

BCPG BCPG TB

THAILAND / UTILITIES - RENEWABLES

BUY

UNCHANGED

TARGET PRICE	THB13.00
CLOSE	THB9.65
UP/DOWNSIDE	+34.7%
PRIOR TP	THB17.00
CHANGE IN TP	-23.5%
TP vs CONSENSUS	+7.4%

Hydropower drives earnings higher

- BCPG's 3Q22 core NP at THB626m was up 14% q-q but down 12% y-y. NP was THB641m (+94% q-q, -6% y-y).
- The key driver was the higher NPs from its hydropower plants, Nam San 3A and 3B, due to the high CF of 83% in 3Q22.
- Maintain BUY but cut our SoTP-based TP to THB13 from THB17.

Solid core and reported net profits in 3Q22

BCPG's 3Q22 core net profit (NP) was THB626m (+14% q-q, -12% y-y). Including a THB167m FX gain and a THB153m loss related to taxes, its reported NP was THB641m (+94% q-q, -6% y-y). The strong core NP was due to higher NPs from its hydropower plants, Nam San 3A and 3B (114MW), which reported a high capacity factor (CF) of 83% in 3Q22, along with a high CF for its wind farms in Thailand (9MW) of 15.2% in 3Q22 vs 8.7% in 2Q22. Due to the low season, its solar farms in Thailand (173.5MW) saw a CF of 15% in 3Q22 vs 17.2% in 2Q22 and 15.6% in 3Q21, while its solar farms in Japan (79.7MW) had a CF of 14.4% in 3Q22, down from 16.4% in 2Q22.

New solar farms in Japan offset earnings losses

NPs from BCPG's solar farms in Japan rose due to increases in equity capacity to 79.7MW in 3Q22, up from 14.7MW in 3Q21, which timely offset the absence of earnings from the geothermal plants in Indonesia (157.5MW) that were divested in Mar-22. NP from solar farms in Thailand dropped 16.3% q-q and 7.6% y-y due to the expiration of adders (8MW in Aug-21 and 30MW in Jul-22), which were partly offset by the increase in the Ft rate. The wind farms in the Philippines (14.4MW) posted a net loss of THB13.1m in 3Q22 due to a low CF of 15.7%, from 17.6% in 2Q22.

Seeking growth

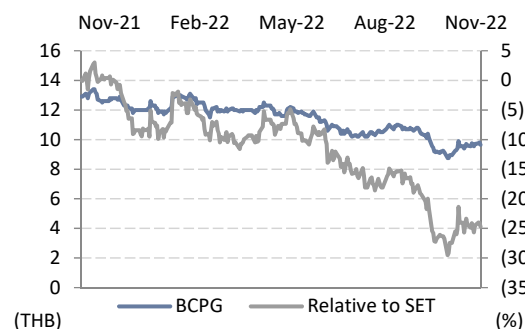
In a conference call, management maintained its plans for THB28b in capex in 2022. We think BCPG's clear strategic goal of growing its capacity to 2.9GW by 2026, up from 1.3GW in 2022, will be a key catalyst to fill up the earnings gap from its adder expirations in 2021-24. M&A and organic growth should sustain its earnings in 2022-24 after the adders for its 118MW of solar farms in Thailand expire over that period.

Maintain BUY at a lower TP of THB13

We cut our SoTP-based TP to THB13 to reflect 1) our EPS forecast cuts by 2-6% in 2022-24; 2) the THB5.8/shr value we assign for the acquired solar farms in Taiwan; 3) the THB5.6/shr value we assign for the wind farms in Laos; 4) the divestment of geothermal assets; and 5) our valuation rollover to 2023. With this report, we transfer coverage of BCPG to Siriluck Pinthusoonthorn.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	4,669	5,551	5,244	5,499
Net profit	2,011	2,546	1,704	1,610
EPS (THB)	0.70	0.88	0.59	0.55
vs Consensus (%)	-	27.0	43.9	43.6
EBITDA	3,740	4,234	3,529	3,718
Core net profit	2,284	2,546	1,704	1,610
Core EPS (THB)	0.79	0.88	0.59	0.55
Chg. In EPS est. (%)	-	(1.0)	(3.9)	(4.8)
EPS growth (%)	6.4	10.9	(33.1)	(5.5)
Core P/E (x)	12.2	11.0	16.5	17.4
Dividend yield (%)	3.4	4.1	3.2	2.1
EV/EBITDA (x)	11.6	11.8	16.8	18.3
Price/book (x)	1.0	0.9	0.9	0.9
Net debt/Equity (%)	55.9	73.5	102.4	127.0
ROE (%)	9.2	9.0	5.7	5.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.5	(9.0)	(24.6)
Relative to country (%)	2.7	(9.2)	(24.2)
Mkt cap (USD m)	761		
3m avg. daily turnover (USD m)	2.6		
Free float (%)	30		
Major shareholder	Bangchak Corporation Plc (70%)		
12m high/low (THB)	13.50/8.70		
Issued shares (m)	2,908.26		

Sources: Bloomberg consensus; FSSIA estimates


Siriluck Pinthusoonthorn

 siriluck.pin@fssia.com
 +66 2611 3562

The Chairman of The Audit Committee and Independent Director of Finansia Syrus Securities PCL is also BCPG's Independent Director.

Investment thesis

BCPG, a subsidiary of Bangchak Corporation (BCP TB, BUY), is a low-risk renewable power operator with a proven track record in solar farm development and operations in high-growth renewable power markets, including Thailand and Japan. BCPG currently has two main business operations: 1) solar farms in Thailand and Japan; and 2) subsidiaries that are exploring opportunities in the biomass business.

BCPG's ventures into geothermal power plants in Indonesia and hydropower plants and wind farms in Laos have been successful, and these strategic moves should sustain its earnings post-2022 when earnings from its high-margin solar farms in Thailand should start declining substantially due to the expiration of its electricity tariff adders. BCPG's geothermal assets should: 1) bolster its earnings; and 2) allow it to capture future growth opportunities in Indonesia's fast-growing power industry, given the low-cost and renewable nature of geothermal power plants.

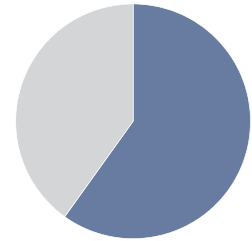
Company profile

BCPG is the flagship of the Bangchak Group, operating power plants at solar farms, wind farms and geothermal farms in Thailand, Indonesia and the Philippines, respectively.

www.bcpgroup.com

Principal activities (revenue, 2021)

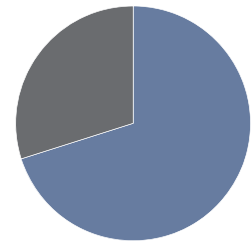
- Revenue from sale of electricity - 59.9 %
- Revenue from adder - 40.1 %



Source: BCPG

Major shareholders

- Bangchak Corporation Plc - 70.1 %
- Others - 29.9 %



Source: BCPG

Catalysts

Higher utilisation rates of power plants and rising demand for electricity in Thailand and China are key potential growth drivers.

Risks to our call

The downside risks to our SoTP-based TP include: 1) lower-than-expected demand for electricity in Thailand, the Philippines and Indonesia; and 2) government intervention by way of electricity tariff subsidies.

Event calendar

Date	Event
Feb 2023	4Q22/2022 results announcement

Key assumptions

	2022E	2023E	2024E
Electricity tariff	3.08	3.57	3.57
Capacity factor - wind farms (%)	38	38	38
Capacity factor - solar farms (%)	18	18	18

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in gas price, we estimate 2023 earnings would decline 1.1%, and vice versa, all else being equal.
- For every 1% increase in interest expense, we estimate 2023 earnings would decline 1.5%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Summary of 3Q22/9M22 operations

	3Q21	2Q22	3Q22		9M21	9M22	Change	2022E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	1,302	1,436	1,544	7.5	18.5	3,437	4,138	20.4	5,551
Operating costs	(239)	(345)	(350)	1.6	46.6	(732)	(968)	32.3	(518)
EBITDA	1,063	1,092	1,193	9.3	12.2	2,706	3,171	17.2	4,234
<i>EBITDA margin (%)</i>	<i>81.6</i>	<i>76.0</i>	<i>77.3</i>	<i>nm</i>	<i>nm</i>	<i>78.7</i>	<i>76.6</i>	<i>nm</i>	<i>76.3</i>
Depn & amort.	(286)	(390)	(398)	2.0	38.8	(870)	(1,112)	27.8	(1,450)
EBIT	777	702	795	13.4	2.4	1,835	2,058	12.1	2,784
Interest expense	(306)	(231)	(251)	8.6	(17.9)	(684)	(689)	0.6	(888)
Interest & invt inc	11	28	31	8.0	190.5	36	72	99.3	225
Other income	4	3	4	62.7	6.4	19	11	(41.8)	-
Associates' contrib	150	(9)	(17)	97.0	nm	448	116	(74.1)	592
Exceptionals	128	(120)	164	nm	27.6	224	1,292	477.8	-
Pretax profit	764	372	726	94.8	(5.0)	1,877	2,861	52.4	2,713
Tax	(79)	(42)	(84)	102.5	6.6	(105)	(525)	401.8	(147)
<i>Tax rate (%)</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>nm</i>	<i>nm</i>	<i>6</i>	<i>18</i>	<i>nm</i>	<i>5</i>
Minority interests	0	(1)	(0)	nm	nm	0	(1)	nm	(19)
Net profit	685	330	641	94.1	(6.4)	1,773	2,334	31.6	2,546
Non-recurring	24	219	(15)	nm	nm	(72)	(642)	796.5	-
Core net profit	709	549	626	14.1	(11.6)	1,702	1,692	(0.6)	2,546
EPS (THB)*	0.24	0.11	0.22	94.1	(6.4)	0.61	0.81	31.6	0.88
Core EPS (THB)*	0.24	0.19	0.22	14.1	(11.6)	0.59	0.58	(0.6)	0.88

*Based on number of shares in 2020 due to the capital increase

Sources: BCPG; FSSIA estimates

Exhibit 2: 3Q22/9M22 electricity generation and capacity factors

	3Q21	2Q22	3Q22	(q-q %)	(y-y %)	9M21	9M22	(y-y %)
Electricity generation (GWh)								
- Thailand	79.3	87.8	79.0	(10.0)	(0.4)	247.0	25.0	(89.9)
- Japan	5.0	35.6	33.1	(7.0)	562.0	13.6	83.6	514.7
- Laos	210.2	101.0	208.4	106.3	(0.9)	380.4	386.3	1.6
- Philippines	6.5	5.5	5.0	(9.1)	(23.1)	26.6	22.9	(13.9)
- Indonesia	312.0	0.0	0.0	nm	nm	930.8	200.3	(78.5)
Capacity factor (%)				(ppt)	(ppt)			(ppt)
- Thailand (Solar)	15.6	17.2	15.0	(2.2)	(0.6)	16.6	245.7	229.1
- Thailand (Wind)	17.9	8.7	15.2	6.5	(2.7)	15.4	12.9	(2.5)
- Japan	13.1	16.4	14.4	(2.0)	1.3	12.0	12.3	0.3
- Laos	83.5	40.6	82.8	42.2	(0.7)	50.9	51.7	0.8
- Philippines	21.1	17.6	15.7	(1.9)	(5.4)	28.8	24.4	(4.4)
- Indonesia	93.9	0.0	0.0	-	(93.9)	94.3	31.0	(63.3)

Sources: BCPG; FSSIA estimates

Exhibit 3: 3Q22/9M22 share of profits from investments in associates

	3Q21	2Q22	3Q22	Change		9M21	9M22	(y-y %)
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)			
Share of profits from operations (before one-time items)								
- Wind power plant in the Philippines								
Share of profits from operations	2.1	1.1	(5.2)	nm	nm	41.4	36.9	(10.9)
Amortisation	(7.5)	(7.9)	(7.8)	(1.3)	4.0	(23.3)	(23.3)	-
Net share of profits	(5.4)	(6.8)	(13.1)	92.6	142.6	18.1	13.6	(24.9)
- Geothermal power plants in Indonesia								
Share of profits from operations	256.6	0.0	0.0	nm	nm	716.5	172.8	(75.9)
Amortisation	(100.9)	0.0	0.0	nm	nm	(286.8)	(64.7)	(77.4)
Net share of profits	155.7	0.0	0.0	nm	nm	429.7	108.2	(74.8)
Total share of profit (before amortisation)	258.7	1.1	(5.2)	nm	nm	757.9	209.7	(72.3)
Total amortisation	(108.4)	(7.9)	(7.8)	(1.3)	(92.8)	(310.1)	(88.0)	(71.6)
Total net share of profits	150.3	(6.8)	(13.1)	92.6	nm	447.8	121.8	(72.8)
Total one-time items	(181.1)	(315.1)	(95.1)	(69.8)	(47.5)	(101.9)	1,422.8	nm
FX gain/(loss)	177.2	(113.5)	167.4	nm	(5.5)	280.2	(99.6)	nm
Tax related to gain/(loss) on foreign exchange	(44.5)	(9.2)	(43.1)	368.5	(3.1)	(35.3)	(39.0)	10.5
Other one-time items	(156.9)	(96.2)	(109.7)	14.0	(30.1)	(173.4)	780.7	nm
Expenses related to refinancing	(107.8)	0.0	0.0	nm	nm	(107.8)	0.0	nm
Loss from disposal of assets	(48.3)	0.0	0.0	nm	nm	(50.5)	(368.1)	628.9
Net gain from sales of investments in associates	0.0	0.0	0.0	nm	nm	0.0	1,644.6	nm
Net withholding tax and special business tax	0.0	(70.6)	(78.5)	11.2	nm	0.0	(149.1)	nm
Other one-time items	(0.8)	(25.6)	(31.2)	21.9	nm	(15.1)	(346.7)	2,196.0

Sources: BCPG; FSSIA estimates

Exhibit 4: Key changes in assumptions

	Current			Previous			Change		
	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (THB m)	2023E (THB m)	2024E (THB m)	2022E (%)	2023E (%)	2024E (%)
Revenue	5,551	5,244	5,499	5,477	4,726	4,748	1.3	11.0	15.8
Gross profit	5,033	4,370	4,521	4,717	3,746	3,825	6.7	16.7	18.2
Operating profit	2,784	2,059	2,143	2,850	2,317	2,419	(2.3)	(11.1)	(11.4)
Net profit	2,546	1,704	1,610	2,597	1,788	1,707	(2.0)	(4.7)	(5.7)
EPS (THB/share)	0.9	0.6	0.6	0.9	0.6	0.6	(2.0)	(4.7)	(5.7)
Key assumptions									
Electricity tariff (THB/kWh)	3.08	3.57	3.57	3.08	3.33	3.39	(0.0)	7.4	5.1
Capacity factor - wind farms (%)*	38	38	38	38	38	38	0.0	0.0	0.0
Capacity factor - solar farms (%)*	18	18	18	18	18	18	0.0	0.0	0.0

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

Source: FSSIA estimates

Exhibit 5: SoTP valuation

Cost of equity assumptions	(%)	Cost of debt assumptions	(%)
Risk-free rate	2.3	Pretax cost of debt	3.5
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	0.80		
Cost of equity, Ke	9.1	Net cost of debt, Kd	2.8
Weight applied	20.0	Weight applied	80.0
WACC (%)	4.1		
SoTP valuation estimate			
	(THB m)	(THB/share)	Comments
Solar - Thailand	14,645	5.0	WACC 4.1%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth
Solar - Japan	8,252	2.8	WACC 2%, Risk free rate 1%, Risk premium 2%, zero terminal growth
Solar - Taiwan (70MW)	16,753	5.8	WACC 4.1%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth
Total solar	39,650	13.6	
Wind - Thailand (Lomligor)	2,083	0.7	WACC 4.1%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth
Wind - Philippines (Nabas)	3,118	1.1	WACC 5.0%, Risk free rate 4%, Risk premium 5.5%, zero terminal growth
Wind - Laos (Monsoon)	16,261	5.6	WACC 4.1%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth
Total wind	21,462	7.4	
Hydro - Laos (Nam San 3A & B)	7,607	2.6	WACC 4.1%, Risk free rate 2.3%, Risk premium 8.5%, zero terminal growth
Net debt	(31,195)	(10.7)	At end-2023E
Minorities	(104)	(0.0)	At end-2023E
Residual ordinary equity	56,799	13.0	

Source: FSSIA estimates

Financial Statements

BCPG

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	4,231	4,669	5,551	5,244	5,499
Cost of goods sold	(358)	(428)	(518)	(874)	(979)
Gross profit	3,873	4,241	5,033	4,370	4,521
Other operating income	11	23	34	51	77
Operating costs	(499)	(524)	(833)	(891)	(880)
Operating EBITDA	3,385	3,740	4,234	3,529	3,718
Depreciation	(1,078)	(1,180)	(1,450)	(1,470)	(1,575)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,307	2,560	2,784	2,059	2,143
Net financing costs	(586)	(812)	(663)	(848)	(1,029)
Associates	270	600	592	605	637
Recurring non-operating income	270	600	592	605	637
Non-recurring items	(47)	(273)	0	0	0
Profit before tax	1,944	2,075	2,713	1,816	1,750
Tax	(33)	(64)	(147)	(96)	(131)
Profit after tax	1,912	2,011	2,566	1,720	1,619
Minority interests	1	0	(19)	(16)	(9)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,912	2,011	2,546	1,704	1,610
Non-recurring items & goodwill (net)	47	273	0	0	0
Recurring net profit	1,959	2,284	2,546	1,704	1,610
Per share (THB)					
Recurring EPS *	0.74	0.79	0.88	0.59	0.55
Reported EPS	0.72	0.70	0.88	0.59	0.55
DPS	0.33	0.33	0.40	0.31	0.20
Diluted shares (used to calculate per share data)	2,640	2,894	2,908	2,908	2,908
Growth					
Revenue (%)	23.5	10.4	18.9	(5.5)	4.9
Operating EBITDA (%)	30.5	10.5	13.2	(16.6)	5.3
Operating EBIT (%)	21.1	11.0	8.8	(26.0)	4.0
Recurring EPS (%)	(17.7)	6.4	10.9	(33.1)	(5.5)
Reported EPS (%)	(19.6)	(4.0)	26.0	(33.1)	(5.5)
Operating performance					
Gross margin inc. depreciation (%)	66.1	65.6	64.5	55.3	53.6
Gross margin of key business (%)	66.1	65.6	64.5	55.3	53.6
Operating EBITDA margin (%)	80.0	80.1	76.3	67.3	67.6
Operating EBIT margin (%)	54.5	54.8	50.2	39.3	39.0
Net margin (%)	46.3	48.9	45.9	32.5	29.3
Effective tax rate (%)	1.9	4.3	6.9	7.9	11.7
Dividend payout on recurring profit (%)	44.5	41.8	45.7	52.9	36.1
Interest cover (X)	4.4	3.9	5.1	3.1	2.7
Inventory days	-	-	-	-	-
Debtor days	80.2	138.2	195.2	295.0	365.1
Creditor days	577.0	-	-	-	-
Operating ROIC (%)	12.7	12.9	10.7	5.4	4.3
ROIC (%)	5.6	6.1	5.6	3.7	3.3
ROE (%)	10.3	9.2	9.0	5.7	5.2
ROA (%)	5.5	5.3	5.0	3.3	3.0
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Revenue from sale of electricity	2,301	2,797	3,735	3,482	3,791
Revenue from adder	1,930	1,872	1,816	1,761	1,709
Rendering of service					

Sources: BCPG; FSSIA estimates

Financial Statements

BCPG

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	1,959	2,284	2,546	1,704	1,610
Depreciation	1,078	1,180	1,450	1,470	1,575
Associates & minorities	270	600	592	605	637
Other non-cash items	-	-	-	-	-
Change in working capital	(881)	1,842	(662)	(1,456)	(1,106)
Cash flow from operations	2,426	5,906	3,926	2,322	2,716
Capex - maintenance	(1,078)	(1,180)	(1,692)	(1,433)	(2,607)
Capex - new investment	(992)	(2,704)	(8,308)	(8,567)	(7,393)
Net acquisitions & disposals	1,901	(1,763)	0	0	0
Other investments (net)	(3,613)	(1,227)	592	605	637
Cash flow from investing	(3,783)	(6,874)	(9,408)	(9,395)	(9,363)
Dividends paid	(871)	(955)	(1,074)	(1,047)	(727)
Equity finance	0	0	0	0	0
Debt finance	6,787	(206)	4,338	11,735	4,663
Other financing cash flows	5,135	2,219	(93)	(1,193)	(1,265)
Cash flow from financing	11,050	1,058	3,171	9,495	2,671
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	9,693	90	(2,310)	2,422	(3,977)
Free cash flow to firm (FCFF)	(536.92)	(72.70)	(4,594.19)	(6,046.40)	(5,391.14)
Free cash flow to equity (FCFE)	10,564.49	1,044.89	(1,236.80)	3,468.78	(3,249.63)

Per share (THB)

FCFF per share	(0.18)	(0.02)	(1.58)	(2.08)	(1.85)
FCFE per share	3.63	0.36	(0.43)	1.19	(1.12)
Recurring cash flow per share	1.25	1.40	1.58	1.30	1.31

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	18,313	21,017	31,017	41,017	51,017
Less: Accumulated depreciation	(3,645)	(3,645)	(5,095)	(6,566)	(8,141)
Tangible fixed assets (net)	14,668	17,372	25,921	34,451	42,876
Intangible fixed assets (net)	11,314	11,810	11,810	11,810	11,810
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	11,723	13,486	13,486	13,486	13,486
Cash & equivalents	11,138	11,228	8,917	11,340	7,363
A/C receivable	1,219	2,317	3,621	4,854	6,147
Inventories	0	0	0	0	0
Other current assets	135	389	462	436	458
Current assets	12,493	13,933	13,001	16,630	13,967
Other assets	1,022	2,121	2,121	2,121	2,121
Total assets	51,220	58,721	66,339	78,498	84,260
Common equity	22,480	27,160	29,704	30,360	31,244
Minorities etc.	69	69	88	104	113
Total shareholders' equity	22,549	27,228	29,792	30,465	31,357
Long term debt	23,219	25,574	29,823	41,460	46,016
Other long-term liabilities	1,405	1,241	1,241	1,241	1,241
Long-term liabilities	24,625	26,815	31,064	42,702	47,257
A/C payable	0	0	0	0	0
Short term debt	3,448	888	977	1,074	1,182
Other current liabilities	598	3,790	4,506	4,257	4,465
Current liabilities	4,046	4,678	5,483	5,331	5,646
Total liabilities and shareholders' equity	51,220	58,721	66,339	78,498	84,260
Net working capital	757	(1,085)	(423)	1,033	2,140
Invested capital	39,484	43,703	52,915	62,901	72,432

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

Per share (THB)

Book value per share	8.51	9.38	10.21	10.44	10.74
Tangible book value per share	4.23	5.30	6.15	6.38	6.68

Financial strength

Net debt/equity (%)	68.9	55.9	73.5	102.4	127.0
Net debt/total assets (%)	30.3	25.9	33.0	39.7	47.3
Current ratio (x)	3.1	3.0	2.4	3.1	2.5
CF interest cover (x)	20.7	5.6	11.7	15.2	5.0

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	13.0	12.2	11.0	16.5	17.4
Recurring P/E @ target price (x) *	17.5	16.5	14.8	22.2	23.5
Reported P/E (x)	13.3	13.9	11.0	16.5	17.4
Dividend yield (%)	3.4	3.4	4.1	3.2	2.1
Price/book (x)	1.1	1.0	0.9	0.9	0.9
Price/tangible book (x)	2.3	1.8	1.6	1.5	1.4
EV/EBITDA (x) **	12.1	11.6	11.8	16.8	18.3
EV/EBITDA @ target price (x) **	14.7	14.2	14.1	19.6	20.9
EV/invested capital (x)	1.0	1.0	0.9	0.9	0.9

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

Sources: BCPG; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFECO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPPM	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Siriluck Pinthusoonthorn FSS International Investment Advisory Securities Co., Ltd

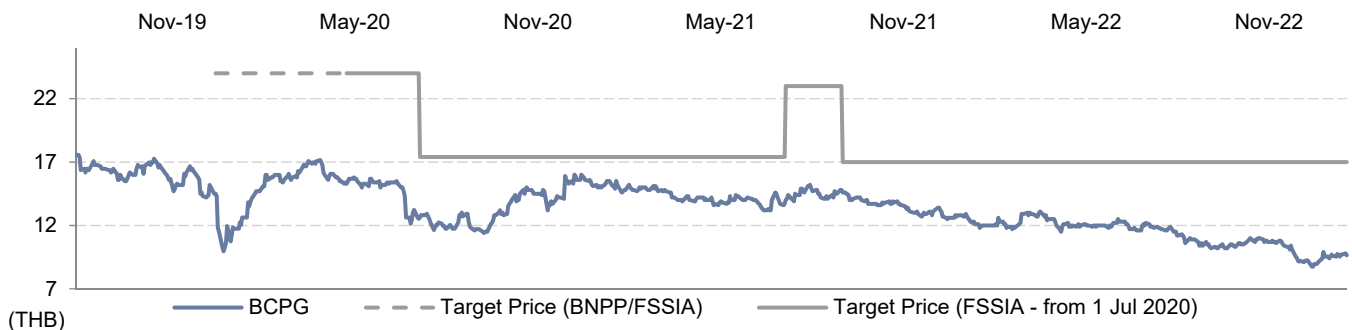
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. 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

BCPG (BCPG TB)



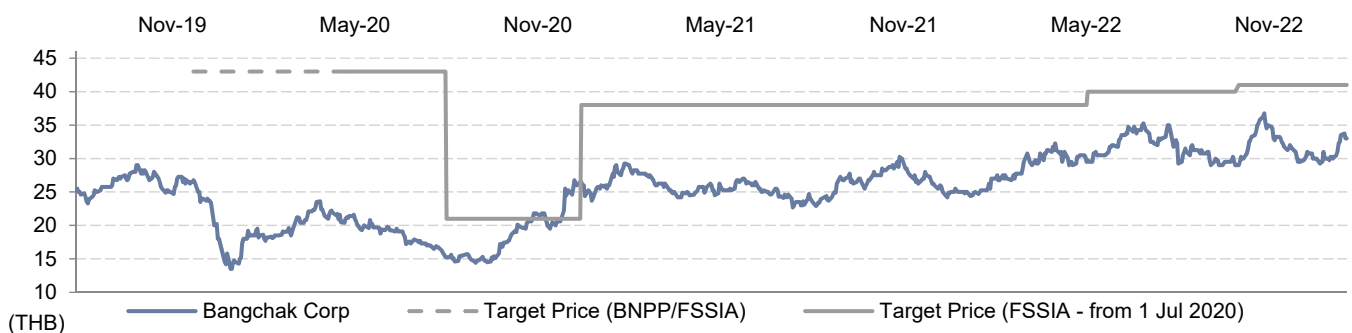
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Mar-2020	BUY	24.00	13-Jul-2021	BUY	23.00	-	-	-
01-Sep-2020	BUY	17.40	31-Aug-2021	BUY	17.00			

Siriluck Pinthusoonthorn started covering this stock from 12-May-2020

Price and TP are in local currency

Source: FSSIA estimates

Bangchak Corp (BCP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Feb-2020	BUY	43.00	18-Jan-2021	BUY	38.00	05-Aug-2022	BUY	41.00
24-Sep-2020	BUY	21.00	30-Mar-2022	BUY	40.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 08-Nov-2019

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
BCPG	BCPG TB	THB 9.65	BUY	The downside risks to our SoTP-based TP include: 1) lower-than-expected demand for electricity in Thailand, the Philippines and Indonesia; and 2) government intervention by way of electricity tariff subsidies.
Bangchak Corp	BCP TB	THB 33.00	BUY	The downside risks to our SoTP-based TP include: 1) lower-than-expected demand for petroleum products; 2) higher crude premiums; and 3) unplanned shutdowns of the company's refinery plants.

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 09-Nov-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.