EQUITY RESEARCH - COMPANY REPORT

FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

26 AUGUST 2021

THAILAND / HEALTHCARE

BANGKOK CHAIN HOSPITAL BCH TB

BUY

UNCHANGED

TARGET PRICE	THB28.50
CLOSE	THB23.00
UP/DOWNSIDE	+23.9%
PRIOR TP	THB28.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+2.3%

ผลประกอบการจะแข็งแกร่งใน 3Q21

ข้อมูลจากการประชุมนักวิเคราะห์เป็นบวก

เราเข้าประชุมนักวิเคราะห์กับ BCH ในวันนี้และได้รับข้อมูลเป็นบวก ผู้บริหารคาดว่าผลการดำเนินงานใน 3Q21 จะดีกว่าใน 2Q21 มาก โดยตั้งเป้าให้รายได้โต 80-100% ในปี 2021 สอดคล้องกับประมาณการของเรา แม้ตลาดจะมีความกังวลว่า 3Q21 จะเป็นจุดสูงสุดและรายได้ที่เกี่ยวข้องกับ Covid อาจลดลง เราแนะนำนักลงทุนให้มองที่กำไรจากการดำเนินงานปกติ (ไม่นับรวมรายได้ที่เกี่ยวกับโควิด) ของ BCH ซึ่งเราคาดว่าจะดีขึ้นในปี 2022

กำไร 3Q21 จะแตะระดับสูงเป็นประวัติการณ์อีกครั้ง

การรับผู้ป่วย Covid ไว้ในโรงพยาบาลได้เพิ่มขึ้นเป็น 14,207 เตียง/วันในเดือน ส.ค. (เทียบกับ 2,500 เตียง/วันใน 2Q21) พร้อมอัตราค่าเบิกจ่ายที่สูงขึ้นอีก 20-25% สำหรับกลุ่มผู้ป่วยสีเหลืองและสีแดง ผู้บริหารคาดว่าการตรวจ Covid จะเพิ่มเป็นกว่า 700,000 รายใน 3Q21 (เทียบกับ 588,000 รายใน 2Q21) นับตั้งแต่ต้นไตรมาส บริษัทฯ ได้ทำการตรวจไปแล้ว 381,000 รายและมีสัญญาตรวจอีกถึง 170,000 รายจากโครงการ Factory Sandbox โดยบริษัทฯ จะให้บริการตรวจคัดกรองด้วยวิธี PCR และฉีดวัคซีนให้แก่โรงงานที่มีพนักงานมากกว่า 500 คน อัตรากำไรของการตรวจ Covid น่าจะอยู่ในระดับเดิมแม้ว่าอัตราค่าเบิกจ่ายจะลดลงเนื่องจากต้นทุนน้ำยาที่ใช้ในการตรวจลดลงตาม ทำให้เราคาดว่ากำไรของ BCH ใน 3Q21 จะแตะระดับสูงเป็นประวัติการณ์ที่ประมาณ 1.8-2.0พัน ลบ. (เทียบกับกำไรรายไตรมาสที่สูงเป็นประวัติการณ์ก่อนหน้าที่ 1.1พัน ลบ. ใน 2Q21)

เติบโตจากภายในด้วยฐานลูกค้าประกันสังคมที่สูงขึ้นและโรงพยาบาลใหม่

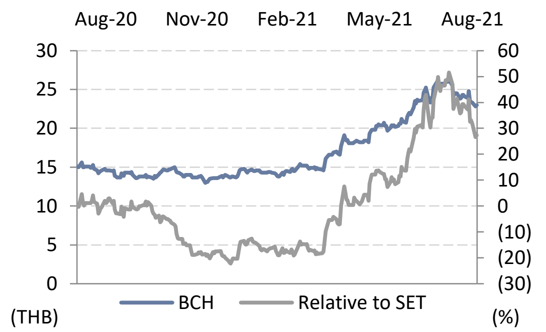
BCH คาดว่าสมาชิกประกันสังคมที่ลงทะเบียนไว้กับบริษัทฯ จะพุ่งเป็นกว่า 1.0ล้านรายในปีหน้า (จาก 890,000 รายในปัจจุบัน) เมื่อพิจารณาจากหมายเลขประจำตัวผู้ป่วยใหม่ (HN) จำนวน 456,000 เลขหมายในช่วง 2 ปีที่ผ่านมาจากการให้บริการที่เกี่ยวข้องกับ Covid และบางรายน่าจะเปลี่ยนมาเป็นผู้ป่วยประจำได้ ประการที่สอง BCH ได้เปิด KIH Vientiane ในวันที่ 19 ส.ค. และได้ผลตอบรับที่เป็นบวกด้วยตัวเลขผู้ป่วยนอกที่ไม่เกี่ยวข้องกับ Covid ประมาณ 200 ราย/วัน ซึ่งสูงกว่าเป้าประมาณการที่ 100 ราย/วัน จากความต้องการที่อยู่ในระดับสูง BCH คาดว่าจะเปิดให้บริการเต็มความสามารถในการรับผู้ป่วยที่ 110 เตียงในระยะที่ 1 ภายในอีก 2 เดือนข้างหน้า และโรงพยาบาลดังกล่าวอาจพลิกมารายงานกำไรได้ก่อนเป้าเดิมที่ 2 ปี

สมควรซื้อขายในราคาที่สูงกว่าค่าเฉลี่ยในอดีต

เราเห็นว่าราคาหุ้นของ BCH ได้ปรับลดลงจากจุดสูงสุดประมาณ 16% ในช่วงเดือนที่ผ่านมาจากแรงขายทำกำไร ปัจจุบัน BCH มีการซื้อขายที่ 33x ของค่า 2022E P/E เราเชื่อว่าหุ้นดังกล่าวสมควรซื้อขายในระดับราคาที่สูงกว่าค่าเฉลี่ย 5 ปีย้อนหลังที่ 39x นอกจากนี้หุ้นอาจมีความเสี่ยงขาขึ้นจากวัคซีน Moderna โดย BCH ได้สั่งซื้อวัคซีนจำนวน 1.06ล้านโดสในรอบแรกพร้อมกำหนดส่งมอบในช่วง 4Q21-1Q22 และวางแผนที่จะสั่งอีกประมาณ 1.2ล้านโดสในรอบที่สอง โดยมีกำหนดส่งมอบในช่วง 1H22

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	8,928	17,910	11,457	12,077
Net profit	1,229	3,515	1,743	1,977
EPS (THB)	0.49	1.41	0.70	0.79
vs Consensus (%)	-	27.1	(4.5)	0.5
EBITDA	2,523	5,804	3,420	3,750
Core net profit	1,229	3,515	1,743	1,977
Core EPS (THB)	0.49	1.41	0.70	0.79
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	7.0	185.9	(50.4)	13.4
Core P/E (x)	46.7	16.3	32.9	29.0
Dividend yield (%)	1.0	1.0	3.2	1.6
EV/EBITDA (x)	25.6	10.5	17.7	15.7
Price/book (x)	8.3	5.8	5.9	5.3
Net debt/Equity (%)	83.5	22.5	20.5	5.2
ROE (%)	18.7	42.1	17.9	19.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(11.5)	12.3	47.1
Relative to country (%)	(14.5)	10.1	20.9

Mkt cap (USD m)	1,738
3m avg. daily turnover (USD m)	22.5
Free float (%)	44
Major shareholder	Chalerm Harnphanich (33%)
12m high/low (THB)	26.75/12.80
Issued shares (m)	2,493.75

Sources: Bloomberg consensus; FSSIA estimates

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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 26 สิงหาคม 2021

Investment thesis

BCH is the leading service provider under the Social Security Office (SSO) scheme, with a 5% market share. It will likely be the hospital that benefits the most from Covid-19 screening services, given that all of its hospitals have their own lab tests with a total capacity of 12,000 cases/day.

After Covid-19 subsides, the World Medical Hospital (WMC) should continue to capture the rising demand of medical tourists. Currently, 70% of WMC's revenue is derived from international patients, especially Middle Eastern patients. The recovery of that patient segment should start in 2022.

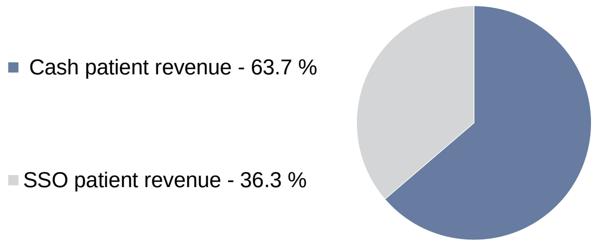
BCH opened three new hospitals in 2020-21. We see Covid-19 as the driver for its new hospitals to turn around earlier than expected due to the influx of Covid patients, some of which could convert to regular patients in the future.

Company profile

The company operates its business as a group, providing healthcare services for both cash patients and patients under the social security scheme.

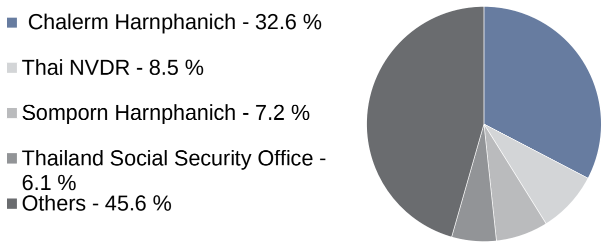
www.bangkokchainhospital.com

Principal activities (revenue, 2020)



Source: Bangkok Chain Hospital

Major shareholders



Source: Bangkok Chain Hospital

Catalysts

Key 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 international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) SSO provision expenses following a limited SSO budget.

Event calendar

Date	Event
Nov 2021	3Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
SSO volume growth	1	5	3
SSO revenue / patient growth	1	3	3
OPD volume growth	110	(45)	1
OPD revenue / patient growth	1	3	2
IPD volume growth	200	(45)	2
IPD revenue / patient growth	6	(6)	5

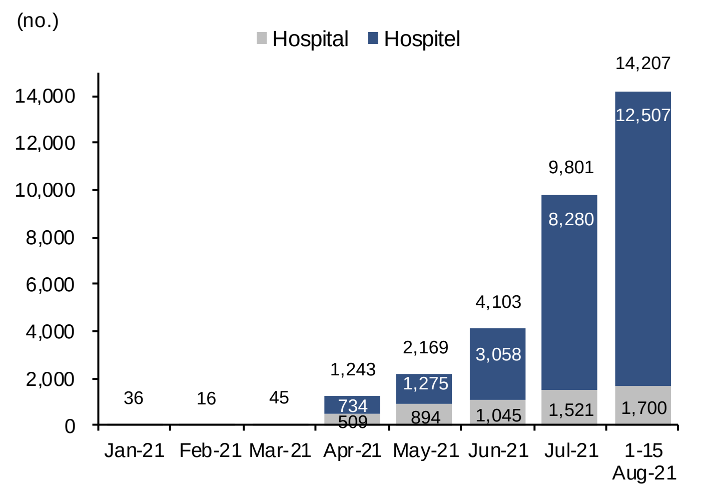
Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in patient volume, we project 2021 earnings would rise by 2%, and vice versa, all else being equal.
- For every 1% increase in EBITDA margin, we project 2021 earnings would rise by 6%, and vice versa, all else being equal.

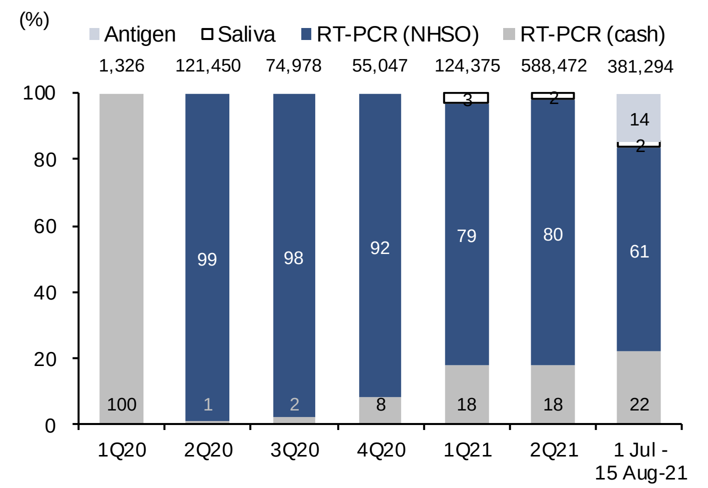
Source: FSSIA estimates

Exhibit 1: Average daily number of Covid-19 patients under hospitels and hospitals



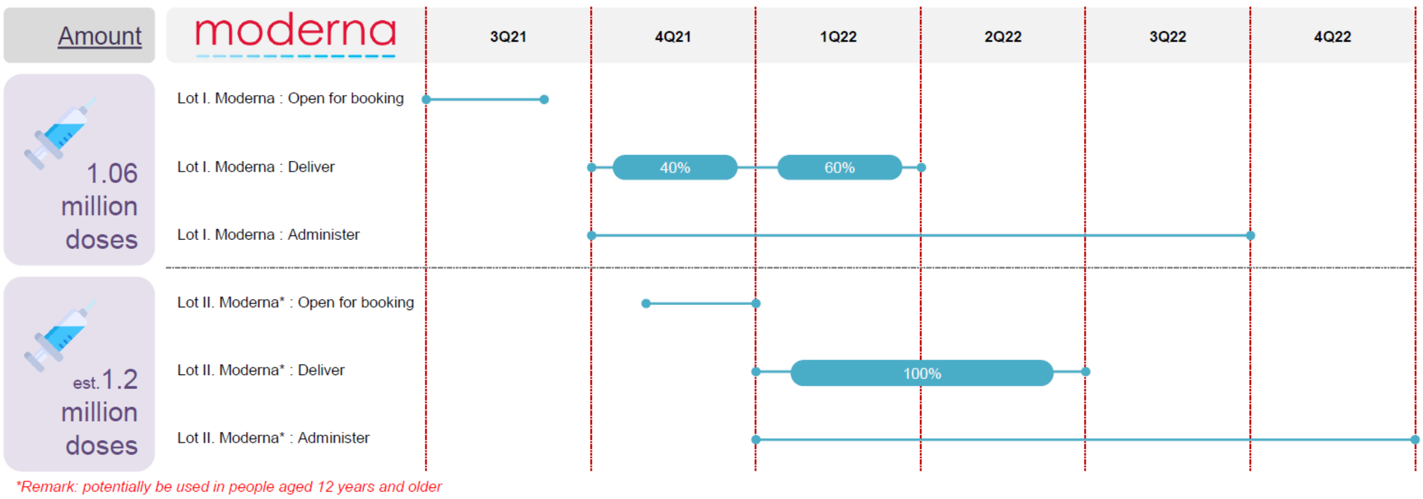
Source: BCH

Exhibit 2: Number of Covid-19 screenings administered



Note: Number of Covid-19 screenings administered are shown on top of each bar.
Source: BCH

Exhibit 3: Moderna vaccination timeline



Source: BCH

Recap: 2Q21 results review

BCH reported a record high core profit of THB1.1b for 2Q21 (+311% y-y, +254% q-q), beating our estimate by 26% and Bloomberg's consensus estimate by 66% due to its better-than-expected EBITDA margin of 42%.

Revenue jumped 107% y-y in 2Q21. Growth was mainly led by Covid-related services, which contributed 56% of total revenue. SSO revenue fell by 4% y-y due to the economic slowdown. BCH's EBITDA margin surged to 42% in 2Q21 from 30% in 2Q20 and 1Q21 thanks to Covid screening services and hospitel operations.

1H21 core profit grew 173% y-y to THB1.5b, accounting for 42% of our 2021 core profit forecast.

Exhibit 4: 2Q21 results review

	2Q20	3Q20	4Q20	1Q21	2Q21	---- Change ---		1H20	1H21	Change	2021E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Sales	**2,083**	**2,359**	**2,308**	**2,316**	**4,313**	***86***	***107***	**4,261**	**6,630**	***56***	**17,910**
COGS (incl. depreciation)	(1,392)	(1,496)	(1,571)	(1,619)	(2,318)	*43*	*67*	(2,907)	(3,937)	*35*	(11,122)
Gross Profit	**691**	**863**	**737**	**698**	**1,995**	***186***	***189***	**1,354**	**2,692**	***99***	**6,788**
SG&A	(280)	(276)	(363)	(291)	(401)	*38*	*43*	(573)	(691)	*21*	(1,941)
Operating Profit	**411**	**587**	**374**	**407**	**1,594**	***292***	***288***	**780**	**2,001**	***156***	**4,848**
Net other income	21	19	35	68	18	*(73)*	*(12)*	39	86	*119*	97
Interest expense	(32)	(35)	(35)	(28)	(35)	*28*	*8*	(62)	(63)	*0*	(153)
Pretax profit	**399**	**571**	**373**	**447**	**1,577**	***253***	***295***	**757**	**2,024**	***167***	**4,791**
Income Tax	(75)	(107)	(68)	(84)	(312)	*271*	*314*	(139)	(395)	*185*	(958)
Associates	1	1	1	1	1	*(6)*	*8*	1	1	*n/a*	2
Minority interest	(46)	(52)	(28)	(40)	(121)	*203*	*163*	(83)	(161)	*94*	(320)
Core profit	**279**	**413**	**279**	**324**	**1,146**	***254***	***311***	**537**	**1,469**	***173***	**3,515**
Extraordinaries, GW & FX	0	0	0	0	0			0	0	*n/a*	
Reported net profit	**279**	**413**	**279**	**324**	**1,146**	***254***	***311***	**537**	**1,469**	***173***	**3,515**
Outstanding shares (m)	2,494	2,494	2,494	2,494	2,494	*0*	*0*	2,494	2,494	*0*	2,494
Core EPS (THB)	**0.11**	**0.17**	**0.11**	**0.13**	**0.46**	***254***	***311***	**0.22**	**0.59**	***173***	**1.41**
EPS (THB)	**0.11**	**0.17**	**0.11**	**0.13**	**0.46**	***254***	***311***	**0.22**	**0.59**	***173***	**1.41**
COGS (excl. depreciation)	1,201	1,291	1,362	1,402	2,113	*51*	*76*	2,540	3,516	*38*	10,166
Depreciation	191	205	210	217	205	*(5)*	*7*	367	422	*15*	956
EBITDA	622	811	618	691	1,817	*163*	*192*	1,187	2,508	*111*	5,900
Key ratios	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	***(ppt)***	***(ppt)***	**(%)**	**(%)**	***(ppt)***	**(%)**
Gross margin	33	37	32	30	46	*16*	*13*	32	41	*9*	38
SG&A/Revenue	13	12	16	13	9	*(3)*	*(4)*	13	10	*(3)*	11
EBITDA margin	30	34	27	30	42	*12*	*12*	28	38	*10*	33
Net profit margin	13	18	12	14	27	*13*	*13*	13	22	*10*	20
Operating stats	**(y-y %)**	**(y-y %)**	**(y-y %)**	**(y-y %)**	**(y-y %)**						
Cash-OPD revenue growth	30	20	23	45	117						
Cash-OPD volume growth	21	8	16	45	140						
Cash-OPD revenue per head growth	8	11	6	1	(10)						
Cash-IPD revenue growth	(29)	(38)	(17)	(22)	263						
Cash-IPD volume growth	(39)	(38)	(22)	(20)	326						
Cash-IPD revenue per head growth	17	1	6	(2)	(15)						
SSO revenue growth	(7)	7	12	1	(4)						
SSO registered member ('000)	887	884	881	888	890						
SSO registered member growth	3	2	0	0	0						
SSO revenue per head growth	(10)	5	11	1	(4)						

Sources: BCH; FSSIA estimates

Financial Statements

Bangkok Chain Hospital

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	8,880	8,928	17,910	11,457	12,077
Cost of goods sold	(5,373)	(5,193)	(10,166)	(6,680)	(6,800)
Gross profit	**3,507**	**3,735**	**7,744**	**4,776**	**5,276**
Other operating income	-	-	-	-	-
Operating costs	(1,228)	(1,213)	(1,941)	(1,356)	(1,526)
Operating EBITDA	**2,279**	**2,523**	**5,804**	**3,420**	**3,750**
Depreciation	(665)	(782)	(956)	(1,008)	(1,047)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	**1,615**	**1,741**	**4,848**	**2,412**	**2,703**
Net financing costs	(126)	(125)	(146)	(133)	(117)
Associates	2	3	2	2	2
Recurring non-operating income	113	89	91	100	105
Non-recurring items	(14)	0	0	0	0
Profit before tax	**1,588**	**1,705**	**4,793**	**2,379**	**2,690**
Tax	(290)	(313)	(958)	(475)	(538)
Profit after tax	**1,298**	**1,392**	**3,835**	**1,903**	**2,153**
Minority interests	(163)	(163)	(320)	(160)	(176)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	**1,135**	**1,229**	**3,515**	**1,743**	**1,977**
Non-recurring items & goodwill (net)	**14**	**0**	**0**	**0**	**0**
Recurring net profit	**1,149**	**1,229**	**3,515**	**1,743**	**1,977**
Per share (THB)					
Recurring EPS *	0.46	0.49	1.41	0.70	0.79
Reported EPS	0.46	0.49	1.41	0.70	0.79
DPS	0.22	0.23	0.23	0.75	0.37
Diluted shares (used to calculate per share data)	2,494	2,494	2,494	2,494	2,494
Growth					
Revenue (%)	10.0	0.5	100.6	(36.0)	5.4
Operating EBITDA (%)	7.4	10.7	130.1	(41.1)	9.6
Operating EBIT (%)	4.4	7.8	178.5	(50.2)	12.1
Recurring EPS (%)	5.5	7.0	185.9	(50.4)	13.4
Reported EPS (%)	4.2	8.3	185.9	(50.4)	13.4
Operating performance					
Gross margin inc. depreciation (%)	32.0	33.1	37.9	32.9	35.0
Gross margin of key business (%)	32.0	33.1	37.9	32.9	35.0
Operating EBITDA margin (%)	25.7	28.3	32.4	29.9	31.1
Operating EBIT margin (%)	18.2	19.5	27.1	21.1	22.4
Net margin (%)	12.9	13.8	19.6	15.2	16.4
Effective tax rate (%)	18.1	18.4	20.0	20.0	20.0
Dividend payout on recurring profit (%)	47.7	46.7	16.3	106.9	46.7
Interest cover (X)	13.7	14.6	33.9	18.8	23.9
Inventory days	15.9	16.9	13.3	22.1	17.4
Debtor days	68.4	67.5	23.5	26.3	24.9
Creditor days	48.0	52.7	41.6	69.5	54.6
Operating ROIC (%)	12.5	11.4	29.4	15.3	17.6
ROIC (%)	12.7	11.5	28.7	15.2	17.5
ROE (%)	19.2	18.7	42.1	17.9	19.3
ROA (%)	10.6	9.8	21.3	10.2	11.8

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2019	2020	2021E	2022E	2023E
Cash patient revenue	5,790	5,688	14,606	7,896	8,296
SSO patient revenue	3,090	3,240	3,305	3,561	3,781
NHSO patient revenue	0	0	0	0	0

Sources: Bangkok Chain Hospital; FSSIA estimates

Financial Statements

Bangkok Chain Hospital

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	1,149	1,229	3,515	1,743	1,977
Depreciation	665	782	956	1,008	1,047
Associates & minorities	-	-	-	-	-
Other non-cash items	187	94	288	160	176
Change in working capital	(211)	(593)	912	(170)	(6)
Cash flow from operations	**1,789**	**1,512**	**5,671**	**2,742**	**3,194**
Capex - maintenance	(1,721)	(2,546)	(966)	(573)	(604)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	2	5	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	**(1,719)**	**(2,541)**	**(966)**	**(573)**	**(604)**
Dividends paid	(549)	(574)	(574)	(1,863)	(924)
Equity finance	0	0	0	0	0
Debt finance	778	1,837	(400)	(800)	(800)
Other financing cash flows	(166)	(168)	(170)	(85)	(93)
Cash flow from financing	**63**	**1,096**	**(1,143)**	**(2,748)**	**(1,817)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	**0**	**0**	**0**	**0**	**0**
Movement in cash	**133**	**67**	**3,562**	**(579)**	**773**
Free cash flow to firm (FCFF)	200.99	(896.48)	4,858.50	2,338.39	2,739.23
Free cash flow to equity (FCFE)	682.04	640.69	4,135.61	1,284.20	**1,697.36**

Per share (THB)					
FCFF per share	0.08	(0.36)	1.95	0.94	1.10
FCFE per share	0.27	0.26	1.66	0.51	0.68
Recurring cash flow per share	0.80	0.84	1.91	1.17	1.28

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	16,288	18,773	19,770	20,343	20,947
Less: Accumulated depreciation	(5,705)	(6,369)	(7,325)	(8,333)	(9,380)
Tangible fixed assets (net)	**10,584**	**12,404**	**12,446**	**12,010**	**11,566**
Intangible fixed assets (net)	**451**	**522**	**522**	**522**	**522**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	37	33	33	33	33
Cash & equivalents	879	946	4,508	3,929	4,702
A/C receivable	1,817	1,487	824	824	824
Inventories	231	250	489	321	327
Other current assets	40	856	1,718	1,099	1,158
Current assets	**2,967**	**3,538**	**7,538**	**6,173**	**7,012**
Other assets	77	30	30	30	30
Total assets	**14,116**	**16,527**	**20,568**	**18,768**	**19,163**
Common equity	6,248	6,885	9,826	9,706	10,759
Minorities etc.	730	742	892	967	1,050
Total shareholders' equity	**6,978**	**7,626**	**10,718**	**10,674**	**11,809**
Long term debt	4,759	5,150	5,150	4,350	3,550
Other long-term liabilities	192	207	207	207	207
Long-term liabilities	**4,952**	**5,357**	**5,357**	**4,557**	**3,757**
A/C payable	715	784	1,535	1,008	1,027
Short term debt	718	2,165	1,765	1,765	1,765
Other current liabilities	752	595	1,193	763	805
Current liabilities	**2,186**	**3,544**	**4,493**	**3,537**	**3,597**
Total liabilities and shareholders' equity	**14,116**	**16,527**	**20,568**	**18,768**	**19,163**
Net working capital	621	1,214	302	472	478
Invested capital	11,769	14,203	13,333	13,067	12,629

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

Per share (THB)					
Book value per share	2.51	2.76	3.94	3.89	4.31
Tangible book value per share	2.32	2.55	3.73	3.68	4.11
Financial strength					
Net debt/equity (%)	65.9	83.5	22.5	20.5	5.2
Net debt/total assets (%)	32.6	38.5	11.7	11.6	3.2
Current ratio (x)	1.4	1.0	1.7	1.7	1.9
CF interest cover (x)	6.4	6.1	29.4	10.6	15.5

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	**49.9**	**46.7**	**16.3**	**32.9**	**29.0**
Recurring P/E @ target price (x) *	**61.8**	**57.8**	**20.2**	**40.8**	**36.0**
Reported P/E (x)	50.5	46.7	16.3	32.9	29.0
Dividend yield (%)	1.0	1.0	1.0	3.2	1.6
Price/book (x)	9.2	8.3	5.8	5.9	5.3
Price/tangible book (x)	9.9	9.0	6.2	6.2	5.6
EV/EBITDA (x) **	27.5	25.6	10.5	17.7	15.7
EV/EBITDA @ target price (x) **	33.5	31.0	12.8	21.7	19.4
EV/invested capital (x)	5.3	4.5	4.5	4.6	4.7

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

Sources: Bangkok Chain 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	SEAOIL	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	AMANAH	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	MITSIB	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	WIIK	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	IHL	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	TPIPP	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	AMANAH	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	SEAOIL	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	WIIK	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)

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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

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ANALYST(S) CERTIFICATION

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

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 Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Bangkok Chain Hospital (BCH TB)

Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
30-Jul-2020	BUY	20.00	28-Jan-2021	BUY	20.00	25-May-2021	BUY	24.00
23-Sep-2020	BUY	20.00	31-Mar-2021	BUY	20.00	14-Jul-2021	BUY	28.00
26-Nov-2020	BUY	20.00	20-Apr-2021	BUY	23.00	05-Aug-2021	BUY	28.50

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
Bangkok Chain Hospital	BCH TB	THB 23.00	BUY	Downside risks to our DCF-based target price include 1) a slowdown in international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) SSO provision expenses following a limited SSO budget.

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 24-Aug-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.