

BCPG BCPG TB

THAILAND / UTILITIES

BUY

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3Q23 results at first glance

3Q23 results: ดีกว่าคาด

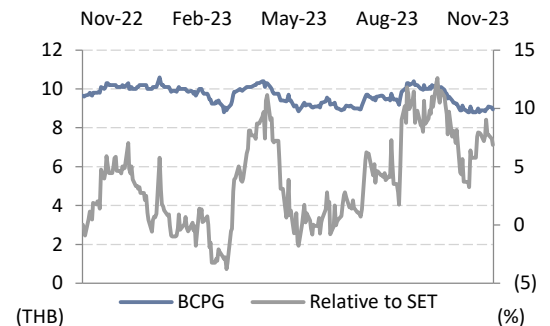
Highlights

- กำไรสุทธิ 3Q23 ที่ 565 ลบ. (+180.8% q-q, -11.9% y-y) ดีกว่าคาด เมื่อหักรายการพิเศษรวม 73 ลบ. กำไรปกติอยู่ที่ 492 ลบ. สูงกว่าที่เราคาดอยู่ 5% จากผลประกอบการของ Combined-cycle gas turbine power plant (CCGT) หรือโรงไฟฟ้าก๊าซในสหรัฐฯ ที่ดีกว่าคาด กำไรสุทธิ 9M23 คิดเป็น 74% ของประมาณการทั้งปีของเรา
- ปัจจัยสำคัญที่ทำให้กำไร 3Q23 ออกมาดี กำไรสุทธิ 3Q23 ที่ออกมาดีส่วนมากเกิดจากการดำเนินงานเต็มกำลังของธุรกิจคลังน้ำมันและโรงไฟฟ้าพลังน้ำในลาว ส่วนแบ่งผลประกอบการที่เพิ่มขึ้นจากโรงไฟฟ้าพลังแสงอาทิตย์ในญี่ปุ่นตามฤดูกาลและส่วนแบ่งกำไรที่เพิ่มขึ้นจาก CCGT ในสหรัฐฯ อย่างไรก็ตามปัจจัยดังกล่าวหักล้างกับฤดูกาลที่ซบเซาของโรงไฟฟ้าพลังแสงอาทิตย์ในไทยและค่าใช้จ่ายดอกเบี้ยที่สูงขึ้นจากการออกหุ้นกู้ใหม่มูลค่ารวม 8.1 พัน ลบ.
- ส่วนแบ่งผลประกอบการใน 3Q23 อยู่ในเกณฑ์ดีจากโรงไฟฟ้าที่ผลิตจากก๊าซในสหรัฐฯ ใน 3Q23 ส่วนแบ่งกำไรอยู่ที่ 183 ลบ. พลิกจากที่เคยบันทึกส่วนแบ่งผลขาดทุน 31 ลบ. ใน 2Q23 และ 13 ลบ. ใน 3Q22 เนื่องจาก CCGT ในสหรัฐฯ ให้ส่วนแบ่งผลประกอบการที่ดีและไม่มีการปิดซ่อมบำรุงในระหว่างไตรมาส กำลังการผลิตตามส่วนการลงทุนในสหรัฐฯ เพิ่มขึ้น 426MW q-q จากโรงไฟฟ้าใหม่ 2 แห่งซึ่งทำให้กำลังการผลิตตามส่วนการลงทุนรวมอยู่ที่ 577 MW ส่วนแบ่งกำไรจากสหรัฐฯ ใน 3Q23 อยู่ที่ 261 ลบ. เทียบกับ 12 ลบ. ใน 2Q23 อย่างไรก็ตามผลประกอบการที่ดีในสหรัฐฯ หักลบกับส่วนแบ่งผลขาดทุนอื่นที่เพิ่มขึ้นจากโครงการที่อยู่ระหว่างการพัฒนาไปบางส่วน
- คาดการณ์กำไร 4Q23 จะอ่อนตัวเล็กน้อย q-q จากปัจจัยด้านฤดูกาล เราคาดว่ากำไร 4Q23 จะอ่อนตัวเล็กน้อย q-q ส่วนมากจากปัจจัยด้านฤดูกาลของโรงไฟฟ้าพลังน้ำในลาว ในขณะที่ส่วนแบ่งผลประกอบการจาก CCGT ในสหรัฐฯ น่าจะทรงตัว q-q แม้เราจะคาดว่ากำลังการผลิตจะเพิ่ม (+280MW q-q) จากการซื้อหุ้นเพิ่มอีก 40% ใน Carroll County Energy Power Plant ในสหรัฐฯ BCPG คาดว่ารายการดังกล่าวจะสำเร็จใน 4Q23 เราคาดว่ากำลังการผลิตใหม่จะช่วยชดเชยการปิดซ่อมบำรุงตามแผนของโรงไฟฟ้าทั้งหมดในสหรัฐฯ (~1-2 อาทิตย์) ในเดือน ต.ค. 23
- คงคำแนะนำซื้อ BCPG ที่ราคาเป้าหมาย 15.10 บาท (DCF)

TARGET PRICE	THB15.10
CLOSE	THB8.95
UP/DOWNSIDE	+68.7%
TP vs CONSENSUS	+17.8%

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	5,406	5,567	6,866	8,197
Net profit	3,196	1,731	1,986	2,172
EPS (THB)	1.10	0.60	0.68	0.75
vs Consensus (%)	-	21.7	12.4	10.6
EBITDA	5,329	4,084	5,101	6,004
Recurring net profit	2,631	1,731	1,986	2,172
Core EPS (THB)	0.90	0.60	0.68	0.75
EPS growth (%)	21.6	(34.2)	14.7	9.4
Core P/E (x)	9.9	15.0	13.1	12.0
Dividend yield (%)	4.0	2.7	3.0	3.3
EV/EBITDA (x)	5.7	11.8	10.9	10.3
Price/book (x)	0.9	0.9	0.8	0.8
Net debt/Equity (%)	14.0	73.4	93.1	109.4
ROE (%)	9.3	5.8	6.5	6.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.2)	(5.8)	(8.2)
Relative to country (%)	(1.2)	2.5	5.8
Mkt cap (USD m)	754		
3m avg. daily turnover (USD m)	1.3		
Free float (%)	30		
Major shareholder	Bangchak Corporation Plc (57%)		
12m high/low (THB)	10.70/8.70		
Issued shares (m)	2,907.69		

Sources: Bloomberg consensus; FSSIA estimates



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

Exhibit 1: BCPG's 3Q23 results summary

	3Q22	2Q23	3Q23E		2023E	% of 23E	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	
Revenue	1,544	1,093	1,564	43.1	1.3	5,567.2	67%
Operating costs	(350)	(314)	(340)	8.4	(2.9)	(556.7)	
EBITDA	1,193	779	1,223	57.1	2.5	4,084.0	68%
EBITDA margin (%)	77.3	71.3	78.2	nm	nm	73.4	
Depn & amort.	(398)	(422)	(502)	19.0	26.1	(1,974.6)	
EBIT	795	357	722	102.0	(9.3)	2,109.5	69%
Interest expense	(251)	(248)	(370)	49.2	47.2	(1,075.3)	
Interest & invt inc	31	98	50	(49.5)	62.8	162.7	
Other income	4	4	11	158.8	138.0	-	
Associates' contrib	(17)	(31)	183	(694.4)	(1,168.3)	672.4	
Exceptionals	164	91	101	11.1	(38.3)	-	
Pretax profit	726	272	696	156.1	(4.0)	1,869.3	84%
Tax	(84)	(70)	(131)	87.8	55.5	(119.7)	
Tax rate (%)	12	26	19	nm	nm	6.4	
Minority interests	(0)	(1)	(0)	nm	nm	(18.4)	
Net profit	641	201	565	180.8	(11.9)	1,731.2	74%
non-recurring	(15)	(19)	(73)	295.7	403.2	-	
Core net profit	626	183	492	169.2	(21.5)	1,731.2	48%
EPS (THB)	0.22	0.07	0.19	180.8	(11.9)	0.6	
Core EPS (THB)	0.22	0.06	0.17	169.2	(21.5)	0.6	

Sources: BCPG, FSSIA's estimates

Exhibit 2: Revenue and share of profit breakdown

	3Q22	2Q23	3Q23	Change	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)
Revenue breakdown					
Thailand					
Solar	692	606	535	(11.7)	(22.7)
Wind	23	16	28	78.0	23.0
Oil tank terminal	0	71	213	202.6	nm.
Total	715	692	777	12.2	8.6
Laos					
Hydro	500	56	437	677.4	(12.6)
Japan					
Solar	317	319	332	3.9	4.8
Other income					
Others	12	24	19	(23.8)	50.0
Total revenue	1,544	1,092	1,564	43.1	1.3
Share of profit breakdown					
Philippines - wind	(13)	(13)	7	(153.7)	(155.0)
US - gas-fired power plant	0	12	261	2,076.7	nm.
Others	0	(29)	(85)	189.8	nm.
Total share of profit	(13)	(31)	183	(694.8)	(1,498.5)

Source: BCPG

Exhibit 3: BCPG's equity capacity

Country	3Q22	3Q23	Δ %	2Q23	Δ %
Thai					
	173.7	175.8	1.2	174.7	0.6
	9.0	9.0	0.0	9.0	0.0
Japan					
	79.7	79.7	0.0	79.7	0.0
Laos					
	114.0	114.0	0.0	114.0	0.0
The Philippines					
	14.4	14.4	0.0	14.4	0.0
USA					
	0.0	577.0	NA	151.0	282.1
Total	390.7	969.8	148.2	542.7	78.7

Source: BCPG

Financial Statements

BCPG

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	4,669	5,406	5,567	6,866	8,197
Cost of goods sold	(1,608)	(1,978)	(2,531)	(3,636)	(4,419)
Gross profit	3,061	3,428	3,036	3,230	3,778
Other operating income	23	1,236	20	20	20
Operating costs	(655)	(840)	(946)	(1,099)	(1,394)
Operating EBITDA	3,609	5,329	4,084	5,101	6,004
Depreciation	(1,180)	(1,504)	(1,975)	(2,950)	(3,600)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,429	3,824	2,109	2,151	2,404
Net financing costs	(812)	(744)	(913)	(1,271)	(1,485)
Associates	600	130	672	1,248	1,424
Recurring non-operating income	600	130	672	1,248	1,424
Non-recurring items	(273)	565	0	0	0
Profit before tax	1,944	3,774	1,869	2,128	2,344
Tax	(64)	(577)	(120)	(132)	(162)
Profit after tax	1,880	3,198	1,750	1,996	2,182
Minority interests	0	(2)	(18)	(10)	(10)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,880	3,196	1,731	1,986	2,172
Non-recurring items & goodwill (net)	273	(565)	0	0	0
Recurring net profit	2,153	2,631	1,731	1,986	2,172
Per share (THB)					
Recurring EPS *	0.74	0.90	0.60	0.68	0.75
Reported EPS	0.65	1.10	0.60	0.68	0.75
DPS	0.33	0.36	0.24	0.27	0.30
Diluted shares (used to calculate per share data)	2,894	2,908	2,908	2,908	2,908
Growth					
Revenue (%)	10.4	15.8	3.0	23.3	19.4
Operating EBITDA (%)	8.1	47.7	(23.4)	24.9	17.7
Operating EBIT (%)	7.5	57.5	(44.8)	2.0	11.8
Recurring EPS (%)	2.7	21.6	(34.2)	14.7	9.4
Reported EPS (%)	(8.0)	69.1	(45.8)	14.7	9.4
Operating performance					
Gross margin inc. depreciation (%)	65.6	63.4	54.5	47.0	46.1
Gross margin exc. depreciation (%)	90.8	91.2	90.0	90.0	90.0
Operating EBITDA margin (%)	77.3	98.6	73.4	74.3	73.2
Operating EBIT margin (%)	52.0	70.7	37.9	31.3	29.3
Net margin (%)	46.1	48.7	31.1	28.9	26.5
Effective tax rate (%)	4.3	18.7	10.0	15.0	17.6
Dividend payout on recurring profit (%)	44.4	39.8	40.0	39.6	40.0
Interest cover (X)	3.7	5.3	3.0	2.7	2.6
Inventory days	-	-	-	-	-
Debtor days	138.2	137.7	152.1	189.4	225.7
Creditor days	378.9	611.9	500.0	489.1	496.3
Operating ROIC (%)	11.3	16.3	6.0	4.1	(1.0)
ROIC (%)	5.6	7.8	5.0	4.7	(1.2)
ROE (%)	8.7	9.3	5.8	6.5	6.8
ROA (%)	5.1	5.6	3.9	4.1	2.4
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Revenue from sale of electricity - Thailand	3,252	3,170			
Revenue from sale of electricity - Thailand	1,125	1,178			
Revenue from sale of electricity - Thailand	246	996			
Other income	46	61			

Sources: BCPG; FSSIA estimates

Financial Statements

BCPG

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	2,153	2,631	1,731	1,986	2,172
Depreciation	1,180	1,504	1,975	2,950	3,600
Associates & minorities	600	130	672	1,248	1,424
Other non-cash items	-	-	-	-	-
Change in working capital	(797)	(67)	(1,008)	(1,316)	(1,580)
Cash flow from operations	3,136	4,198	3,370	4,868	5,615
Capex - maintenance	(1,180)	(1,504)	(1,299)	(1,923)	(3,686)
Capex - new investment	(2,704)	(358)	(18,701)	(8,077)	(6,314)
Net acquisitions & disposals	(1,763)	12,144	0	0	0
Other investments (net)	(1,227)	630	672	1,248	1,424
Cash flow from investing	(6,874)	10,911	(19,328)	(8,752)	(8,576)
Dividends paid	(955)	(1,047)	(811)	(740)	(828)
Equity finance	0	0	0	0	0
Debt finance	2,433	(4,682)	12,606	5,364	(1,118)
Other financing cash flows	2,219	290	(1,326)	(2,486)	(2,839)
Cash flow from financing	3,697	(5,438)	10,468	2,138	(4,784)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	131	0	0	0	0
Net other adjustments	131	(565)	0	0	0
Movement in cash	89	9,105	(5,489)	(1,745)	(7,745)
Free cash flow to firm (FCFF)	(2,842.90)	15,990.84	(14,881.93)	(2,494.04)	(1,371.11)
Free cash flow to equity (FCFE)	1,044.49	10,151.88	(4,677.54)	(1,005.87)	(6,917.18)

Per share (THB)

FCFF per share	(0.98)	5.50	(5.12)	(0.86)	(0.47)
FCFE per share	0.36	3.49	(1.61)	(0.35)	(2.38)
Recurring cash flow per share	1.36	1.47	1.51	2.13	2.47

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	21,017	21,389	41,389	51,389	61,389
Less: Accumulated depreciation	(3,645)	(4,375)	(6,350)	(9,299)	(12,899)
Tangible fixed assets (net)	17,372	17,014	35,039	42,090	48,490
Intangible fixed assets (net)	11,810	11,412	11,412	11,412	11,412
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	13,486	1,342	1,342	1,342	1,342
Cash & equivalents	11,228	20,333	14,844	13,098	5,354
A/C receivable	2,317	1,762	2,876	4,249	5,889
Inventories	0	0	0	0	0
Other current assets	389	783	806	994	1,187
Current assets	13,933	22,878	18,526	18,342	12,430
Other assets	2,121	3,514	3,514	3,514	3,514
Total assets	58,721	56,160	69,834	76,700	77,188
Common equity	27,160	29,225	30,145	31,391	32,736
Minorities etc.	69	51	70	80	89
Total shareholders' equity	27,228	29,276	30,214	31,471	32,825
Long term debt	25,574	21,880	34,233	39,317	37,892
Other long-term liabilities	1,241	1,542	1,542	1,542	1,542
Long-term liabilities	26,815	23,422	35,774	40,859	39,434
A/C payable	888	701	824	1,016	1,213
Short term debt	3,527	2,538	2,792	3,072	3,379
Other current liabilities	263	222	229	283	337
Current liabilities	4,678	3,462	3,845	4,370	4,929
Total liabilities and shareholders' equity	58,721	56,160	69,834	76,700	77,188
Net working capital	1,554	1,622	2,629	3,945	5,525
Invested capital	46,343	34,904	53,937	62,303	70,284

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

Per share (THB)

Book value per share	9.38	10.05	10.37	10.80	11.26
Tangible book value per share	5.30	6.13	6.44	6.87	7.33

Financial strength

Net debt/equity (%)	65.6	14.0	73.4	93.1	109.4
Net debt/total assets (%)	30.4	7.3	31.8	38.2	46.5
Current ratio (x)	3.0	6.6	4.8	4.2	2.5
CF interest cover (x)	5.6	15.1	16.4	6.6	0.6

Valuation	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	12.0	9.9	15.0	13.1	12.0
Recurring P/E @ target price (x) *	20.3	16.7	25.4	22.1	20.2
Reported P/E (x)	13.8	8.1	15.0	13.1	12.0
Dividend yield (%)	3.7	4.0	2.7	3.0	3.3
Price/book (x)	1.0	0.9	0.9	0.8	0.8
Price/tangible book (x)	1.7	1.5	1.4	1.3	1.2
EV/EBITDA (x) **	12.1	5.7	11.8	10.9	10.3
EV/EBITDA @ target price (x) **	17.1	9.0	16.2	14.4	13.3
EV/invested capital (x)	0.9	0.9	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

BCPG PCL (BCPG TB)

FSSIA ESG rating



60.77 / 100

Exhibit 4: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 5: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings					Bloomberg		
	ESG score	DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BCPG	60.77	--	Y	Y	5.00	4.00	Certified	Medium	53.04	A	--	57.81	38.00	--	54.74
BGRIM	66.87	--	Y	Y	5.00	5.00	Certified	High	47.55	BBB	--	63.32	84.00	3.58	68.21
GULF	61.25	--	Y	Y	5.00	5.00	Certified	High	57.10	B	--	53.85	74.00	2.92	53.27
GPSC	69.86	--	Y	Y	5.00	5.00	Certified	Medium	63.22	B	--	60.43	88.00	4.77	--
GUNKUL	61.52	--	Y	Y	5.00	5.00	Certified	Medium	68.79	--	--	73.33	27.00	2.75	58.25

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—
BESG environmental pillar score	—	—
BESG social pillar score	—	—
BESG governance pillar score	4.05	4.04
ESG disclosure score	42.85	54.74
Environmental disclosure score	23.92	47.69
Social disclosure score	23.40	35.34
Governance disclosure score	81.10	81.10
Environmental		
Emissions reduction initiatives	Yes	Yes
Climate change policy	Yes	Yes
Climate change opportunities discussed	No	No
Risks of climate change discussed	Yes	Yes
GHG scope 1	0	0
GHG scope 2 location-based	1	2
GHG Scope 3	—	0
Carbon per unit of production	0.00	0.01
Biodiversity policy	No	Yes
Energy efficiency policy	Yes	Yes
Total energy consumption	—	7
Renewable energy use	—	—
Electricity used	—	3
Fuel used - natural gas	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No
Waste reduction policy	Yes	Yes
Hazardous waste	—	—
Total waste	—	0
Waste recycled	—	—
Waste sent to landfills	—	—
Environmental supply chain management	Yes	Yes
Water policy	No	Yes
Water consumption	—	—
Social		
Human rights policy	Yes	Yes
Policy against child labor	Yes	Yes
Quality assurance and recall policy	Yes	Yes
Consumer data protection policy	No	Yes
Equal opportunity policy	Yes	Yes
Gender pay gap breakout	No	No
Pct women in workforce	—	—
Pct disabled in workforce	—	—
Business ethics policy	Yes	Yes
Anti-bribery ethics policy	Yes	Yes
Health and safety policy	No	Yes
Lost time incident rate - employees	0.00	0.00
Total recordable incident rate - employees	0.00	—
Training policy	Yes	Yes
Fair remuneration policy	No	Yes
Number of employees – CSR	119.00	150.00
Employee turnover pct	—	22.00
Total hours spent by firm - employee training	4,046.00	5,100.00
Social supply chain management	Yes	Yes
Governance		
Board size	11	12
No. of independent directors (ID)	7	8
No. of women on board	1	1
No. of non-executive directors on board	10	11
Company conducts board evaluations	Yes	Yes
No. of board meetings for the year	13	13
Board meeting attendance pct	99	98
Board duration (years)	3	3
Director share ownership guidelines	No	No
Age of the youngest director	55	56
Age of the oldest director	74	75
No. of executives / company managers	6	9
No. of female executives	2	2
Executive share ownership guidelines	No	No
Size of audit committee	4	3
No. of ID on audit committee	4	3
Audit committee meetings	12	12
Audit meeting attendance %	100	97
Size of compensation committee	2	3
No. of ID on compensation committee	2	3
No. of compensation committee meetings	5	5
Compensation meeting attendance %	100	100
Size of nomination committee	2	3
No. of nomination committee meetings	5	5
Nomination meeting attendance %	100	100
Sustainability governance		
Verification type	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																							
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																							
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																							
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (50-59), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																							
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																							
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																							
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin: 10px auto; width: 80%;"><thead><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr></thead><tbody><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></tbody></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+													
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ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																							
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin: 10px auto; width: 80%;"><thead><tr><th>Rating</th><th>Score Range</th><th>Category</th><th>Description</th></tr></thead><tbody><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></tbody></table>	Rating	Score Range	Category	Description	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																								
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																								
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																								
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																							
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																							

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Kwanwaree Apichartsatoporn FSS International Investment Advisory Securities Co., Ltd

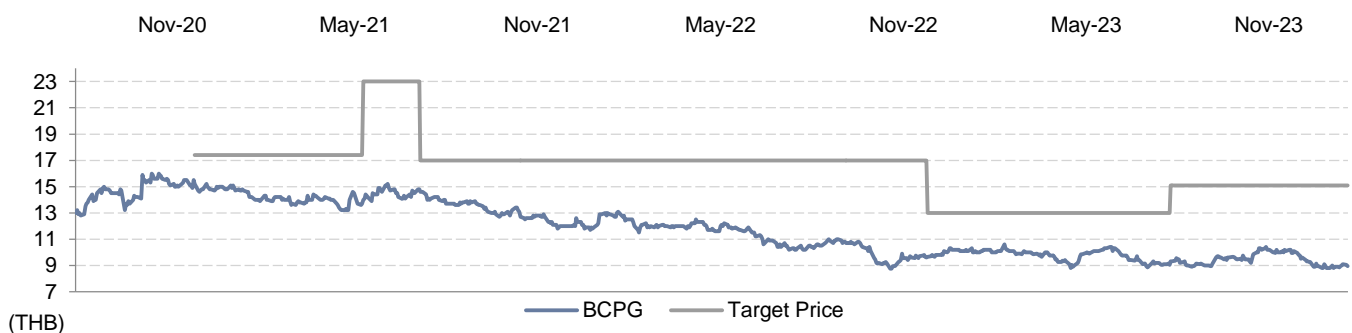
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History of change in investment rating and/or target price

BCPG (BCPG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
18-Feb-2021	BUY	17.40	31-Aug-2021	BUY	17.00	07-Jun-2023	BUY	15.10
13-Jul-2021	BUY	23.00	10-Nov-2022	BUY	13.00			

Kwanwaree Apichartsatoporn started covering this stock from 07-Jun-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
BCPG	BCPG TB	THB 8.95	BUY	The downside risks to our SoTP-based TP include: 1) lower-than-expected demand for electricity in Thailand and the Philippines; and 2) government intervention by way of electricity tariff subsidies; 3) lower-than-expected gas prices for gas-fired plants in the US and; 4) abnormal solar and wind factors.

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.

All share prices are as at market close on 07-Nov-2023 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.