

26 NOVEMBER 2021

THAILAND / HEALTHCARE

BANGKOK CHAIN HOSPITAL

BCH TB

BUY

UNCHANGED

TARGET PRICE	THB28.50
CLOSE	THB20.00
UP/DOWNSIDE	+42.5%
PRIOR TP	THB28.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+9.7%

ฐานกำไรหลักจะปรับขึ้นหลัง Covid

กำไร 4Q21 จะยังโตดี y-y

ในที่ประชุมนักวิเคราะห์เมื่อวานนี้ BCH ได้ยืนยันมุมมองของเราเกี่ยวกับการเติบโตจากภายในที่ดีในอนาคต แม้ว่าตัวเลขผู้ติดเชื้อ Covid จะชะลอตัว (มาอยู่ที่ประมาณ 5,000 เคส/วันในเดือน ต.ค. และ 2,500 เคส/วันในเดือน พ.ย.) แม้ว่าตัวเลขดังกล่าวจะลดลงจากค่าเฉลี่ยที่ 11,000 เคส/วันใน 3Q21 ก็ยังสูงกว่าค่าเฉลี่ยที่ 2,500 เคส/วันใน 2Q21 นอกจากนี้เรายังคาดหวังว่าบริษัท จะมีรายได้จากการฉีดวัคซีน Moderna จำนวน 300,000 โดสใน 4Q21 ในขณะที่ผู้ป่วยทั่วไป (12% ต่ำกว่าช่วงก่อน Covid ณ ช่วง 9M21) น่าจะค่อย ๆ พื้นตัว เราคาดว่ากำไร 4Q21 จะโต 340% y-y เป็น 1.2 พัน ลบ.

BCH ตั้งเป้าเพิ่มรายได้ปี 2022 เป็น 2 เท่า ฐานจากรายได้ภายในของปี 2020

BCH ตั้งเป้าเพิ่มรายได้ปี 2022 เท่าตัวเป็น 17 พัน ลบ. ฐานจากรายได้ปี 8.5 พัน ลบ. ซึ่งไม่รวมรายได้ที่เกี่ยวข้องกับ Covid ในปี 2020 การเติบโตภายในจะคิดเป็นประมาณครึ่งหนึ่ง โดยจะมากจากการเติบโตจากการฟื้นตัวของผู้ป่วยทั่วไปและฐานผู้ป่วยประกันตนของสำนักงานประกันสังคม (SSO) ที่สูงขึ้น (1.1 ล้านในปี 2022E เทียบกับ 894k ใน 9M21) ในขณะที่การเติบโตอีกครั้งอาจมาจากรายได้ที่เกี่ยวข้องกับ Covid ซึ่ง BCH ตีไว้ต่ำว่าจะคิดเป็นเพียง 15% ของรายได้ที่เกี่ยวข้องกับ Covid ในปี 2021 เมื่อรวมการฉีดวัคซีน Moderna เป้ารายได้ของ BCH สูงกว่าประมาณการในปี 2022 ของเราที่ 11.5 พัน ลบ. อยู่มาก เนื่องจากเรารวมการฉีดวัคซีน Moderna แค่ 0.7 ล้านโดสในปี 2022 เทียบกับ 2.3 ล้านโดสที่ BCH ได้สั่งมา

3 ธุรกิจใหม่จะสนับสนุนธุรกิจหลัก

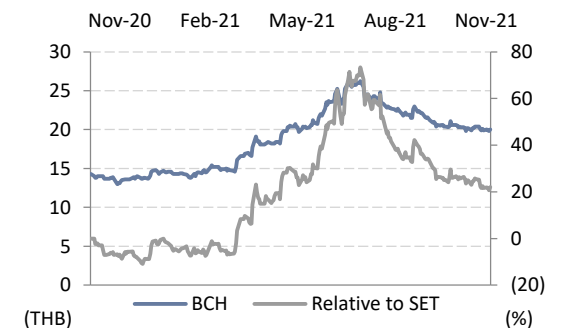
BCH ได้เปิดตัว 3 ธุรกิจใหม่ประกอบด้วย 1) ห้องปฏิบัติการซึ่งน่าจะลดต้นทุนในการส่งตรวจไปยังห้องปฏิบัติการภายนอกได้ประมาณ 20 ลบ. ต่อปี; 2) การนำเข้ายาและเครื่องมือแพทย์ โดย BCH วางแผนนำเข้า Molnupiravir จากประเทศเพื่อนบ้าน; และ 3) ธุรกิจนำวิตามิน บั๊จยี้ ดังกล่าวน่าจะให้เพิ่มอภีชีตในอนาคดอันใกล้

หุ้นมีการซื้อขายในมูลค่าที่ยังไม่แพง สำหรับหุ้นที่ได้ประโยชน์หลัง Covid

เราปรับเพิ่มประมาณการกำไรจากการดำเนินงานปี 2021 อีก 32% เพื่อสะท้อนไตรมาส 3Q21 และแนวโน้ม 4Q21 ที่ดี เราคงประมาณการปี 2022-23 และราคาเป้าหมายปี 2022 ที่ 28.5 บาท (DCF) ราคาหุ้นได้ปรับตัวลดลงจากจุดสูงสุดถึง 25% ภายใน 4 เดือนที่ผ่านมาในท่ามกลางความกังวลว่ากำไรได้ผ่านจุดสูงสุดไปแล้วใน 3Q21 BCH มีการซื้อขายที่ระดับการประเมินมูลค่าที่ไม่สมเหตุสมผลที่ 27x ของค่า 2022E P/E ซึ่งต่ำกว่าค่าเฉลี่ย 5 ปีที่ 38x ในขณะที่กำไรปี 2022E อาจสูงเกินระดับก่อน Covid มากถึง 62% เราเชื่อว่าในที่สุดตลาดจะมองข้ามกำไรที่คาดว่าจะปรับตัวลดลง q-q ใน 4Q21 และมุ่งเน้นไปที่กำไรจากภายใน พร้อมระดับการประเมินมูลค่าที่อาจปรับขึ้นสู่ระดับปกติ

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	8,928	19,182	11,492	11,915
Net profit	1,229	5,594	1,843	1,977
EPS (THB)	0.49	2.24	0.74	0.79
vs Consensus (%)	-	22.5	(0.5)	9.3
EBITDA	2,523	8,316	3,458	3,710
Core net profit	1,229	5,594	1,843	1,977
Core EPS (THB)	0.49	2.24	0.74	0.79
Chg. In EPS est. (%)	-	32.1	0.0	0.0
EPS growth (%)	7.0	355.0	(67.0)	7.2
Core P/E (x)	40.6	8.9	27.1	25.2
Dividend yield (%)	1.1	1.2	5.9	2.0
EV/EBITDA (x)	22.6	6.2	15.0	13.6
Price/book (x)	7.2	4.2	4.6	4.2
Net debt/Equity (%)	83.5	3.8	9.7	(3.2)
ROE (%)	18.7	59.5	16.2	17.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.9)	(12.3)	38.9
Relative to country (%)	(3.8)	(14.8)	19.3
Mkt cap (USD m)	1,494		
3m avg. daily turnover (USD m)	12.6		
Free float (%)	44		
Major shareholder	Chalerm Hamphanich (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 พฤศจิกายน 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 services, including screening services and treatment services for Covid patients.

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.

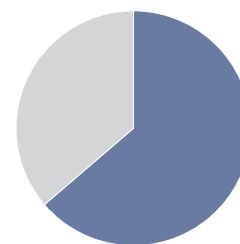
Company profile

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)

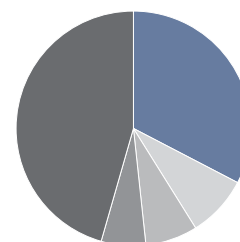
- Cash patient revenue - 63.7 %
- SSO patient revenue - 36.3 %



Source: Bangkok Chain Hospital

Major shareholders

- Chalerm Harnphanich - 32.6 %
- Thai NVDR - 8.5 %
- Somporn Harnphanich - 7.2 %
- Thailand Social Security Office - 6.1 %
- Others - 45.6 %



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
Feb 2022	4Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
SSO volume growth	0	13	1
SSO revenue / patient growth	(3)	1	3
OPD volume growth	100	(42)	1
OPD revenue / patient growth	1	3	1
IPD volume growth	335	(62)	1
IPD revenue / patient growth	(10)	11	4

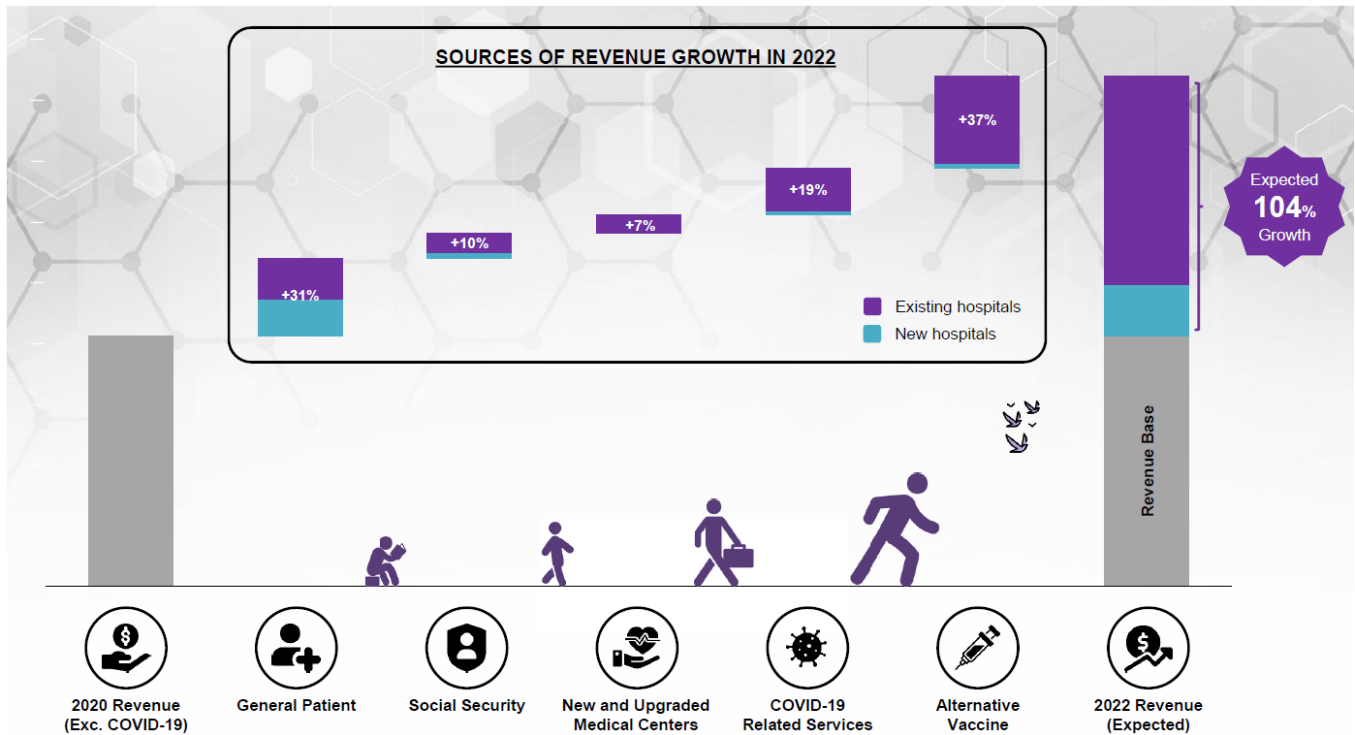
Source: FSSIA estimates

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.

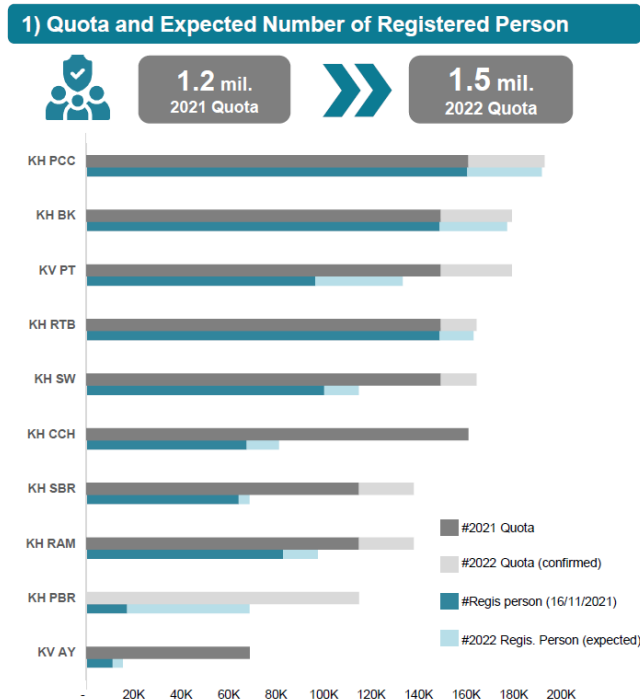
Source: FSSIA estimates

Exhibit 1: 2022 revenue growth target



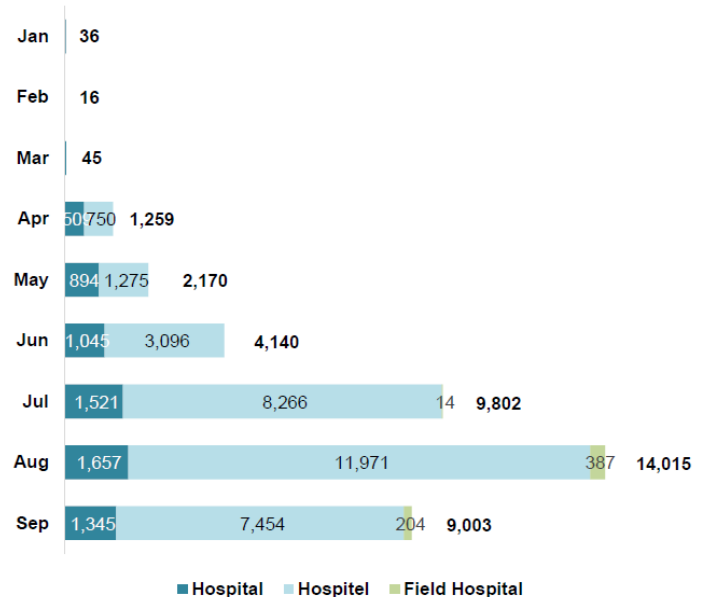
Source: BCH

Exhibit 2: SSO quota and expected number of registered members



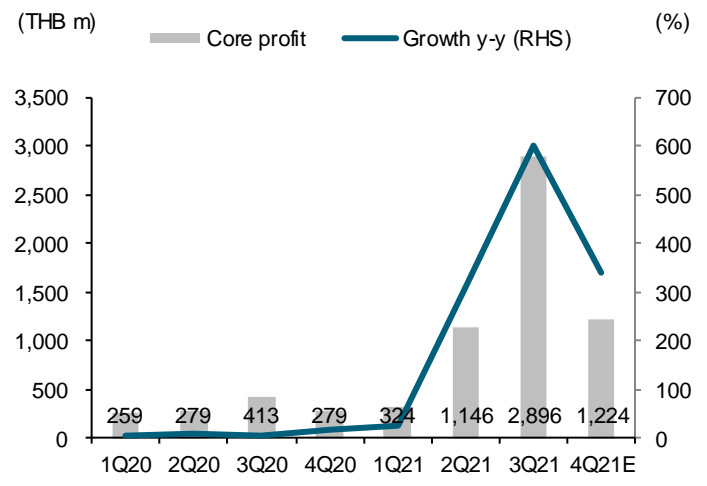
Source: BCH

Exhibit 3: Covid patients under BCH, monthly trend

COVID-19 Hospitalized Patient (Avg. n per day)

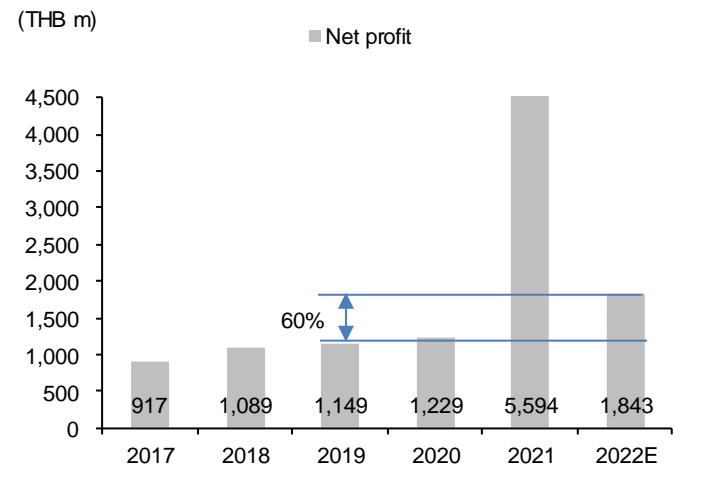
Source: BCH

Exhibit 4: Core profit quarterly estimates



Sources: BCH; FSSIA estimates

Exhibit 5: Core profit yearly estimates



Sources: BCH; FSSIA estimates

Recap: 3Q21 results review

BCH reported a record high 3Q21 core profit of THB2.9b (+601% y-y, +153% q-q), beating our estimate and Bloomberg's consensus estimate by 29-31% due to the company's better-than-expected revenue and the high EBITDA margin of 52% (vs our forecast of 44%).

Revenue jumped 85% q-q, led by Covid-related services which contributed 71% of total revenue (vs 56% in 2Q21). SSO revenue fell by 18% y-y on a lower utilisation rate. The EBITDA margin surged to 52% in 3Q21 from 42% in 2Q21 due to strong revenue growth.

Exhibit 6: 3Q21 results review

	3Q20	4Q20	1Q21	2Q21	3Q21	----- Change -----		9M20	9M21	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	2,359	2,308	2,316	4,313	7,959	85	237	6,620	14,589	120	19,182
COGS (incl. depreciation)	(1,496)	(1,571)	(1,619)	(2,318)	(3,689)	59	147	(4,403)	(7,626)	73	(10,319)
Gross profit	863	737	698	1,995	4,271	114	395	2,216	6,963	214	8,862
SG&A	(276)	(363)	(291)	(401)	(367)	(8)	33	(849)	(1,058)	25	(1,455)
Operating profit	587	374	407	1,594	3,904	145	566	1,367	5,905	332	7,407
Net other income	19	35	68	18	19	4	(1)	59	105	79	129
Interest expense	(35)	(35)	(28)	(35)	(40)	14	16	(97)	(103)	6	(146)
Pretax profit	571	373	447	1,577	3,882	146	580	1,328	5,907	345	7,390
Income Tax	(107)	(68)	(84)	(312)	(772)	148	624	(245)	(1,167)	376	(1,478)
Associates	1	1	1	1	0	(87)	(87)	2	1	n/a	2
Minority interest	(52)	(28)	(40)	(121)	(215)	78	314	(135)	(375)	179	(320)
Core profit	413	279	324	1,146	2,896	153	601	951	4,366	359	5,594
Extraordinaries, GW & FX	0	0	0	0	0			0	0	n/a	
Reported net profit	413	279	324	1,146	2,896	153	601	951	4,366	359	5,594
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)	0.17	0.11	0.13	0.46	1.16	153	601	0.38	1.75	359	2.24
EPS (THB)	0.17	0.11	0.13	0.46	1.16	153	601	0.38	1.75	359	2.24
COGS (excl. depreciation)	1,291	1,362	1,402	2,113	3,468	64	169	3,831	6,984	82	9,411
Depreciation	205	210	217	205	220	7	7	572	642	12	909
EBITDA	811	618	691	1,817	4,143	128	411	1,998	6,651	233	8,445
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)
Gross margin	37	32	30	46	54	7	17	33	48	14	46
SG&A/Revenue	12	16	13	9	5	(5)	(7)	13	7	(6)	8
EBITDA margin	34	27	30	42	52	10	18	30	46	15	44
Net profit margin	18	12	14	27	36	10	19	14	30	16	29
Operating stats	(y-y %)	(y-y %)	(y-y %)	(y-y %)	(y-y %)						
Cash-OPD revenue growth	20	23	45	117	70						
Cash-OPD volume growth	8	16	45	131	109						
Cash-OPD revenue per head growth	11	6	1	(6)	(19)						
Cash-IPD revenue growth	(38)	(17)	(22)	263	966						
Cash-IPD volume growth	(38)	(22)	(19)	334	1,020						
Cash-IPD revenue per head growth	1	6	(4)	(16)	(5)						
SSO revenue growth	7	12	1	(4)	(18)						
SSO registered member ('000)	884	881	888	890	894						
SSO registered member growth	2	0	0	0	1						

SSO revenue per head growth	5	11	1	(4)	(19)						
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Sources: BCH; FSSIA estimates

Exhibit 7: Forecast revisions

	Current			Previous			Change (%)		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
SSO registered members ('000)	884	1,000	1,010	884	1,000	1,010	0.0	0.0	0.0
SSO revenue per head (THB)	3,554	3,600	3,708	3,554	3,600	3,708	0.0	0.0	0.0
Cash-OPD visit number per day (no.)	6,104	3,521	3,556	6,287	3,521	3,556	(2.9)	0.0	0.0
Cash-OPD revenue per head (THB)	2,979	3,068	3,099	2,979	3,068	3,099	0.0	0.0	0.0
Cash-IPD admission number per day (no.)	388	147	149	267	147	149	45.0	0.0	0.0
Cash-IPD revenue per head (THB)	66,445	73,562	76,504	78,257	73,562	76,504	(15.1)	0.0	0.0
Revenue (THB m)	19,182	11,492	11,915	17,615	11,492	11,915	8.9	0.0	0.0
EBITDA margin (%)	43.4	30.1	31.1	37.6	30.2	31.2	5.8	(0.1)	(0.0)
Core profit (THB m)	5,594	1,843	1,977	4,235	1,843	1,977	32.1	0.0	(0.0)

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

Exhibit 8: DCF-derived TP

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		4.0
Market risk premium		8.0	Marginal tax rate		20.0
Stock beta		1.0			
Cost of equity, Ke		10.6	Net cost of debt, Kd		3.2
Weight applied		70.0	Weight applied		30.0
WACC		8.4			
DCF valuation estimate	(THB b)	(THB/share)	Comments		
NPV	25.3	10.1	WACC 8.4%, Risk-free rate 3%, Risk premium 8%		
Terminal value	48.0	19.2	Terminal growth 3%		
Cash & liquid assets	2.0	0.8	At end-2022E		
Investments	0.0	0.0	At end-2022E		
Debt	(3.1)	(1.3)	At end-2022E		
Minorities	(1.0)	(0.4)	At end-2022E		
Residual ordinary equity	71.2	28.5			

Source: 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	19,182	11,492	11,915
Cost of goods sold	(5,373)	(5,193)	(9,411)	(6,530)	(6,646)
Gross profit	3,507	3,735	9,771	4,962	5,269
Other operating income	-	-	-	-	-
Operating costs	(1,228)	(1,213)	(1,455)	(1,504)	(1,559)
Operating EBITDA	2,279	2,523	8,316	3,458	3,710
Depreciation	(665)	(782)	(909)	(1,011)	(1,050)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	1,615	1,741	7,407	2,448	2,660
Net financing costs	(126)	(125)	(139)	(24)	(50)
Associates	2	3	2	3	2
Recurring non-operating income	113	89	123	130	135
Non-recurring items	(14)	0	0	0	0
Profit before tax	1,588	1,705	7,392	2,553	2,745
Tax	(290)	(313)	(1,478)	(510)	(549)
Profit after tax	1,298	1,392	5,914	2,043	2,197
Minority interests	(163)	(163)	(320)	(200)	(220)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,135	1,229	5,594	1,843	1,977
Non-recurring items & goodwill (net)	14	0	0	0	0
Recurring net profit	1,149	1,229	5,594	1,843	1,977
Per share (THB)					
Recurring EPS *	0.46	0.49	2.24	0.74	0.79
Reported EPS	0.46	0.49	2.24	0.74	0.79
DPS	0.22	0.23	0.23	1.19	0.39
Diluted shares (used to calculate per share data)	2,494	2,494	2,494	2,494	2,494
Growth					
Revenue (%)	10.0	0.5	114.8	(40.1)	3.7
Operating EBITDA (%)	7.4	10.7	229.7	(58.4)	7.3
Operating EBIT (%)	4.4	7.8	325.6	(67.0)	8.7
Recurring EPS (%)	5.5	7.0	355.0	(67.0)	7.2
Reported EPS (%)	4.2	8.3	355.0	(67.0)	7.2
Operating performance					
Gross margin inc. depreciation (%)	32.0	33.1	46.2	34.4	35.4
Gross margin of key business (%)	32.0	33.1	46.2	34.4	35.4
Operating EBITDA margin (%)	25.7	28.3	43.4	30.1	31.1
Operating EBIT margin (%)	18.2	19.5	38.6	21.3	22.3
Net margin (%)	12.9	13.8	29.2	16.0	16.6
Effective tax rate (%)	18.1	18.4	20.0	20.0	20.0
Dividend payout on recurring profit (%)	47.7	46.7	10.3	160.8	49.4
Interest cover (X)	13.7	14.6	54.3	105.9	55.9
Inventory days	15.9	16.9	13.6	21.4	17.4
Debtor days	68.4	67.5	21.5	24.7	23.8
Creditor days	48.0	52.7	42.7	67.3	54.6
Operating ROIC (%)	12.5	11.4	44.7	15.4	17.3
ROIC (%)	12.7	11.5	43.5	15.5	17.3
ROE (%)	19.2	18.7	59.5	16.2	17.5
ROA (%)	10.6	9.8	30.8	10.4	13.1

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2019	2020	2021E	2022E	2023E
Cash patient revenue	5,790	5,688	16,039	7,891	8,169
SSO patient revenue	3,090	3,240	3,143	3,600	3,745
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	5,594	1,843	1,977
Depreciation	665	782	909	1,011	1,050
Associates & minorities	-	-	-	-	-
Other non-cash items	187	94	288	200	220
Change in working capital	(211)	(593)	844	(71)	0
Cash flow from operations	1,789	1,512	7,635	2,983	3,246
Capex - maintenance	(1,721)	(2,546)	(1,004)	(575)	(596)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	2	5	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(1,719)	(2,541)	(1,004)	(575)	(596)
Dividends paid	(549)	(574)	(574)	(2,965)	(977)
Equity finance	0	0	0	0	0
Debt finance	778	1,837	(400)	(3,765)	(800)
Other financing cash flows	(166)	(168)	(170)	(106)	(117)
Cash flow from financing	63	1,096	(1,143)	(6,836)	(1,894)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	133	67	5,488	(4,428)	757
Free cash flow to firm (FCFF)	200.99	(896.48)	6,776.99	2,483.79	2,716.32
Free cash flow to equity (FCFE)	682.04	640.69	6,061.22	(1,463.16)	1,733.73
Per share (THB)					
FCFF per share	0.08	(0.36)	2.72	1.00	1.09
FCFE per share	0.27	0.26	2.43	(0.59)	0.70
Recurring cash flow per share	0.80	0.84	2.72	1.22	1.30
Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	16,288	18,773	19,808	20,383	20,979
Less: Accumulated depreciation	(5,705)	(6,369)	(7,277)	(8,288)	(9,338)
Tangible fixed assets (net)	10,584	12,404	12,531	12,095	11,640
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	6,433	2,006	2,762
A/C receivable	1,817	1,487	777	777	777
Inventories	231	250	452	314	319
Other current assets	40	856	1,840	1,102	1,143
Current assets	2,967	3,538	9,502	4,198	5,001
Other assets	77	30	30	30	30
Total assets	14,116	16,527	22,618	16,878	17,227
Common equity	6,248	6,885	11,905	10,783	11,783
Minorities etc.	730	742	892	986	1,090
Total shareholders' equity	6,978	7,626	12,797	11,769	12,873
Long term debt	4,759	5,150	5,150	2,150	1,350
Other long-term liabilities	192	207	207	207	207
Long-term liabilities	4,952	5,357	5,357	2,357	1,557
A/C payable	715	784	1,421	986	1,003
Short term debt	718	2,165	1,765	1,000	1,000
Other current liabilities	752	595	1,278	766	794
Current liabilities	2,186	3,544	4,464	2,751	2,797
Total liabilities and shareholders' equity	14,116	16,527	22,618	16,878	17,227
Net working capital	621	1,214	370	442	442
Invested capital	11,769	14,203	13,486	13,121	12,667
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	2.51	2.76	4.77	4.32	4.73
Tangible book value per share	2.32	2.55	4.56	4.11	4.52
Financial strength					
Net debt/equity (%)	65.9	83.5	3.8	9.7	(3.2)
Net debt/total assets (%)	32.6	38.5	2.1	6.8	(2.4)
Current ratio (x)	1.4	1.0	2.1	1.5	1.8
CF interest cover (x)	6.4	6.1	44.7	(59.1)	35.7
Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	43.4	40.6	8.9	27.1	25.2
Recurring P/E @ target price (x) *	61.8	57.8	12.7	38.6	36.0
Reported P/E (x)	43.9	40.6	8.9	27.1	25.2
Dividend yield (%)	1.1	1.1	1.2	5.9	2.0
Price/book (x)	8.0	7.2	4.2	4.6	4.2
Price/tangible book (x)	8.6	7.8	4.4	4.9	4.4
EV/EBITDA (x) **	24.2	22.6	6.2	15.0	13.6
EV/EBITDA @ target price (x) **	33.5	31.0	8.7	21.2	19.3
EV/invested capital (x)	4.7	4.0	3.8	4.0	4.0
* 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	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	TTB	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	AMANAHA	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	WIJK	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	CENEL	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	TTB	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

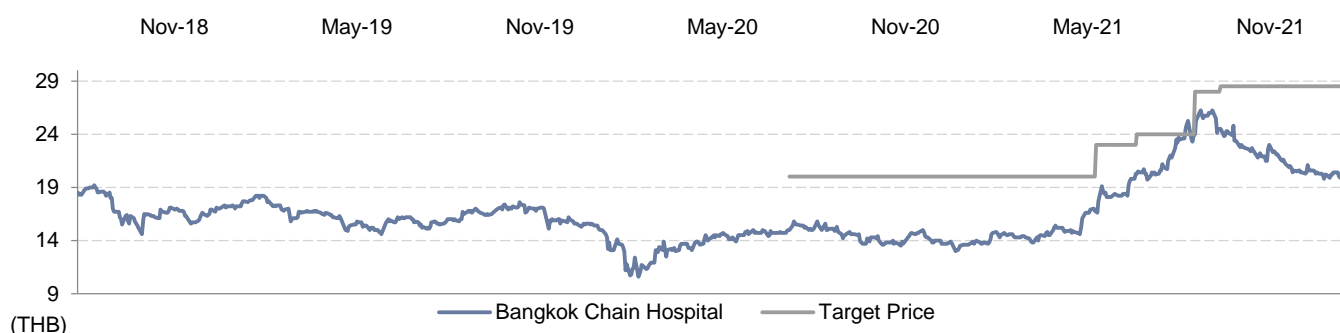
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

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 20.00	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 25-Nov-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.