

BANGKOK DUSIT MEDICAL SERVICES

THAILAND / HEALTHCARE

BDMS TB

BUY

UNCHANGED

New mixed-use wellness project

- Investing in a mixed-use project for THB23.5b in a prime area; scheduled to start operations in 2029 (6.5-yr construction period).
- Aiming to become the leader in preventive medicine, longevity and anti-aging in Asia.
- Maintain BUY with DCF-based TP of THB31/shr.

TARGET PRICE	THB31.00
CLOSE	THB26.00
UP/DOWNSIDE	+19.2%
TP vs CONSENSUS	+5.8%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	75,514	84,801	95,481	102,182
Net profit	7,936	10,096	12,541	14,140
EPS (THB)	0.50	0.64	0.79	0.89
vs Consensus (%)	-	0.8	12.4	12.2
EBITDA	17,345	20,105	23,277	25,575
Core net profit	7,736	10,096	12,541	14,140
Core EPS (THB)	0.49	0.64	0.79	0.89
EPS growth (%)	28.0	30.5	24.2	12.8
Core P/E (x)	53.4	40.9	32.9	29.2
Dividend yield (%)	3.1	1.7	1.5	1.8
EV/EBITDA (x)	24.4	20.8	17.6	15.8
Price/book (x)	4.9	4.8	4.4	4.1
Net debt/Equity (%)	7.1	0.5	(8.1)	(15.1)
ROE (%)	9.0	11.8	13.9	14.6

Residential and wellness project in prime Bangkok area

BDMS announced it is leasing land located at the corner of Sarasin Road and Lang Suan Road (opposite Lumpini Park) for 30 years (plus renewal option for another 30 years) with an area of c13 rai from the Crown Property Bureau to develop its BDMS Silver Wellness & Residence project. The total value of the project is THB23.5b, consisting of THB9.1b land leasehold (first payment of THB2.5b at agreement signing date and second payment of THB6.6b when the 6.5-year construction period is complete) and THB14.4b capex for construction and medical equipment.

Targeting silver age group customers

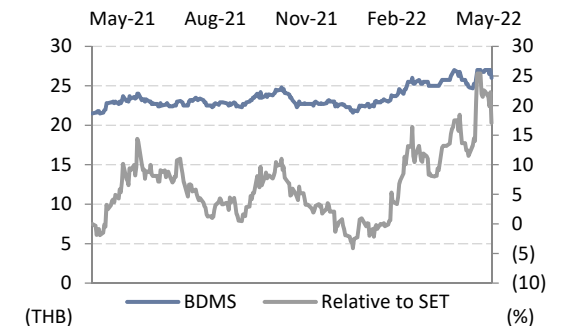
We see this project as positive as it would support BDMS' strategy to expand the wellness tourism market, which we expect to grow at a 20% CAGR over 2020-25. The project consists of a 'Wellness Tower' and 'Residence Tower' with a total area of 170,000 sq.m. Target customer groups are silver age (+50 years), high-income Thais and foreigners.

The project investment should not impact its balance sheet

BDMS expects an IRR of 11-12% and a payback period of 10-11 years, slightly longer than a tertiary hospital project. BDMS has ample financial room to fund the project based on 0.1x net D/E. Including the total investment, its net D/E would increase to only 0.3x. In fact, the financial impact should be lower than that as 1) significant capex would be spent over 2026-29, while BDMS would gain more additional free cashflow every year; and 2) BDMS expects to get proceeds of up to THB1.6b for the sale of residential units of the project around 2029-30. For Wellness Tower, BDMS targets revenue to ramp up to THB2.0-3.0b per year, or 2-3% of the current revenue base. The project size is larger than Wellness Clinic on which BDMS spent capex of THB12.8b (THB1.08b for land acquisition and Park Nai Lert Hotel plus THB2.0b for renovation). Wellness Clinic opened in 2019 and recently turned positive in EBITDA in 2021, but still contributed a cTHB300-400m net loss in 2021.

Potential upside from the project

We have not yet incorporated this project into our model pending more information. Based on a 12% IRR, we estimate that the project would lift our DCF-TP by THB1.0/shr. We suggest investors focus on the strong earnings recovery and see this project as a long-term growth driver.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.0)	9.7	23.2
Relative to country (%)	1.2	12.8	18.3
Mkt cap (USD m)	12,085		
3m avg. daily turnover (USD m)	46.9		
Free float (%)	66		
Major shareholder	Prasert Prasathongsoj (13%)		
12m high/low (THB)	27.75/21.10		
Issued shares (m)	15,892.00		

Sources: Bloomberg consensus; FSSIA estimates



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Exhibit 1: Project details



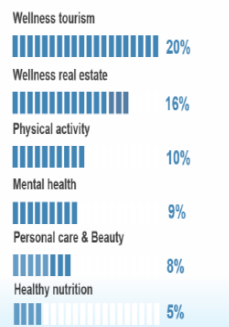
Source: BDMS

Exhibit 2: Strong growth outlook of wellness market

Wellness market valued USD 4.9 trillion pre-Covid19, then **USD 4.4 trillion** in 2020



Project growth by Y 2025



Sources: BDMS; Global Wellness Institute, 2020

Exhibit 3: Project location



Source: BDMS

Exhibit 4: Concept and service offerings



Source: BDMS

Financial Statements

Bangkok Dusit Medical Services

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	69,057	75,514	84,801	95,481	102,182
Cost of goods sold	(39,958)	(43,141)	(47,988)	(53,584)	(56,986)
Gross profit	29,099	32,373	36,813	41,898	45,196
Other operating income	-	-	-	-	-
Operating costs	(14,161)	(15,029)	(16,707)	(18,621)	(19,621)
Operating EBITDA	14,938	17,345	20,105	23,277	25,575
Depreciation	(6,413)	(6,321)	(6,414)	(6,638)	(6,968)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	8,525	11,023	13,691	16,639	18,607
Net financing costs	(832)	(655)	(378)	(236)	(132)
Associates	273	21	23	26	28
Recurring non-operating income	278	26	28	31	34
Non-recurring items	1,169	200	0	0	0
Profit before tax	9,141	10,594	13,341	16,434	18,509
Tax	(1,491)	(2,103)	(2,664)	(3,282)	(3,696)
Profit after tax	7,649	8,490	10,678	13,152	14,813
Minority interests	(435)	(554)	(582)	(611)	(672)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	7,214	7,936	10,096	12,541	14,140
Non-recurring items & goodwill (net)	(1,169)	(200)	0	0	0
Recurring net profit	6,045	7,736	10,096	12,541	14,140
Per share (THB)					
Recurring EPS *	0.38	0.49	0.64	0.79	0.89
Reported EPS	0.45	0.50	0.64	0.79	0.89
DPS	0.30	0.80	0.45	0.38	0.47
Diluted shares (used to calculate per share data)	15,892	15,892	15,892	15,892	15,892
Growth					
Revenue (%)	(17.6)	9.3	12.3	12.6	7.0
Operating EBITDA (%)	(19.6)	16.1	15.9	15.8	9.9
Operating EBIT (%)	(33.5)	29.3	24.2	21.5	11.8
Recurring EPS (%)	(39.9)	28.0	30.5	24.2	12.8
Reported EPS (%)	(53.5)	10.0	27.2	24.2	12.8
Operating performance					
Gross margin inc. depreciation (%)	32.9	34.5	35.8	36.9	37.4
Gross margin of key business (%)	32.9	34.5	35.8	36.9	37.4
Operating EBITDA margin (%)	21.6	23.0	23.7	24.4	25.0
Operating EBIT margin (%)	12.3	14.6	16.1	17.4	18.2
Net margin (%)	8.8	10.2	11.9	13.1	13.8
Effective tax rate (%)	19.4	20.3	20.0	20.0	20.0
Dividend payout on recurring profit (%)	78.4	164.7	70.8	48.3	53.2
Interest cover (X)	10.6	16.9	36.3	70.6	141.0
Inventory days	16.9	16.3	16.1	16.1	16.5
Debtor days	42.4	39.4	39.3	34.9	32.6
Creditor days	47.7	40.1	40.4	40.4	41.3
Operating ROIC (%)	8.7	10.6	13.5	16.8	19.0
ROIC (%)	6.5	8.5	10.7	13.3	15.0
ROE (%)	7.0	9.0	11.8	13.9	14.6
ROA (%)	5.3	6.7	8.6	10.4	11.0
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Thai patient revenue	51,482	58,664	61,328	66,023	70,001
International patient revenue	13,685	12,877	19,316	25,111	27,622
Other revenue	3,891	3,973	4,157	4,347	4,560

Sources: Bangkok Dusit Medical Services; FSSIA estimates

Financial Statements

Bangkok Dusit Medical Services

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	6,045	7,736	10,096	12,541	14,140
Depreciation	6,413	6,321	6,414	6,638	6,968
Associates & minorities	-	-	-	-	-
Other non-cash items	2,408	931	582	611	672
Change in working capital	(1,614)	(980)	1,710	1,417	881
Cash flow from operations	13,252	14,008	18,802	21,207	22,662
Capex - maintenance	(12,551)	(4,235)	(5,952)	(6,701)	(7,172)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	17,066	8	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	4,514	(4,227)	(5,952)	(6,701)	(7,172)
Dividends paid	(4,741)	(12,738)	(7,151)	(6,057)	(7,525)
Equity finance	0	0	0	0	0
Debt finance	(137)	(5,416)	(8,000)	(2,000)	(500)
Other financing cash flows	2,455	75	0	0	0
Cash flow from financing	(2,423)	(18,079)	(15,151)	(8,057)	(8,025)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	15,343	(8,298)	(2,301)	6,448	7,466
Free cash flow to firm (FCFF)	18,637.19	10,509.69	13,354.23	14,839.96	15,782.06
Free cash flow to equity (FCFE)	20,084.21	4,439.73	4,850.03	12,505.76	14,990.35

Per share (THB)

FCFF per share	1.17	0.66	0.84	0.93	0.99
FCFE per share	1.26	0.28	0.31	0.79	0.94
Recurring cash flow per share	0.94	0.94	1.08	1.25	1.37

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	139,771	142,630	148,582	155,283	162,455
Less: Accumulated depreciation	(54,780)	(59,725)	(66,139)	(72,778)	(79,746)
Tangible fixed assets (net)	84,991	82,905	82,442	82,505	82,709
Intangible fixed assets (net)	18,894	18,828	18,828	18,828	18,828
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	939	931	931	931	931
Cash & equivalents	20,939	12,641	10,340	16,788	24,254
A/C receivable	7,192	9,131	9,131	9,131	9,131
Inventories	1,855	2,005	2,230	2,490	2,648
Other current assets	27	624	163	184	197
Current assets	30,013	24,401	21,864	28,593	36,230
Other assets	1,213	1,389	1,389	1,389	1,389
Total assets	136,050	128,454	125,454	132,246	140,086
Common equity	87,910	83,845	86,789	93,273	99,889
Minorities etc.	3,553	3,920	4,502	5,113	5,785
Total shareholders' equity	91,463	87,765	91,291	98,386	105,674
Long term debt	24,163	18,753	10,753	8,753	8,253
Other long-term liabilities	9,631	9,442	9,442	9,442	9,442
Long-term liabilities	33,794	28,196	20,196	18,196	17,696
A/C payable	4,450	5,035	5,600	6,253	6,650
Short term debt	83	76	76	76	76
Other current liabilities	6,260	7,382	8,290	9,334	9,989
Current liabilities	10,793	12,493	13,967	15,664	16,716
Total liabilities and shareholders' equity	136,050	128,454	125,454	132,246	140,086
Net working capital	(1,637)	(657)	(2,366)	(3,783)	(4,664)
Invested capital	104,401	103,396	101,223	99,870	99,192

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

Per share (THB)

Book value per share	5.53	5.28	5.46	5.87	6.29
Tangible book value per share	4.34	4.09	4.28	4.68	5.10

Financial strength

Net debt/equity (%)	3.6	7.1	0.5	(8.1)	(15.1)
Net debt/total assets (%)	2.4	4.8	0.4	(6.0)	(11.4)
Current ratio (x)	2.8	2.0	1.6	1.8	2.2
CF interest cover (x)	25.1	7.8	13.8	54.0	114.4

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	68.4	53.4	40.9	32.9	29.2
Recurring P/E @ target price (x) *	81.5	63.7	48.8	39.3	34.8
Reported P/E (x)	57.3	52.1	40.9	32.9	29.2
Dividend yield (%)	1.1	3.1	1.7	1.5	1.8
Price/book (x)	4.7	4.9	4.8	4.4	4.1
Price/tangible book (x)	6.0	6.4	6.1	5.6	5.1
EV/EBITDA (x) **	28.1	24.4	20.8	17.6	15.8
EV/EBITDA @ target price (x) **	33.4	29.0	24.8	21.0	18.9
EV/invested capital (x)	4.0	4.1	4.1	4.1	4.1

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

Sources: Bangkok Dusit Medical Services; 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	ICI	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	PAP	PCSGH	PDJ	PG	PHOL	PLANB
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	TRC	TSC	TSR	TSTE	TSTH
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	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	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	AMANAHA	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	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

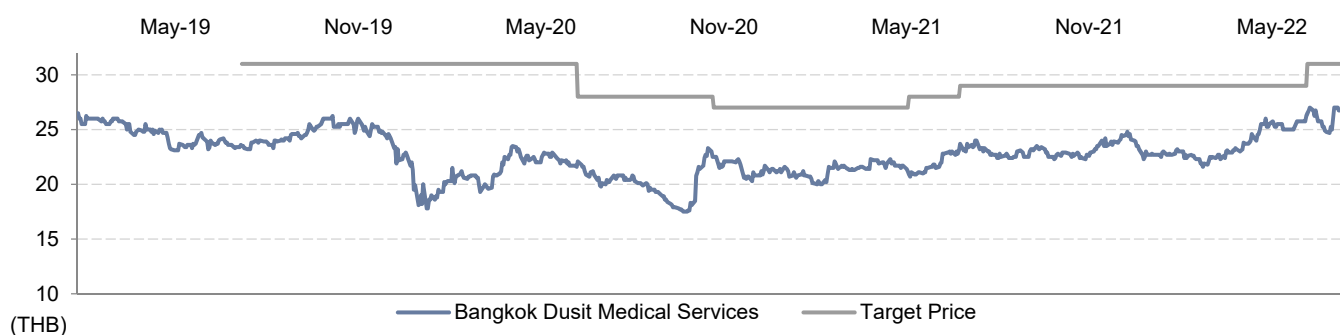
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History of change in investment rating and/or target price

Bangkok Dusit Medical Services (BDMS TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Oct-2019	BUY	31.00	24-Nov-2020	BUY	27.00	24-Jun-2021	BUY	29.00
30-Jul-2020	BUY	28.00	11-May-2021	BUY	28.00	19-Apr-2022	BUY	31.00

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 Dusit Medical Services	BDMS TB	THB 26.00	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 price and medical bill controls; and 3) higher-than-expected capex and opex for CoE projects.

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 26-May-2022 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.