

# Healthcare Sector

## Overweight • Maintained

### Key messages

สำหรับผลการดำเนินงานใน 1Q66 บริษัทในกลุ่มโรงพยาบาลที่เราวิเคราะห์มีกำไรสุทธิรวม 5.64 พันล้านบาท (-27.5% YoY, +0.7% QoQ) ซึ่งในภาพรวมโรงพยาบาลขนาดใหญ่มีกำไรเพิ่มขึ้นทั้ง YoY และ QoQ จากการกลับมาเปิดประเทศ ในขณะที่โรงพยาบาลขนาดเล็กถูกกระทบอย่างมีนัยสำคัญจากการที่รายได้จากการรักษา COVID-19 ลดลงอย่างมากหลังจากที่ COVID ระบาดหนักในปีที่แล้ว สำหรับในระยะต่อไป เรายังคงคาดว่าโรงพยาบาลขนาดใหญ่ (BDMS และ BH) จะมีผลการดำเนินงานที่แข็งแกร่งกว่าโรงพยาบาลขนาดกลางและเล็กในปี 2566F เรายังคงให้น้ำหนักหุ้นกลุ่มโรงพยาบาลที่ Overweight โดยยังคงเลือก BDMS เป็นหุ้นเด่นของเราในกลุ่มนี้ และประเมินราคาเป้าหมาย DCF ปี 2023 ที่ 36.50 บาท

## เราชอบโรงพยาบาลใหญ่มากกว่า

### Event

สรุปผลประกอบการ 1Q66 และแนวโน้มธุรกิจโรงพยาบาล

### Impact

#### ผลการดำเนินงานใน 1Q66 มีทั้งดีขึ้น และแย่ลง

สำหรับผลการดำเนินงานใน 1Q66 บริษัทในกลุ่มโรงพยาบาลที่เราวิเคราะห์มีกำไรสุทธิรวม 5.64 พันล้านบาท (-27.5% YoY, +0.7% QoQ) ซึ่งในภาพรวมโรงพยาบาลขนาดใหญ่มีกำไรเพิ่มขึ้นทั้ง YoY และ QoQ จากการกลับมาเปิดประเทศ ในขณะที่โรงพยาบาลขนาดเล็กถูกกระทบอย่างมีนัยสำคัญจากการที่รายได้จากการรักษา COVID-19 ลดลงอย่างมากหลังจากที่ COVID ระบาดหนักในปีที่แล้ว ทั้งนี้ ผลประกอบการของแต่ละบริษัทเป็นดังนี้

- Bangkok Chain Hospital (BCH.BK/BCH TB)\* - กำไรสุทธิใน 1Q66 อยู่ที่ 254 ล้านบาท (-87.5% YoY, -5.9% QoQ).
- Bangkok Dusit Medical Services (BDMS.BK/BDMS TB)\* - กำไรสุทธิใน 1Q66 สูงเกินคาดที่ 3.47 พันล้านบาท (+0.8% YoY, +11.5% QoQ)
- Bumrungrad Hospital (BH.BK/BH TB)\* - กำไรสุทธิใน 1Q66 ทำสถิติสูงสุดใหม่ที่ 1.58 พันล้านบาท (+118.4% YoY, +2.4% QoQ).
- Chularat Hospital (CHG.BK/CHG TB)\* - กำไรสุทธิใน 1Q66 ไม่น่าตื่นเต้นที่ 240 ล้านบาท (-82.3% YoY, -15.8% QoQ)
- Ekachai Hospital (EKH.BK/EKH TB) - กำไรสุทธิใน 1Q66 อยู่ที่ 78 ล้านบาท (+5.2% YoY, -77.8% QoQ)
- Ladprao Hospital (LPH.BK/LPH TB) - กำไรสุทธิใน 1Q66 ออกมาอ่อนแอที่ 17 ล้านบาท (-88.8% YoY, -57.4% QoQ)

#### เรายังชอบโรงพยาบาลใหญ่มากกว่าสำหรับ 2Q66 และ 2H66

สำหรับในระยะต่อไป เรายังคงคาดว่าโรงพยาบาลขนาดใหญ่ (BDMS และ BH) จะมีผลการดำเนินงานที่แข็งแกร่งกว่าโรงพยาบาลขนาดกลางและเล็กเมื่อพิจารณาจากโครงสร้างรายได้ (จำนวนผู้ป่วยต่างชาติ, ผู้ป่วยที่ไม่เกี่ยวกับ COVID, platform โรงพยาบาล, ชั้นของการลงทุนในโรงพยาบาล) สำหรับแนวโน้มในระยะสั้น เราคาดว่าผลการดำเนินงานของกลุ่มโรงพยาบาลโดยรวมจะยังเป็นไปในแนวเดียวกับใน 1Q66 อย่างไรก็ตาม เราคาดว่าผลประกอบการของโรงพยาบาลขนาดเล็กจะแข็งแกร่งขึ้น YoY ใน 2H66F เนื่องจากจำนวนผู้ป่วย COVID-19 ลดลงอย่างมากใน 2H65 ทั้งนี้ เราคิดว่าจำนวนผู้ป่วยจากต่างประเทศที่เพิ่มขึ้นหลังเปิดประเทศจะมีบทบาทสำคัญในการขับเคลื่อนกำไรของโรงพยาบาลขนาดใหญ่ตลอดปี

#### โรงพยาบาลขนาดเล็กยังดูไม่น่าตื่นเต้นใน 2Q66F

เมื่ออิงจากผลประกอบการใน 1Q66 เราพบว่าทั้งรายได้และกำไรลดลงอย่างมีนัยสำคัญ YoY ตามที่เราคาดไว้ ซึ่งสาเหตุสำคัญคือมีการรักษา COVID-19 น้อยลง เรายังคงคาดว่าผลการดำเนินงานของโรงพยาบาลขนาดเล็กส่วนใหญ่จะยังคงไม่น่าตื่นเต้นใน 1H66 ซึ่งหมายความว่ากำไรใน 2Q66F มีแนวโน้มจะอ่อนแอ YoY อย่างไรก็ตาม ยังมีสัญญาณบวกจากการที่รายได้จากกลุ่มที่ไม่เกี่ยวกับ COVID กลับมาสูงเกินระดับก่อน COVID ระบาดในปี 2562 นอกจากนี้ โรงพยาบาลขนาดเล็กที่มีรายได้จากสำนักงานประกันสังคม (SSO) ยังจะได้านิสงส์จากการที่ SSO ปรับเพิ่มอัตราค่าเหมาจ่ายรายหัวขึ้นอีก 10% ตั้งแต่เดือนพฤษภาคม 2566 ด้วย

### Valuation & Action

เรายังมองบวกกับกลุ่มโรงพยาบาล i) จำนวนผู้ป่วยต่างชาติที่เพิ่มขึ้น และ ii) platform โรงพยาบาลที่แข็งแกร่งสำหรับผู้ป่วยในประเทศ ทั้งกลุ่มที่ชำระเงินสด และประกันสังคม เรายังคงให้น้ำหนักหุ้นกลุ่มโรงพยาบาลที่ Overweight โดยยังคงเลือก BDMS เป็นหุ้นเด่นของเราในกลุ่มนี้ และประเมินราคาเป้าหมาย DCF ปี 2023 ที่ 36.50 บาท

### Risks

COVID-19 ระบาด, เกิดเหตุก่อการร้ายครั้งใหญ่, เศรษฐกิจฟื้นตัวช้าเกินคาด

**Figure 1: Peer comparison**

	Rating	Target price (Bt)	Current price (Bt)	Upside (%)	22 EPS (Bt)	23F EPS (Bt)	24F EPS (Bt)	23F EPS growth (%)	24F EPS growth (%)	23F PER (x)	24F PER (x)	23F PBV (X)	24F PBV (X)	23F Div Yield (%)	23F ROAE (%)
BCH*	OP	23.00	18.90	21.7	1.22	0.57	0.67	(53.2)	17.4	33.2	28.3	3.4	3.1	1.4	10.2
BDMS*	OP	36.50	28.50	28.1	0.79	0.88	0.93	10.6	6.4	32.5	30.5	5.1	5.2	2.3	15.6
BH*	OP	270.00	227.00	18.9	6.21	6.75	7.44	8.7	10.1	33.6	30.5	8.1	7.1	1.4	25.6
CHG*	OP	3.80	3.24	17.3	0.25	0.13	0.13	(50.1)	2.3	25.7	25.1	3.7	3.2	1.9	13.9
EKH	OP	9.80	7.95	23.3	0.92	0.38	0.41	(59.0)	8.7	21.1	19.4	2.7	2.6	3.8	12.8
LPH	UR		5.30	N.A.	0.45	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Sector</b>	<b>Overweight</b>							<b>(28.6)</b>	<b>9.0</b>	<b>29.2</b>	<b>26.8</b>	<b>4.6</b>	<b>4.2</b>	<b>2.2</b>	<b>15.6</b>

Source: Company data, KGI Securities Research

**Figure 2: 1Q23 earnings performances for healthcare companies**

Bt mn	1Q23	1Q22	YoY (%)	4Q22	QoQ (%)
<b>Revenue</b>					
BCH	2,674	7,087	(62.3)	2,788	(4.1)
BDMS	23,084	22,165	4.1	21,694	6.4
BH	6,050	4,102	47.5	5,968	1.4
CHG	1,716	3,571	(51.9)	1,721	(0.3)
EKH	261	276	(5.3)	251	4.1
LPH	495	712	(30.5)	561	(11.8)
<b>Total</b>	<b>34,280</b>	<b>37,913</b>	<b>(9.6)</b>	<b>32,982</b>	<b>3.9</b>
<b>Net profit</b>					
BCH	254	2,028	(87.5)	270	(5.9)
BDMS	3,470	3,443	0.8	3,113	11.5
BH	1,583	725	118.4	1,546	2.4
CHG	240	1,356	(82.3)	285	(15.8)
EKH	78	74	5.2	352	(77.8)
LPH	17	152	(88.8)	40	(57.4)
<b>Total</b>	<b>5,643</b>	<b>7,779</b>	<b>(27.5)</b>	<b>5,606</b>	<b>0.7</b>
<b>Core profit</b>					
BCH	254	2,028	(87.5)	270	(5.9)
BDMS	3,410	3,422	(0.3)	3,116	9.5
BH	1,583	725	118.4	1,546	2.4
CHG	240	1,356	(82.3)	285	(15.8)
EKH	50	74	(33.5)	(58)	N.A.
LPH	17	152	(88.8)	40	(57.4)
<b>Total</b>	<b>5,554</b>	<b>7,757</b>	<b>(28.4)</b>	<b>5,199</b>	<b>6.8</b>
<b>(%)</b>					
	<b>1Q23</b>	<b>1Q22</b>	<b>YoY (ppts)</b>	<b>4Q22</b>	<b>QoQ (ppts)</b>
<b>Gross margin</b>					
BCH	27.6	45.1	(17.5)	32.7	(5.1)
BDMS	34.5	34.8	(0.3)	36.5	(2.0)
BH	47.9	41.6	6.3	47.4	0.5
CHG	25.6	52.3	(26.7)	28.6	(3.0)
EKH	42.4	46.7	(4.3)	35.5	6.9
LPH	22.5	36.8	(14.2)	21.6	1.0
<b>Simple average</b>	<b>33.4</b>	<b>42.9</b>	<b>(9.5)</b>	<b>33.7</b>	<b>(0.3)</b>
<b>SG&amp;A/Sales</b>					
BCH	14.9	6.9	8.0	18.3	(3.4)
BDMS	20.1	18.2	1.9	19.0	1.1
BH	16.8	21.1	(4.3)	17.5	(0.8)
CHG	11.7	5.7	5.9	14.8	(3.1)
EKH	19.9	14.0	5.9	27.7	(7.7)
LPH	18.8	12.3	6.4	14.1	4.7
<b>Simple average</b>	<b>17.0</b>	<b>13.0</b>	<b>4.0</b>	<b>18.6</b>	<b>(1.6)</b>

Source: Company data, KGI Securities Research

**Figure 3: Revenue structure from international patients in 2019**

Hospital	BCH	BDMS	BH	CHG	EKH	LPH
Thai segment (%)	89	71	35	97	90	95
Non-Thai segment (%)	11	29	65	3	10	5
Middle Eastern patients (%)	9.1	3.0	20.0	2.8	-	-
CLMV patients (%)	0.5	4.0	5.0	0.2	2.0	5.0
Chinese patients (%)	<0.1	1.3	1.5	-	8.0	-

Source: CCSA, KGI Securities Research

**Figure 4: Combined profits**

Bt mn	2019	2020	2021	2022	2023F	2024F
BCH	1,135	1,229	6,846	3,039	1,421	1,668
BDMS	15,517	7,214	7,936	12,606	13,944	14,838
BH	3,748	1,204	1,216	4,938	5,391	5,926
CHG	705	877	4,204	2,778	1,388	1,420
EKH	160	72	345	551	254	276
<b>Total</b>	<b>21,265</b>	<b>10,597</b>	<b>20,547</b>	<b>23,913</b>	<b>22,398</b>	<b>24,129</b>
Chg. YoY (%)		-50.2	93.9	16.4	-6.3	7.7

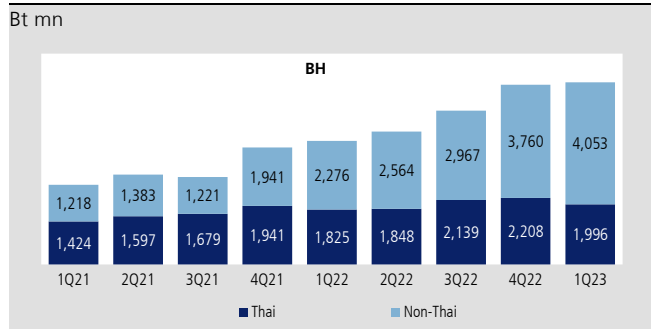
Source: Company data, KGI Securities Research

**Figure 6: Sales**

Bt mn	2019	2020	2021	2022	2023F	2024F
BCH	8,880	8,928	21,405	18,827	12,522	13,398
BDMS	79,630	65,166	71,541	88,535	95,236	100,936
BH	18,409	12,315	12,404	20,646	22,813	25,095
CHG	5,166	5,433	11,742	10,103	7,888	8,530
EKH	886	646	1,146	1,049	1,119	1,175
<b>Total</b>	<b>112,972</b>	<b>92,488</b>	<b>118,239</b>	<b>139,158</b>	<b>139,578</b>	<b>149,134</b>
Chg. YoY (%)		-18.1	27.8	17.7	0.3	6.8

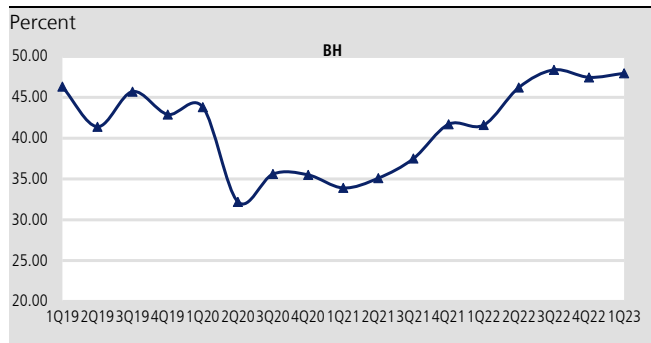
Source: Company data, KGI Securities Research

**Figure 8: Trend of non-Thai patient revenues**



Source: Company data, KGI Securities Research

**Figure 10: Trend of gross margin**



Source: Company data, KGI Securities Research

**Figure 5: Gross margins**

Percent	2019	2020	2021	2022	2023F	2024F
BCH	31.8	33.1	50.7	32.2	31.0	32.0
BDMS	31.8	28.8	30.8	34.1	35.0	35.0
BH	44.1	37.7	37.7	46.2	46.5	46.5
CHG	29.7	32.2	49.9	41.5	32.6	30.8
EKH	42.5	30.3	47.4	41.9	43.0	44.0
<b>Average</b>	<b>36.0</b>	<b>32.4</b>	<b>43.3</b>	<b>39.2</b>	<b>37.6</b>	<b>37.7</b>
Chg. YoY (ppts)		-3.6	10.9	-4.1	-1.6	0.0

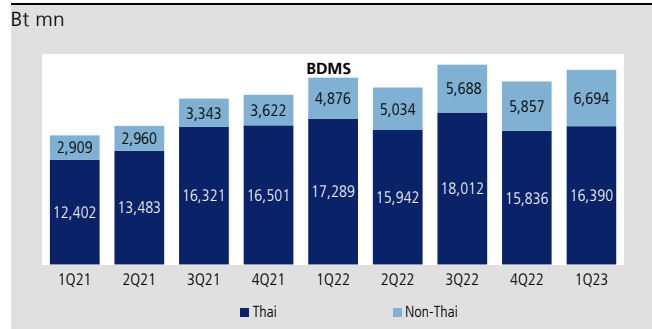
Source: Company data, KGI Securities Research

**Figure 7: SG&A/Sales**

Percent	2019	2020	2021	2022	2023F	2024F
BCH	13.9	13.6	6.9	10.3	14.5	14.0
BDMS	21.9	21.7	21.0	19.9	20.4	20.4
BH	20.4	27.6	26.6	18.4	19.0	19.0
CHG	13.0	12.4	7.0	9.3	13.8	13.0
EKH	22.0	20.2	15.1	18.8	16.0	16.0
<b>Average</b>	<b>18.2</b>	<b>19.1</b>	<b>15.3</b>	<b>15.3</b>	<b>16.7</b>	<b>16.5</b>
Chg. YoY (ppts)		0.9	-3.8	0.1	1.4	-0.3

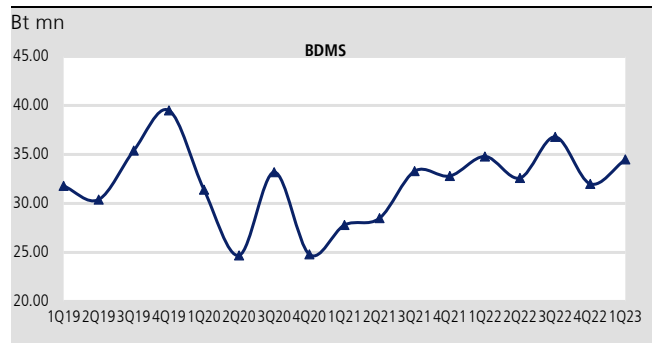
Source: Company data, KGI Securities Research

**Figure 9: Trend of non-Thai patient revenues**



Source: Company data, KGI Securities Research

**Figure 11: Trend of gross margin**



Source: Company data, KGI Securities Research

# Bangkok Chain Hospital

(BCH.BK/BCH TB)\*

**Outperform • Maintained**

Price as of 30 May 2023	18.90
12M target price (Bt/shr)	23.00
Unchanged/Revised up(down)(%)	(11.5)
Upside/downside (%)	21.7

**Key messages**

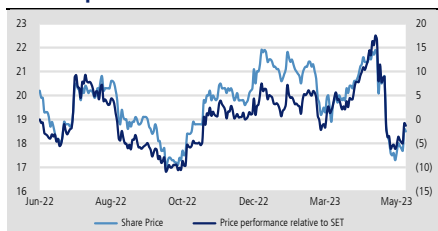
Earlier, BCH reported a 1Q23 net profit of Bt254mn, (-87.5% YoY, -5.9% QoQ). The overall result was unexciting as it was in the stage of earnings normalization. We cut our earnings forecasts 34.8% for 2023F and 28.6% for 2024F. Nonetheless, BCH should benefit from i) more COVID-19 infections and ii) SSO's basic capitation increasing by 10% since May 2023. We maintain a rating of Outperform with a new 2023 DCF-based target price of Bt23.00 (WACC 7.5% and TG of 3.0%), from Bt26.00.

**Trading data**

Mkt cap (Btbn/US\$m)	47/1,355		
Outstanding shares (mn)	2,494		
Foreign ownership (mn)	128		
3M avg. daily trading (mn)	14		
52-week trading range (Bt)	16.9-21.9		
Performance (%)	3M	6M	12M
Absolute	(4.1)	(6.0)	(6.9)
Relative	1.3	1.0	0.9

**Quarterly EPS**

Bt	Q1	Q2	Q3	Q4
2020	0.10	0.11	0.17	0.11
2021	0.13	0.46	1.16	0.99
2022	0.81	0.46	(0.16)	0.11
2023	0.10			

**Share price chart**


Source: SET

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**Softer-than-expected profitability**
**Event**

Earnings projections and target price cut.

**Impact**
**Foresee downside risk to our earnings estimates**

Earlier, BCH reported a 1Q23 net profit of Bt254mn, (-87.5% YoY, -5.9% QoQ). The overall result was unexciting as it was in the stage of earnings normalization. The key reasons were i) the first quarter is normally the soft quarter for the year and ii) a sharp decline in revenue related to COVID-19 treatments following the improvement in the COVID-19 situation. Revenue came in at Bt2.67bn (-62.3% YoY, -4.1% QoQ), which was within our expectation. However, gross margin was 27.6%, declining from 45.1% in 1Q22 and 32.7% in 4Q22. We expect the company's earnings performance to be softer than our previous forecast based on the 1Q23 performance. Hence, we revise our earnings projections as follow:

- Maintain sales revenues at Bt12.5bn for 2023F and Bt13.4bn for 2024F.** We think the company will be able to reach our target. We expect BCH to show stronger sales in the next three quarters after passing the weakest season in 1Q23. Further, BCH's 2023F revenues would be supported by a strong base of cash patients, SSO and non-Thai patients with higher intensity patients for the rest of 2023 and 2024.
- Earnings cut 34.8% for 2023F and 28.6% for 2024F.** We revise down our gross margin assumptions to 31.0% (from 33.0%) for 2023F and 32.0% (from 33.0%) for 2024F. Further, we raise the company's SG&A/Sales ratio to 14.5% (from 8.0%) for 2023F and 14.0% (from 8.0%) for 2024F. As a result, we expect BCH to show softer net profits at Bt1.42bn (-53.21% YoY) for 2023F and Bt1.67bn (+17.4% YoY) for 2024F. The 1Q23 net profit accounted for 17.9% of our new estimate. We foresee stronger earnings growth over the next three quarters.

**Continued improvement expected over the longer term**

In the short-term, BCH should benefit from i) more COVID-19 infections after Songkran and ii) SSO's basic capitation increasing by 10% since May 2023. Further, WMC signed a memorandum with Lavidia Advanced Fertility and Genetics Center in March 2023 to improve the quality of services and grow its Chinese patient base, especially in anti-aging and IVF treatments. Affiliated hospitals also provide medical services for international groups for example, a memorandum with the Libyan embassy to provide treatment to civil servants.

**Valuation & Action**

We maintain a rating of Outperform with a new 2023 DCF-based target price of Bt23.00 (WACC 7.5% and TG of 3.0%), from Bt26.00.

**Risks**

COVID-19 pandemic, renewed political instability in Thailand, and major terrorist attack.

**Key financials and valuations**

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Bt mn)	8,928	21,405	18,827	12,522	13,398
Gross profit (Bt mn)	2,953	10,844	6,055	3,882	4,287
EBIT (Bt mn)	1,837	9,505	4,201	2,154	2,505
Net profit (Bt mn)	1,229	6,846	3,039	1,421	1,668
EPS (Bt)	0.49	2.74	1.22	0.57	0.67
DPS (Bt)	0.23	1.20	0.80	0.26	0.30
EPS growth (%)	8.3	456.9	(55.6)	(53.2)	17.4
P/E (x)	27.6	7.3	15.5	33.2	28.3
P/B (x)	6.2	3.3	3.5	3.4	3.1
EV/EBITDA (x)	20.4	4.7	9.4	15.3	13.2
Net Debt to Equity (%)	83.5	12.5	9.2	6.6	-1.8
Dividend Yield (%)	1.2	6.3	4.2	1.4	1.6
Return on Avg. Equity (%)	16.1	47.9	22.5	10.2	11.1

Source: Company data, KGI Securities Research

**Figure 1: BCH's 1Q23 earnings performance**

Bt mn	1Q23	1Q22	YoY (%)	4Q22	QoQ (%)
Sale revenue	2,674	7,087	(62.3)	2,788	(4.1)
Operating cost	(1,936)	(3,890)	(50.2)	(1,876)	3.2
Gross profit	738	3,197	(76.9)	912	(19.0)
SG&A	(398)	(491)	(19.0)	(511)	(22.1)
EBIT	364	2,738	(86.7)	413	(11.8)
Net profit	254	2,028	(87.5)	270	(5.9)
EPS (Bt)	0.10	0.81	(87.5)	0.11	(5.9)
Percent	1Q23	1Q22	YoY (ppts)	4Q22	QoQ (ppts)
Gross margin	27.6	45.1	(17.5)	32.7	(5.1)
SG&A/Sales	14.9	6.9	8.0	18.3	(3.4)
Net profit margin	9.5	28.6	(19.1)	9.7	(0.2)
	1Q23	1Q22	YoY (%)	4Q22	QoQ (%)
<i>Revenue by hospital breakdown</i>					
Kasemrad (Bt mn)	2,177	5,535	(60.7)	2,286	(4.8)
Karunvej (Bt mn)	102	695	(85.4)	56	82.2
WMC (Bt mn)	396	858	(53.9)	446	(11.3)
<i>Revenue by patient type</i>					
OPD (Bt mn)	896	2,072	(56.8)	1,241	(27.8)
IPD (Bt mn)	882	3,565	(75.2)	558	58.3
SS (Bt mn)	896	1,449	(38.2)	990	(9.5)
	1Q23	1Q22	YoY (ppts)	4Q22	QoQ (ppts)
<i>Revenue by hospital breakdown</i>					
Kasemrad (%)	81.4	78.1	3.3	82.0	(0.6)
Karunvej (%)	3.8	9.8	(6.0)	2.0	1.8
WMC (%)	14.8	12.1	2.7	16.0	(1.2)
<i>Revenue by patient type</i>					
OPD (%)	33.5	29.2	4.3	44.5	(11.0)
IPD (%)	33.0	50.3	(17.3)	20.0	13.0
SS (%)	33.5	20.4	13.1	35.5	(2.0)

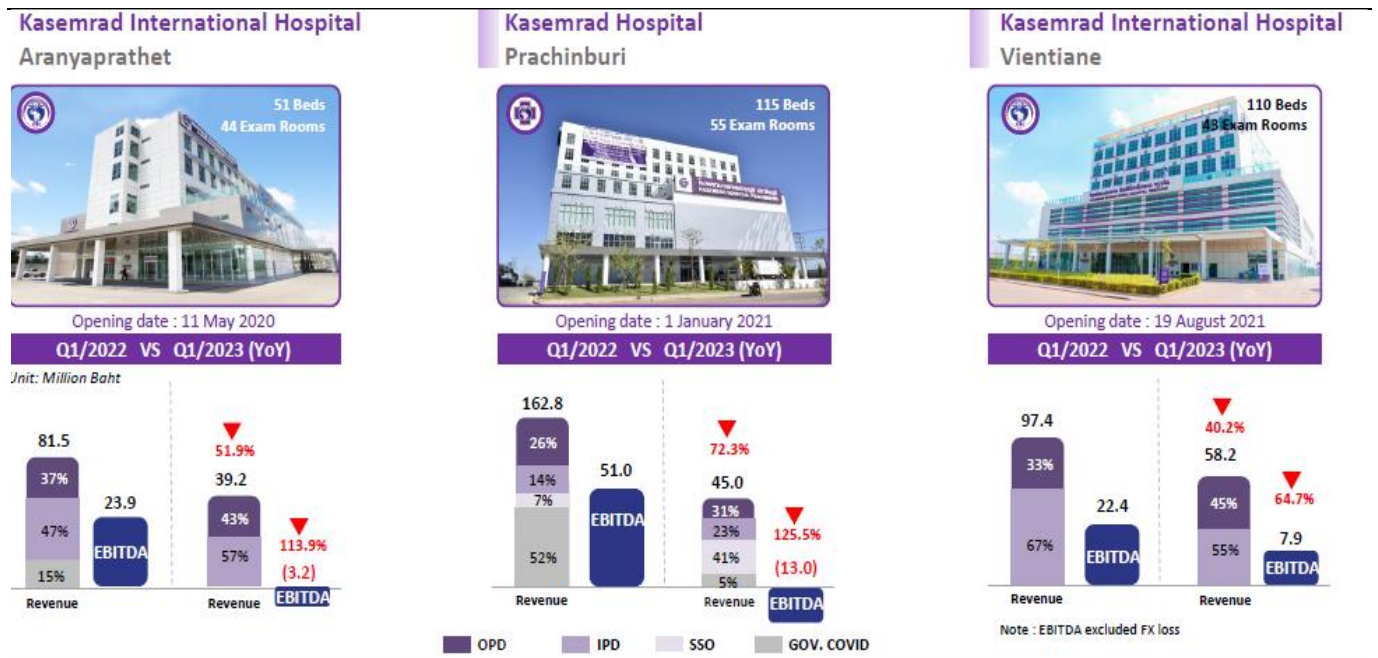
Source: Company data, KGI Securities Research

**Figure 2: Earnings revisions**

	2023F			2024F		
	Revised	Previous	Change (%)	Revised	Previous	Change (%)
Revenue (Bt mn)	12,522	12,522	0.0	13,398	13,398	0.0
Gross profit (Bt mn)	3,882	4,132	(6.1)	4,287	4,421	(3.0)
Normalized profit (Bt mn)	1,421	2,180	(34.8)	1,668	2,337	(28.6)
Net profit (Bt mn)	1,421	2,180	(34.8)	1,668	2,337	(28.6)
EPS (Bt/share)	0.6	0.9	(34.8)	0.7	0.9	(28.6)
	Revised	Previous	Change	Revised	Previous	Change
Gross profit margin (%)	31.0	33.0	(2.0)	32.0	33.0	(1.0)
SG&A to sales (%)	14.5	8.0	6.5	14.0	8.0	6.0
Net profit margin (%)	11.3	17.4	(6.1)	12.5	17.4	(5.0)

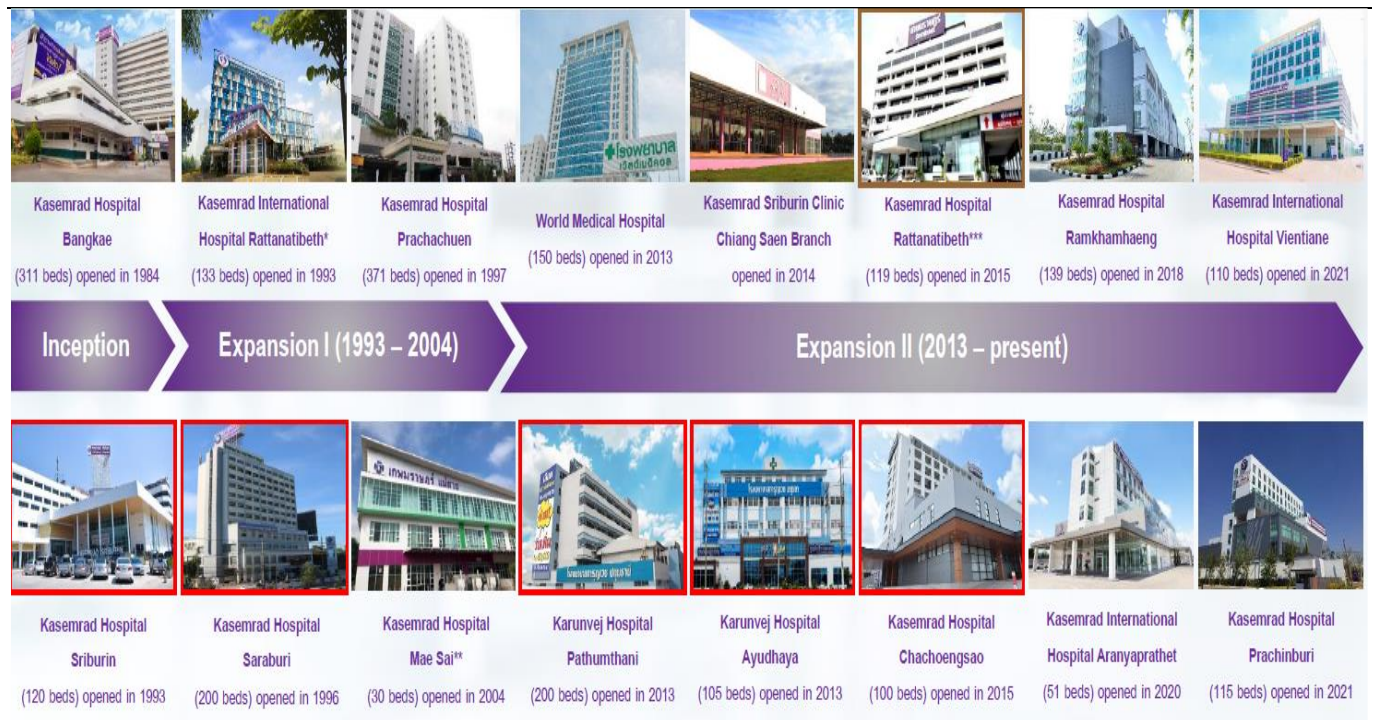
Source: Company data, KGI Securities Research

Figure 3: Developments on BCH's three new hospitals in 1Q23



Source: Company data

Figure 4: BCH owns and operates 15 private hospitals and 1 polyclinic under four hospital brands



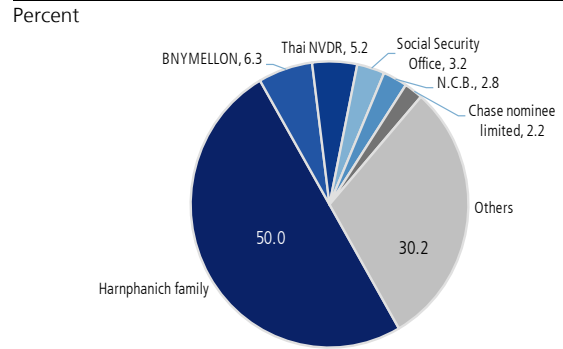
Source: Company data

**Figure 5: Company profile**

Bangkok Chain Hospital (BCH) was established in 1993 with initial capital of Bt150mn. In 2013, the company expanded with three additional hospitals including i) World Medical Hospital (WMH) on Chaengwattana Road, which focuses on the high-end market from both local and international patients with international standards and modern medical equipment, and ii) acquisition of two Navanakorn Hospitals in Pathumthani and Ayudhaya. Currently, the company operates 11 hospitals and two poly clinics within the network with 2,328 registered beds. The company serves all types of customers both in Bangkok and upcountry.

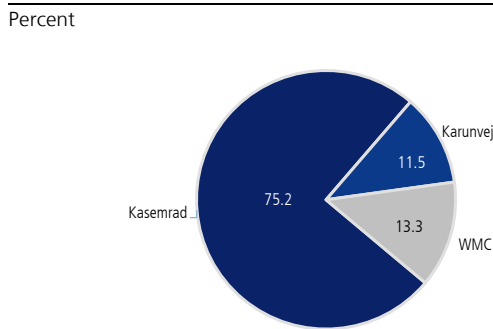
Source: Company data

**Figure 6: Shareholding structure**



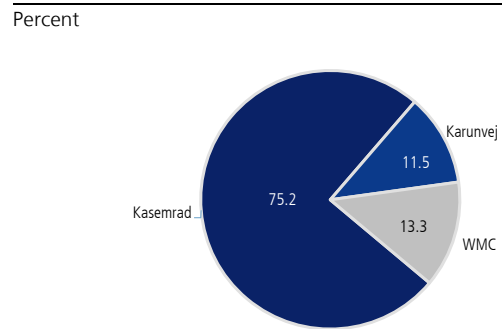
Source: Company data, KGI Securities Research

**Figure 7: Revenue contribution by brand in 2021**



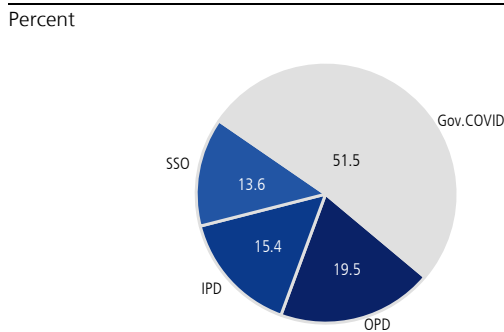
Source: Company data, KGI Securities Research

**Figure 8: Revenue contribution by brand in 2022**



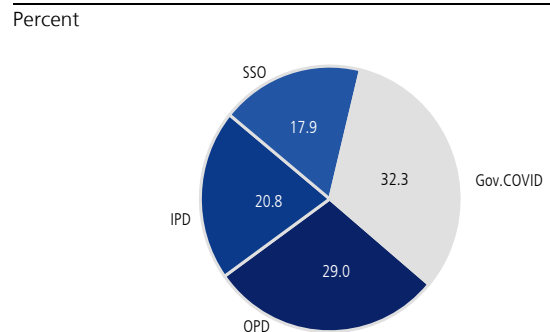
Source: Company data, KGI Securities Research

**Figure 9: Revenue contribution by patient type in 2021**



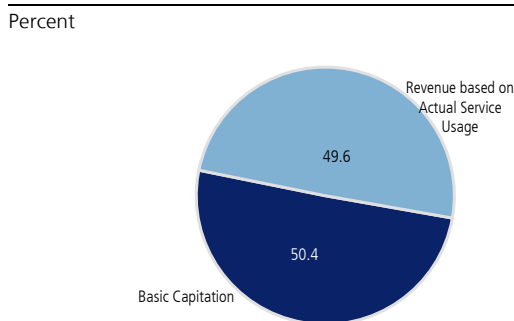
Source: Company data, KGI Securities Research

**Figure 10: Revenue contribution by patient type in 2022**



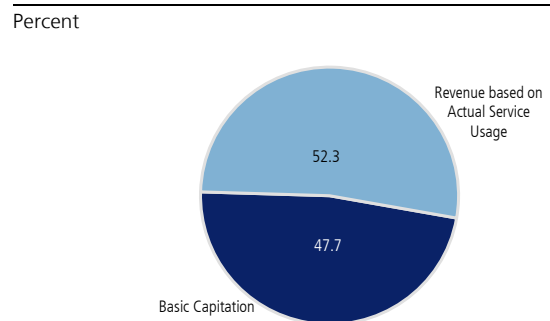
Source: Company data, KGI Securities Research

**Figure 11: SSO - Revenue contribution by payment method in 2021**



Source: Company data, KGI Securities Research

**Figure 12: SSO - Revenue contribution by payment method in 2022**



Source: Bloomberg, KGI Securities Research

**Quarterly Income Statement**

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A
<b>Income Statement (Bt mn)</b>													
<b>Revenue</b>	<b>2,178</b>	<b>2,083</b>	<b>2,359</b>	<b>2,308</b>	<b>2,316</b>	<b>4,313</b>	<b>7,959</b>	<b>6,816</b>	<b>7,087</b>	<b>5,523</b>	<b>3,429</b>	<b>2,788</b>	<b>2,674</b>
Cost of Goods Sold	(1,515)	(1,392)	(1,496)	(1,571)	(1,619)	(2,318)	(3,689)	(2,935)	(3,890)	(3,487)	(3,519)	(1,876)	(1,936)
<b>Gross Profit</b>	<b>663</b>	<b>691</b>	<b>863</b>	<b>737</b>	<b>698</b>	<b>1,995</b>	<b>4,271</b>	<b>3,881</b>	<b>3,197</b>	<b>2,037</b>	<b>(90)</b>	<b>912</b>	<b>738</b>
<b>Operating Expenses</b>	<b>(293)</b>	<b>(280)</b>	<b>(276)</b>	<b>(363)</b>	<b>(291)</b>	<b>(401)</b>	<b>(367)</b>	<b>(411)</b>	<b>(491)</b>	<b>(524)</b>	<b>(420)</b>	<b>(511)</b>	<b>(398)</b>
Other incomes	20	21	20	35	68	19	19	24	32	21	27	12	24
<b>Operating Profit</b>	<b>389</b>	<b>432</b>	<b>606</b>	<b>409</b>	<b>475</b>	<b>1,613</b>	<b>3,923</b>	<b>3,494</b>	<b>2,738</b>	<b>1,534</b>	<b>(484)</b>	<b>413</b>	<b>364</b>
<b>Non-Operating Income</b>													
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Operating Expenses</b>													
Interest Expense	(30)	(32)	(35)	(35)	(28)	(35)	(40)	(48)	(48)	(39)	(35)	(34)	(28)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-tax Profit</b>	<b>359</b>	<b>400</b>	<b>572</b>	<b>374</b>	<b>448</b>	<b>1,578</b>	<b>3,883</b>	<b>3,446</b>	<b>2,690</b>	<b>1,495</b>	<b>(518)</b>	<b>379</b>	<b>336</b>
Current taxation	(63)	(75)	(107)	(68)	(84)	(312)	(772)	(679)	(542)	(319)	74	(101)	(70)
Minorities	(37)	(46)	(52)	(28)	(40)	(121)	(215)	(286)	(120)	(32)	41	(8)	(12)
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Profit</b>	<b>259</b>	<b>279</b>	<b>413</b>	<b>278</b>	<b>324</b>	<b>1,146</b>	<b>2,896</b>	<b>2,480</b>	<b>2,028</b>	<b>1,144</b>	<b>(403)</b>	<b>270</b>	<b>254</b>
EPS (Bt)	0.1	0.1	0.2	0.1	0.1	0.5	1.2	1.0	0.8	0.5	(0.2)	0.1	0.1
<b>Margins (%)</b>													
Gross profit margin	30.4	33.2	36.6	31.9	30.1	46.3	53.7	56.9	45.1	36.9	(2.6)	32.7	27.6
Operating margin	17.9	20.8	25.7	17.7	20.5	37.4	49.3	51.3	38.6	27.8	(14.1)	14.8	13.6
Net profit margin	11.9	13.4	17.5	12.1	14.0	26.6	36.4	36.4	28.6	20.7	(11.8)	9.7	9.5
<b>Growth (%)</b>													
Revenue growth	4.8	(2.5)	(4.5)	5.1	6.4	107.1	237.4	195.3	205.9	28.1	(56.9)	(59.1)	(62.3)
Operating growth	4.0	14.4	2.1	11.0	22.0	273.2	546.8	754.5	476.4	(4.9)	(112.3)	(88.2)	(86.7)
Net profit growth	4.4	14.2	2.8	15.6	24.9	311.3	600.7	791.2	526.5	(0.2)	(113.9)	(89.1)	(87.5)

Source: KGI Securities Research



**Balance Sheet**

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Total Assets</b>	<b>16,527</b>	<b>26,384</b>	<b>19,796</b>	<b>20,787</b>	<b>22,152</b>
<b>Current Assets</b>	3,538	13,541	6,835	6,709	6,728
Cash & ST Investments	944	4,520	2,598	2,985	4,253
Inventories	250	437	362	443	467
Accounts Receivable	2,335	7,820	3,814	3,216	1,941
Others	10	764	61	64	67
<b>Non-current Assets</b>	12,989	12,842	12,962	14,078	15,425
LT Investments	999	487	485	485	485
Net fixed Assets	11,767	12,119	12,159	13,375	14,712
Others	223	237	319	219	228
<b>Total Liabilities</b>	<b>8,901</b>	<b>12,078</b>	<b>6,287</b>	<b>6,811</b>	<b>7,081</b>
<b>Current Liabilities</b>	5,667	7,848	3,510	3,732	3,926
Accounts Payable	784	1,358	1,300	1,415	1,492
ST Borrowings	4,289	2,980	1,275	1,289	1,303
Others	595	3,510	935	1,028	1,131
<b>Long-term Liabilities</b>	3,234	4,231	2,776	3,079	3,154
Long-term Debts	3,027	4,060	2,613	2,666	2,719
Others	207	170	163	413	435
<b>Shareholders' Equity</b>	<b>7,626</b>	<b>14,306</b>	<b>13,510</b>	<b>13,976</b>	<b>15,071</b>
Common Stock	2,494	2,494	2,494	2,494	2,494
Capital Surplus	645	645	645	645	645
Retained Earnings	3,589	9,696	9,244	9,809	10,838
Others	899	1,471	1,127	1,029	1,095

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Growth (% YoY)</b>					
Sales	0.5	139.8	(12.0)	(33.5)	7.0
OP	7.1	417.4	(55.8)	(48.7)	16.3
EBITDA	10.1	296.3	(50.4)	(38.8)	12.7
NP	8.3	456.9	(55.6)	(53.2)	17.4
EPS	8.3	456.9	(55.6)	(53.2)	17.4
<b>Profitability (%)</b>					
Gross Margin	33.1	50.7	32.2	31.0	32.0
Operating Margin	20.6	44.4	22.3	17.2	18.7
EBITDA Margin	29.3	48.5	27.4	25.2	26.5
Net Profit Margin	13.8	32.0	16.1	11.3	12.5
ROAA	7.4	25.9	15.4	6.8	7.5
ROAE	16.1	47.9	22.5	10.2	11.1
<b>Stability</b>					
Gross Debt/Equity (%)	95.9	49.2	28.8	28.3	26.7
Net Debt/Equity (%)	83.5	12.5	9.2	6.6	(1.8)
Interest Coverage (x)	13.1	13.9	62.8	27.0	13.4
Interest & ST Debt Coverage (x)	0.4	3.0	2.9	1.5	1.7
Cash Flow Interest Coverage (x)	14.1	41.4	36.7	25.7	26.6
Cash Flow/Interest & ST Debt (x)	0.4	2.0	4.0	2.8	3.0
Current Ratio (x)	0.6	1.7	1.9	1.8	1.7
Quick Ratio (x)	0.6	1.7	1.8	1.7	1.6
Net Debt (Bt mn)	6,578	2,691	1,453	1,382	205
<b>Per Share Data (Bt)</b>					
EPS	0.5	2.7	1.2	0.6	0.7
CFPS	0.4	1.8	1.0	1.2	1.7
BVPS	3.1	5.7	5.4	5.6	6.0
SPS	3.6	8.6	7.5	5.0	5.4
EBITDA/Share	1.1	4.2	2.1	1.3	1.4
DPS	0.2	1.2	0.8	0.3	0.3
<b>Activity</b>					
Asset Turnover (x)	0.6	1.0	0.8	0.6	0.6
Days Receivables	95.5	133.3	73.9	93.7	52.9
Days Inventory	10.2	7.4	7.0	12.9	12.7
Days Payable	47.9	46.9	37.2	59.8	59.8
Cash Cycle	57.8	93.9	43.8	46.9	5.8

Source: KGI Securities Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Sales</b>	<b>8,928</b>	<b>21,405</b>	<b>18,827</b>	<b>12,522</b>	<b>13,398</b>
Cost of Goods Sold	(5,975)	(10,561)	(12,772)	(8,640)	(9,111)
<b>Gross Profit</b>	<b>2,953</b>	<b>10,844</b>	<b>6,055</b>	<b>3,882</b>	<b>4,287</b>
Operating Expenses	(1,116)	(1,339)	(1,854)	(1,728)	(1,782)
<b>Operating Profit</b>	<b>1,837</b>	<b>9,505</b>	<b>4,201</b>	<b>2,154</b>	<b>2,505</b>
Net Interest	(132)	(151)	(156)	(160)	(165)
Interest Income	0	0	0	0	0
Interest Expense	(132)	(151)	(156)	(160)	(165)
Net Investment Income/(Loss)	0	0	0	0	0
Net other Non-op. Income/(Loss)	96	131	92	88	94
Net Extraordinaries	(163)	(661)	(118)	(194)	(227)
Pretax Income	1,705	9,354	4,046	1,993	2,340
Income Taxes	(313)	(1,846)	(888)	(379)	(445)
<b>Net Profit</b>	<b>1,229</b>	<b>6,846</b>	<b>3,039</b>	<b>1,421</b>	<b>1,668</b>
EBITDA	2,619	10,379	5,151	3,151	3,552
<b>EPS (Bt)</b>	<b>0.49</b>	<b>2.74</b>	<b>1.22</b>	<b>0.57</b>	<b>0.67</b>

Source: KGI Securities Research

**Cash Flow**

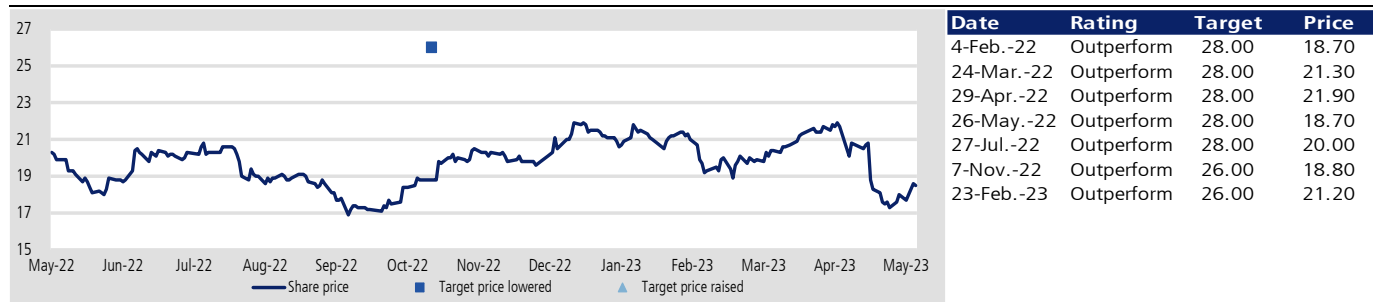
Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
<b>Operating Cash Flow</b>	1,863	6,256	5,715	4,123	4,397
Net Profit	1,229	6,846	3,039	1,421	1,668
Depreciation & Amortization	782	874	950	997	1,047
Change in Working Capital	(509)	(2,938)	2,153	2,153	2,153
Others	361	1,475	(427)	(448)	(470)
<b>Investment Cash Flow</b>	(2,597)	(1,496)	(759)	(782)	(805)
Net CAPEX	(2,671)	(1,495)	(759)	(782)	(805)
Change in LT Investment	(0)	(0)	(0)	(0)	(0)
Change in Other Assets	74	(0)	0	0	0
<b>Free Cash Flow</b>	(734)	4,761	4,956	3,341	3,592
<b>Financing Cash Flow</b>	886	(1,185)	(6,878)	(2,954)	(2,325)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	1,824	607	(1,455)	14	14
Change in Other LT Liab.	(939)	(1,792)	(5,422)	(2,968)	(2,339)
<b>Net Cash Flow</b>	151	3,576	(1,922)	387	1,267

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= <b>Operating Margin</b>
2020	66.9%	8.8%	13.6%	10.7%
2021	49.3%	4.1%	6.9%	39.7%
2022	67.8%	5.0%	10.3%	16.8%
2023F	69.0%	8.0%	14.5%	8.5%
2024F	68.0%	7.8%	14.0%	10.2%
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= <b>Capital Turnover</b>
2020	0.31	1.28	1.85	0.29
2021	0.53	0.55	1.23	0.43
2022	0.29	0.63	1.05	0.51
2023F	0.42	1.04	1.66	0.32
2024F	0.39	1.07	1.65	0.32
Year	$\frac{\text{Operating Margin}}{\text{Capital Turnover}}$	x $\frac{\text{Cash Tax Rate}}{\text{After-tax Return on Inv. Capital}}$	=	
2020	10.7%	0.3	81.7%	2.5%
2021	39.7%	0.4	80.3%	13.8%
2022	16.8%	0.5	78.0%	6.6%
2023F	8.5%	0.3	81.0%	2.2%
2024F	10.2%	0.3	81.0%	2.7%

Source: KGI Securities Research

**Bangkok Chain Hospital – Recommendation & target price history**


Source: KGI Securities Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

**Disclaimer:** The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

## Anti-corruption Progress Indicator

### Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFACO	SEAFACO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
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Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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