 บาทสำหรับกรณี ICU (เทียบกับผู้ป่วยในปกติที่ 23,000 บาท) ในภาพรวมเราคาดว่าสัดส่วนรายได้ที่เกี่ยวข้องกับ Covid จะเพิ่มเป็น 15-20% ใน 2Q21

กำไร 2Q21 จะแตะระดับสูงเป็นประวัติการณ์; 2 โรงพยาบาลใหม่ดีขึ้น

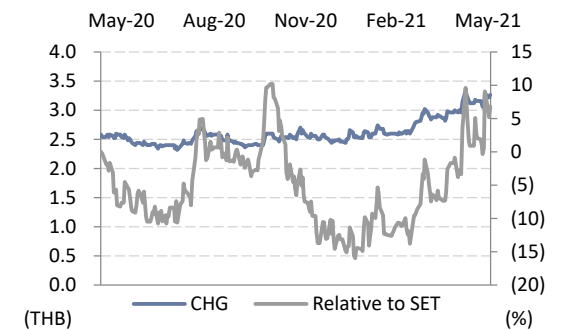
เราคาดว่า 2Q21 จะแตะระดับสูงเป็นประวัติการณ์ โดยกำไรสุทธิคาดว่าจะเพิ่มขึ้น 94% y-y, 19% q-q และเป็นกำไรรายไตรมาสที่สูงเป็นประวัติการณ์ โดยมีสมมติฐานจากบริการตรวจคัดกรอง Covid ที่ 50,000 ราย (เทียบกับประมาณ 30,000 รายใน 1Q21) และจำนวนผู้ป่วย Hospitel เฉลี่ยที่ 600 เตียง นอกจากนี้รายได้ที่เกี่ยวข้องกับ Covid การดำเนินงานปกติก็ควรดีขึ้น ใน 1Q21 โรงพยาบาลใหม่ทั้ง 2 แห่งของบริษัทฯ รายงานส่วนแบ่งผลขาดทุนรวมที่ประมาณ 8 ลบ. ปัจจุบัน RPC ได้พลิกมาทำกำไรแล้ว ในขณะที่ 304 Inter ยังคงรายงานส่วนแบ่งผลขาดทุน อย่างไรก็ตามผลการดำเนินงานควรดีขึ้น เนื่องจากโรงพยาบาลดังกล่าวเพิ่งจะเข้าร่วมกับสำนักงานประกันสังคม (SSO) โดยมีจำนวนผู้ประกันสังคมลงทะเบียนประมาณ 18,000 รายใน 1Q21 โรงพยาบาลได้เริ่มบันทึกต้นทุนที่เกี่ยวข้องกับ SSO ไปแล้ว แต่รายได้จะมาในภายหลังและเราคาดว่าโรงพยาบาลควรถึงจุดคุ้มทุนภายในสิ้นปีนี้

เพิ่มประมาณการกำไรจากการดำเนินงาน; หุ่นยังมีการซื้อขายในระดับที่ต่ำกว่าในอดีต

เราปรับเพิ่มประมาณการกำไรจากการดำเนินงานในปี 2021 อีก 5% เพื่อสะท้อนรายได้ที่เกี่ยวข้องกับ Covid ใน 2Q21 และปรับเพิ่มราคาเป้าหมายเล็กน้อยเป็น 4 บาทต่อหุ้น (DCF, 8.2% WACC, 3.0% LTG) แม้ว่าราคาหุ้นจะปรับตัวขึ้นถึง 10% ในช่วงเดือนที่ผ่านมา เรายังเห็นอวัชชีจากการดำเนินงานปกติ ซึ่งเราเชื่อว่าดีขึ้นอย่างมีนัยสำคัญ แต่ถูกบดบังโดย Covid ปัจจุบัน CHG มีการซื้อขายที่ 31x ของค่า 2022E P/E ต่ำกว่าค่าเฉลี่ย 5 ปีย้อนหลังที่ 38x ซึ่งไม่สมเหตุสมผลในความเห็นของเรา เนื่องจากกำไรปี 2021 อาจพุ่งสูงกว่าระดับก่อน Covid ถึง 53%

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	5,433	6,477	6,687	7,112
Net profit	877	1,101	1,162	1,289
EPS (THB)	0.08	0.10	0.11	0.12
vs Consensus (%)	-	12.4	11.1	11.1
EBITDA	1,429	1,771	1,862	2,037
Core net profit	877	1,101	1,162	1,289
Core EPS (THB)	0.08	0.10	0.11	0.12
Chg. In EPS est. (%)	-	5.3	0.6	0.1
EPS growth (%)	21.9	25.5	5.6	10.9
Core P/E (x)	40.9	32.6	30.8	27.8
Dividend yield (%)	1.5	1.8	1.9	2.2
EV/EBITDA (x)	25.7	20.4	19.2	17.3
Price/book (x)	8.9	7.8	7.1	6.3
Net debt/Equity (%)	15.1	3.8	(4.9)	(13.8)
ROE (%)	22.7	25.6	24.1	24.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	10.1	25.4	30.4
Relative to country (%)	11.0	20.4	9.3
Mkt cap (USD m)	1,140		
3m avg. daily turnover (USD m)	7.6		
Free float (%)	43		
Major shareholder	Kannikar Plussind (18%)		
12m high/low (THB)	3.42/2.30		
Issued shares (m)	11,000.00		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 20 พฤษภาคม 2021

Investment thesis

CHG opened two new hospitals (RPC and 304 Inter) in 2H18 and they contributed an accumulated loss of THB70m in 2020 (8% of 2020 core profit). RPC has already turned around, while 304 Inter is expected to turn around by 2021. We estimate that this would lead to an EBITDA margin improvement from 24% in 2019 to 29% in 2023.

CHG's revenue contributions from cash patients have gradually increased. This is another key factor to expand its EBITDA margin, in our view, as cash patients have a higher margin than Social Security Office (SSO) patients.

CHG should still deliver earnings growth in 2021, despite the Covid-19 impact, thanks to the strong SSO operations and Covid-related revenue.

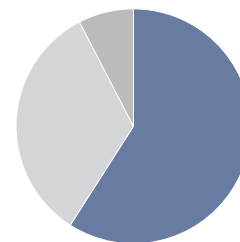
Company profile

CHG operates a healthcare business covering the eastern part of Bangkok and its nearby provinces. The Group owns nine hospitals and four clinics.

www.chularat.com

Principal activities (revenue, 2020)

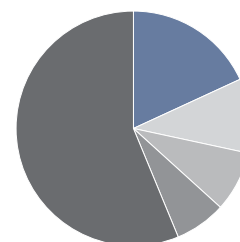
- Cash patient revenue - 59.1 %
- SSO patient revenue - 33.3 %
- NHSO patient revenue - 7.6 %



Source: Chularat Hospital

Major shareholders

- Kannikar Plussind - 18.1 %
- Apirum Panyapol - 10.3 %
- Kobkul Panyapol - 8.3 %
- Naran Ratipanichvong - 7.1 %
- Others - 56.2 %



Source: Chularat Hospital

Catalysts

Key potential growth drivers include 1) more SSO registered members; 2) rising demand for medical tourists; and 3) an improving EBITDA margin led by new hospitals.

Risks to our call

Downside risks to our DCF-based target price include 1) a slowdown in Thai patient volume due to economic concerns; 2) regulatory risks from drug price and medical bill controls; and 3) SSO provision expenses following limited budgets from the SSO.

Event calendar

Date	Event
August 2021	2Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
SSO volume growth	3	3	1
SSO revenue / patient growth	1	2	3
OPD volume growth	13	6	6
OPD revenue / patient growth	3	4	4
IPD volume growth	14	3	9
IPD revenue / patient growth	5	4	4

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in patient volume, we project 2021 earnings to rise by 1%, and vice versa, all else being equal.
- For every 1% increase in EBITDA margin, we project 2021 earnings to rise by 6%, and vice versa, all else being equal.

Source: FSSIA estimates

Recap: 1Q21 results review

CHG reported a strong core profit of THB252m in 1Q21 (+35% y-y, -1% q-q), beating Bloomberg's consensus estimate by 13% and our estimate by 7%, mainly due to the higher-than-expected EBITDA margin.

Revenue grew 7% y-y in 1Q21. Cash patient revenue grew by 3% y-y, thanks to Covid-related revenue, including Covid screening services (30k cases) and revenue from the Alternative State Quarantine program. Revenue from SSO patients grew 6% y-y thanks to a larger registered member base and higher medical treatment fees from high-cost care (RW>2).

The performance of its two new hospitals improved y-y but slightly decreased q-q. They contributed a combined loss of cTHB8m in 1Q21 (vs a THB3m loss in 4Q20 and THB24m loss in 1Q20). The EBITDA margin improved to 29% in 1Q21 (vs 27% in 4Q20 and 25% in 1Q20).

Exhibit 1: 1Q21 results review

Year to Dec	1Q20 (THB m)	2Q20 (THB m)	3Q20 (THB m)	4Q20 (THB m)	1Q21E (THB m)	----- Change -----		2020 (THB m)	2021E (THB m)	% chg (y-y %)
Revenue	1,317	1,146	1,460	1,511	1,415	(6)	7	5,433	6,477	19
Cost of sales (Incl. depreciation)	(931)	(813)	(940)	(1,000)	(995)	(1)	7	(3,685)	(4,301)	17
Gross profit	386	332	520	510	420	(18)	9	1,748	2,176	24
SG&A	(154)	(141)	(171)	(207)	(160)	(23)	4	(673)	(783)	16
Operating profit	232	191	349	303	260	(14)	12	1,075	1,393	30
Other operating income	4	4	7	13	57	326	1,201	29	30	5
Interest income	1	1	0	1	0	(74)	(73)	3	3	17
EBIT	237	196	356	317	318	0	34	1,107	1,427	29
Interest expense	(10)	(10)	(9)	(7)	(6)	(22)	(42)	(36)	(32)	(10)
EBT	227	187	348	310	312	1	37	1,071	1,394	30
Income tax	(49)	(42)	(70)	(57)	(63)	9	27	(219)	(285)	30
Minority interests	8	11	4	0.9	2.3	147	(73)	24	(9)	n/a
Core profit	186	155	282	254	252	(1)	35	877	1,101	26
Extraordinaries	-	-	-	-	-	-	-	-	-	-
Net income	186	155	282	254	252	(1)	35	877	1,101	26
Core EPS (THB)	0.02	0.01	0.03	0.02	0.02	(1)	35	0.08	0.10	26
No of share (m)	11,000	11,000	11,000	11,000	11,000	0	0	11,000	11,000	0
Cost (Excl. depreciation)	(844)	(724)	(851)	(912)	(908)	(0)	8	(3,331)	(3,922)	18
Depreciation & amortisation	(87)	(89)	(89)	(88)	(87)	(2)	(1)	(354)	(378)	7
EBITDA	324	284	445	405	404	(0)	25	1,457	1,801	24
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	29	29	36	34	30	(4)	0	32	34	1
SG&A/Revenue	12	12	12	14	11	(2)	(0)	12	12	(0)
EBITDA margin	25	25	30	27	29	2	4	27	28	1
Net profit margin	14	14	19	17	18	1	4	16	17	1
Operating stats	(y-y %)	(y-y %)	(y-y %)	(y-y %)	(y-y %)					
SSO revenue	10	17	12	22	6					
SSO registered members ('000)	443	445	443	440	448					
SSO revenue per head	7	14	10	22	5					
Cash-OPD revenue	5	(17)	(1)	18	15					
Cash-OPD visit number	5	(20)	(8)	6	(3)					
Cash-OPD revenue per head	(0)	3	8	11	18					
Cash-IPD revenue	8	(13)	(10)	(0)	(10)					
Cash-IPD admission number	4	(19)	(15)	(1)	(12)					
Cash-IPD revenue per head	3	8	6	0	3					

Sources: CHG; FSSIA estimates

Exhibit 2: Forecast revisions

	Current			Previous			Change		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
SSO registered members ('000)	456	470	475	456	465	470	0.0	1.0	1.0
SSO revenue per head (THB)	4,130	4,212	4,339	4,130	4,212	4,339	0.0	0.0	0.0
Cash-OPD visit number per day (no.)	2,913	3,088	3,273	2,913	3,088	3,273	0.0	0.0	0.0
Cash-OPD revenue per head (THB)	1,848	1,922	1,999	1,848	1,922	1,999	0.0	0.0	0.0
Cash-IPD admission number per day (no.)	209	216	235	207	220	240	0.9	(2.0)	(2.0)
Cash-IPD revenue per head (THB)	23,820	24,772	25,763	23,366	24,301	25,273	1.9	1.9	1.9
Revenue	6,477	6,687	7,112	6,348	6,669	7,094	2.0	0.3	0.3
EBITDA margin (%)	27.3	27.8	28.6	26.8	27.8	28.7	0.6	0.1	(0.1)
Core profit	1,101	1,162	1,289	1,045	1,156	1,288	5.3	0.6	0.1

Note: Change of items in percentage terms are represented in ppt change

Source: FSSIA estimates

Exhibit 3: DCF valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		3.5
Market risk premium		8.0	Marginal tax rate		20.0
Stock beta		0.9			
Cost of equity, Ke		10.0	Net cost of debt, Kd		2.8
Weight applied		75.0	Weight applied		40.0
WACC		8.2			
DCF valuation estimate		(THB b)	(THB/share)	Comments	
NPV		13.9	1.3	WACC 8.2%, risk-free rate 3%, risk premium 8%	
Terminal value		29.5	2.7	Terminal growth 3%	
Cash & liquid assets		0.6	0.1	At end-2022E	
Investments		0.0	0.0	At end-2022E	
Debt		(0.4)	(0.0)	At end-2022E	
Minorities		(0.2)	(0.0)	At end-2022E	
Residual ordinary equity		43.5	4.0		

Source: FSSIA estimates

Financial Statements

Chularat Hospital

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	5,166	5,433	6,477	6,687	7,112
Cost of goods sold	(3,300)	(3,331)	(3,922)	(4,030)	(4,250)
Gross profit	1,866	2,102	2,554	2,657	2,862
Other operating income	-	-	-	-	-
Operating costs	(655)	(673)	(783)	(795)	(824)
Operating EBITDA	1,211	1,429	1,771	1,862	2,037
Depreciation	(330)	(354)	(378)	(406)	(433)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	881	1,075	1,393	1,456	1,604
Net financing costs	(37)	(33)	(29)	(15)	(3)
Associates	0	0	0	0	0
Recurring non-operating income	22	29	30	32	33
Non-recurring items	(14)	0	0	0	0
Profit before tax	852	1,071	1,394	1,473	1,633
Tax	(187)	(219)	(285)	(301)	(334)
Profit after tax	665	852	1,110	1,172	1,300
Minority interests	41	24	(9)	(10)	(10)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	705	877	1,101	1,162	1,289
Non-recurring items & goodwill (net)	14	0	0	0	0
Recurring net profit	719	877	1,101	1,162	1,289
Per share (THB)					
Recurring EPS *	0.07	0.08	0.10	0.11	0.12
Reported EPS	0.06	0.08	0.10	0.11	0.12
DPS	0.05	0.05	0.06	0.06	0.07
Diluted shares (used to calculate per share data)	11,000	11,000	11,000	11,000	11,000
Growth					
Revenue (%)	17.2	5.2	19.2	3.2	6.4
Operating EBITDA (%)	16.3	18.0	24.0	5.1	9.4
Operating EBIT (%)	15.2	22.1	29.6	4.5	10.1
Recurring EPS (%)	13.4	21.9	25.5	5.6	10.9
Reported EPS (%)	11.3	24.3	25.5	5.6	10.9
Operating performance					
Gross margin inc. depreciation (%)	29.7	32.2	33.6	33.7	34.1
Gross margin of key business (%)	29.7	32.2	33.6	33.7	34.1
Operating EBITDA margin (%)	23.4	26.3	27.3	27.8	28.6
Operating EBIT margin (%)	17.1	19.8	21.5	21.8	22.6
Net margin (%)	13.9	16.1	17.0	17.4	18.1
Effective tax rate (%)	21.6	20.4	20.4	20.4	20.4
Dividend payout on recurring profit (%)	76.5	62.7	60.0	60.0	60.0
Interest cover (X)	24.2	33.6	49.1	98.5	490.7
Inventory days	16.7	18.6	18.2	19.4	19.1
Debtor days	27.6	31.1	28.9	31.6	33.3
Creditor days	64.9	64.5	57.7	61.6	60.8
Operating ROIC (%)	15.2	17.9	22.9	23.6	25.7
ROIC (%)	14.7	17.5	22.7	23.3	25.4
ROE (%)	19.8	22.7	25.6	24.1	24.0
ROA (%)	11.8	14.1	17.7	18.0	19.2
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Cash patient revenue	3,235	3,208	3,784	4,115	4,597
SSO patient revenue	1,578	1,811	1,884	1,979	2,059
NHSO patient revenue	353	413	508	442	456
Revenue from Management contract			300	150	0

Sources: Chularat Hospital; FSSIA estimates

Financial Statements

Chularat Hospital

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	719	877	1,101	1,162	1,289
Depreciation	330	354	378	406	433
Associates & minorities	-	-	-	-	-
Other non-cash items	(31)	90	9	10	10
Change in working capital	(123)	70	(76)	(71)	(78)
Cash flow from operations	895	1,390	1,412	1,507	1,655
Capex - maintenance	(713)	(400)	(400)	(400)	(400)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(713)	(400)	(400)	(400)	(400)
Dividends paid	(550)	(550)	(550)	(660)	(697)
Equity finance	0	0	0	0	0
Debt finance	312	(360)	(270)	(559)	(250)
Other financing cash flows	53	0	(9)	(10)	(10)
Cash flow from financing	(185)	(910)	(829)	(1,229)	(958)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(3)	80	183	(121)	297
Free cash flow to firm (FCFF)	222.33	1,026.10	1,043.92	1,126.81	1,262.01
Free cash flow to equity (FCFE)	546.91	629.99	732.68	539.03	994.57

Per share (THB)

FCFF per share	0.02	0.09	0.09	0.10	0.11
FCFE per share	0.05	0.06	0.07	0.05	0.09
Recurring cash flow per share	0.09	0.12	0.14	0.14	0.16

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	6,237	6,581	6,981	7,381	7,781
Less: Accumulated depreciation	(2,017)	(2,308)	(2,686)	(3,092)	(3,525)
Tangible fixed assets (net)	4,221	4,273	4,295	4,289	4,256
Intangible fixed assets (net)	47	47	47	47	47
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	468	548	730	609	906
A/C receivable	444	481	546	613	684
Inventories	161	179	211	217	229
Other current assets	692	555	662	683	727
Current assets	1,764	1,763	2,149	2,122	2,546
Other assets	234	117	117	117	117
Total assets	6,266	6,201	6,609	6,576	6,966
Common equity	3,702	4,024	4,575	5,077	5,669
Minorities etc.	193	169	169	169	169
Total shareholders' equity	3,895	4,193	4,744	5,246	5,838
Long term debt	573	609	609	250	0
Other long-term liabilities	115	124	124	124	124
Long-term liabilities	688	732	732	374	124
A/C payable	607	570	671	690	727
Short term debt	966	570	300	100	100
Other current liabilities	109	135	161	167	177
Current liabilities	1,682	1,275	1,133	956	1,005
Total liabilities and shareholders' equity	6,266	6,201	6,609	6,576	6,966
Net working capital	580	510	586	657	735
Invested capital	5,082	4,948	5,046	5,110	5,155

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	0.34	0.37	0.42	0.46	0.52
Tangible book value per share	0.33	0.36	0.41	0.46	0.51

Financial strength

Net debt/equity (%)	27.5	15.1	3.8	(4.9)	(13.8)
Net debt/total assets (%)	17.1	10.2	2.7	(3.9)	(11.6)
Current ratio (x)	1.0	1.4	1.9	2.2	2.5
CF interest cover (x)	15.7	20.2	26.3	36.7	299.1

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	49.9	40.9	32.6	30.8	27.8
Recurring P/E @ target price (x) *	61.2	50.2	40.0	37.9	34.1
Reported P/E (x)	50.8	40.9	32.6	30.8	27.8
Dividend yield (%)	1.5	1.5	1.8	1.9	2.2
Price/book (x)	9.7	8.9	7.8	7.1	6.3
Price/tangible book (x)	9.8	9.0	7.9	7.1	6.4
EV/EBITDA (x) **	30.7	25.7	20.4	19.2	17.3
EV/EBITDA @ target price (x) **	37.4	31.4	25.0	23.6	21.3
EV/invested capital (x)	7.3	7.4	7.2	7.0	6.8

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Chularat Hospital; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSI	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	HL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description	Score Range
Excellent	90-100
Very Good	80-89
Good	70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									
DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

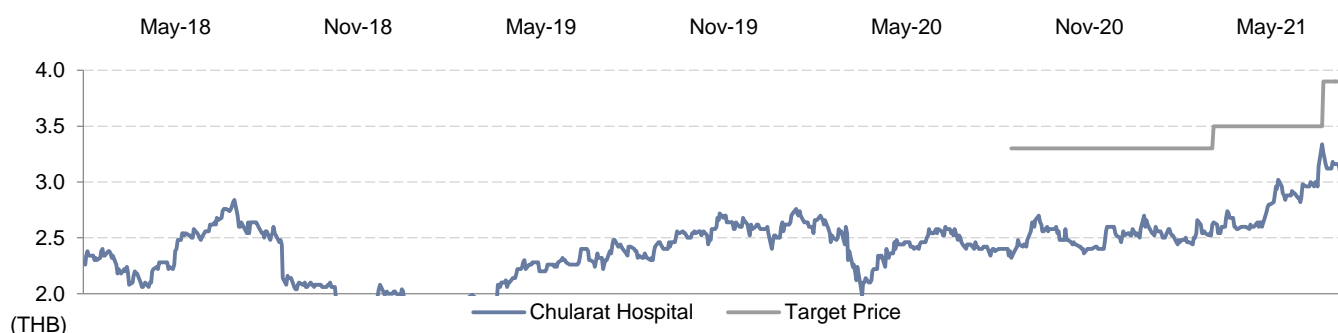
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Chularat Hospital (CHG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Jul-2020	BUY	3.30	21-Jan-2021	BUY	3.50	26-Apr-2021	BUY	3.90
29-Oct-2020	BUY	3.30	31-Mar-2021	BUY	3.50			

Teerapol Udomvej, CFA started covering this stock from 30-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Chularat Hospital	CHG TB	THB 3.26	BUY	Downside risks to our DCF-based target price include 1) a slowdown in Thai patient volume due to economic concerns; 2) regulatory risks from drug price and medical bill controls; and 3) SSO provision expenses following limited budgets from the SSO.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 19-May-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.