

Bangkok Chain Hospital

(BCH.BK/BCH TB)*



SET ESG Rating of AA

Outperform • Maintained

Price as of 1 Feb 2024	22.60
12M target price (Bt/shr)	26.00
Unchanged/Revised up(down)(%)	8.3
Upside/downside (%)	15.0

Key messages

เราคำว่า BCH จะรายงานผลการดำเนินงานที่น่าพอใจได้ติดต่อกันสองไตรมาสใน 4Q66F อยู่ที่ 423 ล้านบาท (+57% YoY แต่ -3.9% QoQ) คิดเป็น 29.8% ของประมาณการกำไรเต็มปี 2566F เดิมของเราที่ 1.42 พันล้านบาท สำหรับปี 2567 BCH จะได้รับประโยชน์จากฐานผู้ป่วยลงทะเบียนของสำนักงานประกันสังคม (SSO) จำนวนมากที่สุด เพราะล่าสุดบริษัทได้รับโควตาส่วนเพิ่มอีกจำนวน 3.4 แสนคน (+20.3% YoY) ดังนั้น เราได้ปรับเพิ่มประมาณการกำไรสุทธิปี 2567F ขึ้นอีกราว 8.6% อยู่ที่ 1.81 พันล้านบาท (+29.2% YoY) ทั้งนี้ เราคำนวณแนะนำซื้อ ประเมินราคาเป้าหมาย DCF ใหม่ที่ 2567 ที่ 26.00 บาท จากเดิม 24.00 บาท

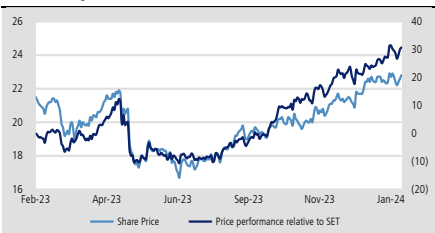
Trading data

Mkt cap (Btbn/US\$bn)	56.3/1,592.2		
Outstanding shares (mn)	2,494		
Foreign ownership (mn)	276		
3M avg. daily trading (mn)	11		
52-week trading range (Bt)	16.7-22.9		
Performance (%)	3M	6M	12M
Absolute	12.9	26.0	6.5
Relative	17.0	40.8	30.8

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	0.11	0.18	

Share price chart



Source: SET

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ประมาณการ 4Q66F: คาดเป็นอีกไตรมาสที่แข็งแกร่ง

Event

ประมาณการ 4Q66F ปรับเพิ่มกำไรและราคาเป้าหมายใหม่

Impact

ลดกำไรใน 4Q66F ยังแข็งแกร่ง แม้จะชะลอตัวบ้างจากปัจจัยฤดูกาล

สำหรับงวด 4Q66F เราคาด BCH จะรายงานผลการดำเนินงานที่น่าพอใจได้อีกหนึ่งไตรมาสด้วยกำไรสุทธิที่ 423 ล้านบาท (+57% YoY แต่ -3.9% QoQ) คิดเป็น 29.8% ของประมาณการกำไรปี 2566F เดิมของเราที่ 1.42 พันล้านบาท โดยปัจจัยหนุนหลักที่กำไรดีขึ้น YoY เนื่องจาก i) การปรับขึ้นอัตราเหมาจ่ายรายปีของสำนักงานประกันสังคม (SSO) ขึ้นเป็น 10.2% นับตั้งแต่วันที่ 1 พฤษภาคม ii) รายได้จากผู้ป่วยชาวไทยแข็งแกร่ง และ iii) ไม่มีค่าใช้จ่ายการตั้งสำรองในการดูแลรักษาผู้ป่วยโรค COVID-19 ที่ 115 ล้านบาทและผลขาดทุนของอัตราแลกเปลี่ยนจากโรงพยาบาล Kasemrad International ในเมืองเวียงจันทน์ราว 60 ล้านบาทที่เกิดขึ้นใน 4Q65 อย่างไรก็ดี กำไรสุทธิใน 4Q66F ของบริษัทน่าจะอ่อนแอ QoQ แต่เราคิดว่าการชะลอตัวแบบไม่มีนัยสำคัญ QoQ เพียง 3.9% โดยรวมแล้ว เราคาดว่ารายได้ใน 4Q66F จะอยู่ที่ 3.16 พันล้านบาท (+13.5% YoY แต่ -0.3% QoQ) ขณะที่อัตรากำไรขั้นต้นคาดว่าจะอยู่ที่ 32.0% ลดลงจาก 32.7% ใน 4Q65 และ 33.9% ใน 3Q66 หากกำไรใน 4Q66F เป็นไปตามที่เราคาด กำไรสุทธิปี 2566F ของ BCH จะอยู่ที่ 1.40 พันล้านบาท คิดเป็น 98.7% ของประมาณการกำไรเต็มปี 2566F เดิมของเรา

คาดแนวโน้มระยะยาวยังสดใส

สำหรับปี 2567 นี้ BCH จะได้รับประโยชน์จากฐานผู้ป่วยลงทะเบียนเพิ่มขึ้นกับสำนักงานประกันสังคม (SSO) ที่มีจำนวนมากที่สุดเพราะล่าสุดบริษัทได้รับโควตาผู้ป่วยส่วนเพิ่มขึ้นอีกจำนวน 3.14 แสนคน (+20.4% YoY) ซึ่งจะทำให้มีโควตาผู้ป่วยสูงที่สุดอยู่ที่ 1.856 ล้านคนในปี 2567 ประเด็นนี้ช่วยให้จำนวนผู้ลงทะเบียนกับ SSO อย่างน้อย 1.8 แสนคน (จากสาขาประชาชนและบางแค) คิดเป็นรายได้เพิ่มขึ้นราว 300 ล้านบาทต่อปี นอกจากนี้ ภาวะผลขาดทุนจากอัตราแลกเปลี่ยนของโรงพยาบาล Kasemrad International ที่เวียงจันทน์จะไม่แสดงให้เห็นในปี 2567F ภายหลังจากการจ่ายคืนหนี้จำนวน 480 ล้านบาทใน 4Q66 นอกจากนี้ เราคาดว่า โรงพยาบาล Kasemrad International ที่รัฐประเศและโรงพยาบาล Kasemrad International ที่เมืองเวียงจันทน์จะมีกำไรใน 4Q67F

ปรับประมาณการกำไร

เราปรับลดประมาณการกำไรปี 2566F ลง 1.3% เหลืออยู่ที่ 1.40 พันล้านบาท (จาก 1.42 พันล้านบาท) เพื่อสะท้อนคาดการณ์กำไรใน 4Q66F นอกจากนี้ เราปรับเพิ่มประมาณการกำไรปี 2567F ขึ้นราว 8.6% อยู่ที่ 1.81 พันล้านบาท (+29.2% YoY) ทั้งนี้ BCH มีแนวโน้มกำไรแข็งแกร่งด้วยแรงหนุนจากอัตรากำไรขั้นต้นที่แข็งแกร่งขึ้นอยู่ที่ 32.0% (จาก 31.0%)

Valuation & Action

BCH ยังคงเป็นหนึ่งในหุ้นเด่นของเราในหมวดการแพทย์ (healthcare sector) ด้านการฟื้นตัวแข็งแกร่งและแนวโน้มการเติบโตดีต่อเนื่องในระยะยาว ดังนั้น เราคำนวณแนะนำซื้อ และประเมินราคาเป้าหมาย DCF ใหม่ที่ 2567 เพิ่มขึ้นเป็น 26.00 บาท (ใช้ WACC ที่ 7.5% และ TG ที่ 3.0%) จากเดิม 24.00 บาท

Risks

COVID-19 ระบาด ปัญหาเสถียรภาพทางการเมืองรอบใหม่ของไทย และเหตุการณ์ก่อการร้ายครั้งใหญ่

Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Bt mn)	8,928	21,405	18,827	11,861	13,284
Gross profit (Bt mn)	2,953	10,844	6,055	3,689	4,251
EBIT (Bt mn)	1,837	9,505	4,201	1,980	2,484
Net profit (Bt mn)	1,229	6,846	3,039	1,402	1,811
EPS (Bt)	0.49	2.74	1.22	0.56	0.73
DPS (Bt)	0.23	1.20	0.80	0.25	0.33
EPS growth (%)	8.3	456.9	(55.6)	(53.9)	29.2
P/E (x)	27.6	7.3	18.5	40.2	31.1
P/B (x)	7.4	3.9	4.2	4.0	3.7
EV/EBITDA (x)	24.0	5.6	11.2	19.3	15.8
Net Debt to Equity (%)	83.5	12.5	9.2	6.7	Cash
Dividend Yield (%)	1.0	5.3	3.5	1.1	1.4
Return on Avg. Equity (%)	16.1	47.9	22.5	10.0	11.9

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGIT <GO> Please see back page for disclaimer

Figure 1: BCH's 4Q23F earnings preview

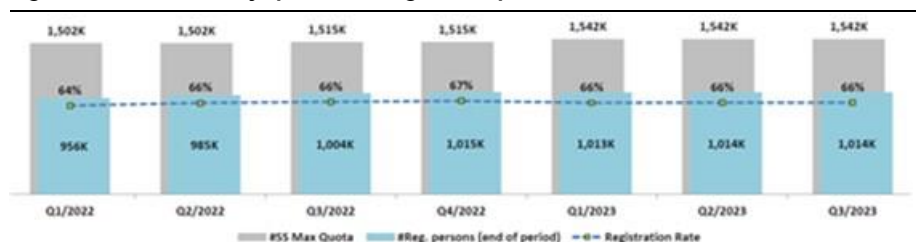
Bt mn	4Q23F	4Q22	YoY (%)	3Q23	QoQ (%)	2023F	2022	YoY (%)
Sale revenue	3,164	2,788	13.5	3,175	(0.3)	11,861	18,827	(37.0)
Operating cost	(2,152)	(1,876)	14.7	(2,098)	2.6	(8,174)	(12,772)	(36.0)
Gross profit	1,013	912	11.1	1,077	(6.0)	3,688	6,055	(39.1)
SG&A	(450)	(511)	(11.9)	(470)	(4.2)	(1,813)	(1,946)	(6.8)
EBIT	589	413	42.6	633	(7.0)	1,981	4,201	(52.9)
Net profit	423	270	57.0	441	(3.9)	1,402	3,039	(53.9)
EPS (Bt)	0.17	0.11	57.0	0.18	(3.9)	0.56	1.22	(53.9)
Percent	4Q23F	4Q22	YoY (ppts)	3Q23	QoQ (ppts)	2023F	2022	YoY (ppts)
Gross margin	32.0	32.7	(0.7)	33.9	(1.9)	31.1	32.2	(1.1)
SG&A/Sales	14.2	18.3	(4.1)	14.8	(0.6)	15.3	10.3	5.0
Net profit margin	13.4	9.7	3.7	13.9	(0.5)	11.8	16.1	(4.3)
Revenue by hospital breakdown								
	4Q23F	4Q22	YoY (%)	3Q23	QoQ (%)			
Kasemrad (Bt mn)	2,610	2,277	14.6	2,347	11.2			
Karunvej (Bt mn)	79	114	(30.7)	85	(7.4)			
WMC (Bt mn)	475	397	19.7	416	14.1			
Revenue by patient type								
	4Q23F	4Q22	YoY (%)	3Q23	QoQ (%)			
OPD (Bt mn)	1,107	744	48.8	966	14.7			
IPD (Bt mn)	1,013	(2,051)	N.A.	957	5.8			
SS and COVID-19 (Bt mn)	1,044	4,094	(74.5)	926	12.8			
Revenue by hospital breakdown (%)								
	4Q23F	4Q22	YoY (ppts)	3Q23	QoQ (ppts)			
Kasemrad (%)	82.5	81.7	0.8	82.6	(0.1)			
Karunvej (%)	2.5	4.1	(1.6)	3.5	(1.0)			
WMC (%)	15.0	14.2	0.8	13.9	1.1			
Revenue by patient type (%)								
	4Q23F	4Q22	YoY (ppts)	3Q23	QoQ (ppts)			
OPD (%)	35.0	26.7	8.3	34.4	0.6			
IPD (%)	32.0	(73.6)	105.6	35.0	(3.0)			
SS and COVID-19 (%)	33.0	146.9	(113.9)	30.6	2.4			

Source: Company data, KGI Securities Research

Figure 2: Earnings revisions

	2023F		Change (%)	2024F		Change (%)
	Revised	Previous		Revised	Previous	
Revenue (Bt mn)	11,861	12,522	(5.3)	13,284	13,398	(0.9)
Gross profit (Bt mn)	3,689	3,882	(5.0)	4,251	4,153	2.4
Normalized profit (Bt mn)	1,402	1,421	(1.3)	1,811	1,668	8.6
Net profit (Bt mn)	1,402	1,421	(1.3)	1,811	1,668	8.6
EPS (Bt/share)	0.6	0.6	(1.3)	0.7	0.7	8.6
	Revised	Previous	Change	Revised	Previous	Change
Gross profit margin (%)	31.1	31.0	0.1	32.0	31.0	1.0
SG&A to sales (%)	15.3	14.5	0.8	14.0	14.0	0.0
Net profit margin (%)	11.8	11.3	0.5	13.6	12.5	1.2

Source: Company data, KGI Securities Research

Figure 3: Social Security quota and registered persons


Source: Company data

Figure 4: Social Security quota and registered persons

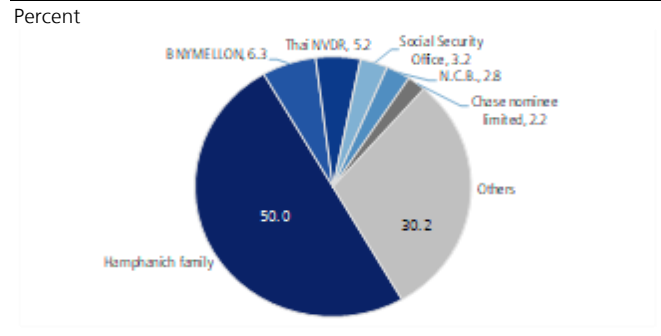

Source: Company data

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.

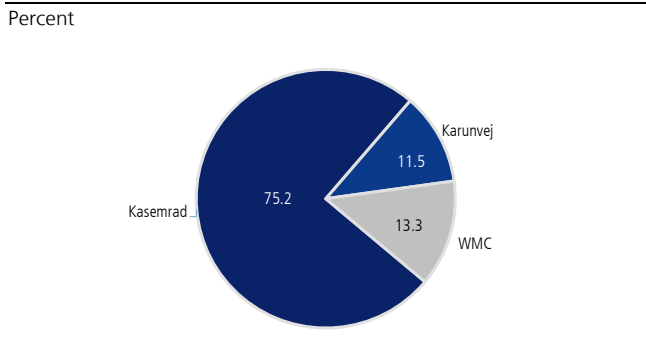
Source: Company data, KGI Securities Research

Figure 6: Shareholding structure



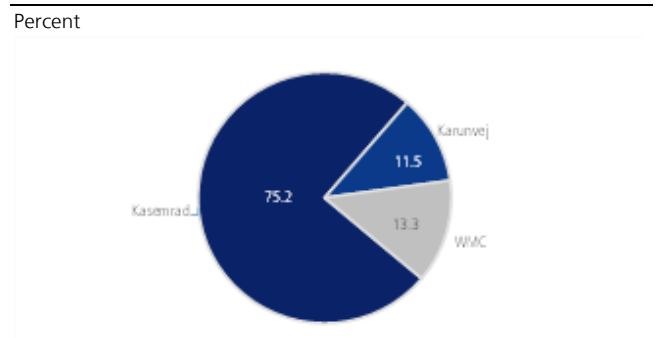
Source: Company data, KGI Securities Research

Figure 7: Revenue contribution by brand in 2021



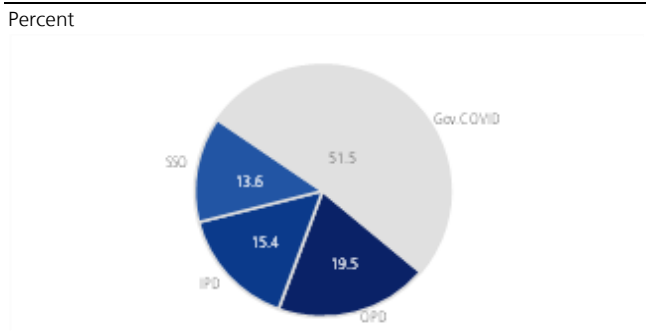
Source: Company data, KGI Securities Research

Figure 8: Revenue contribution by brand in 2022



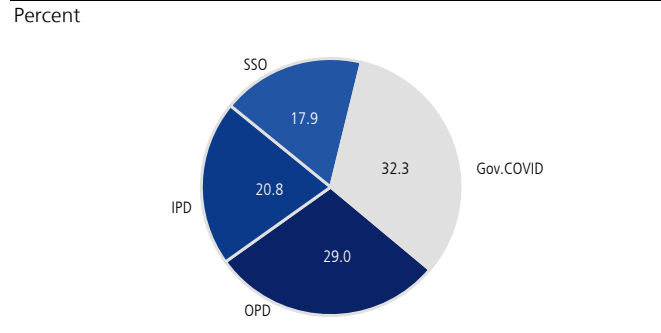
Source: Company data, KGI Securities Research

Figure 9: Revenue contribution by patient type in 2021



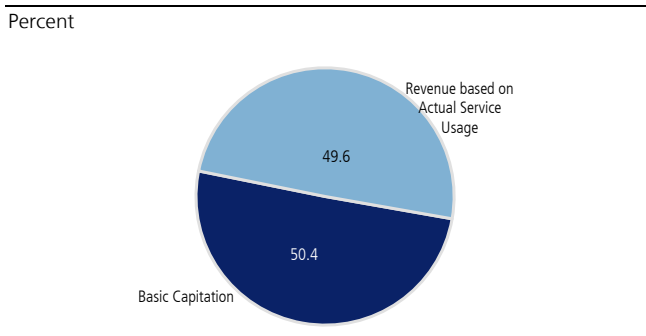
Source: Company data, KGI Securities Research

Figure 10: Revenue contribution by patient type in 2022



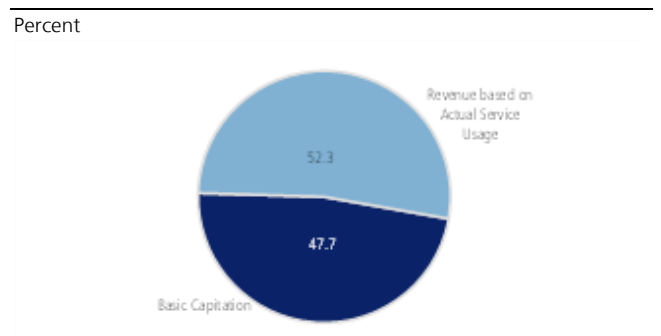
Source: Company data, KGI Securities Research

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: Company data, 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	Jun-23A	Sep-23A
Income Statement (Bt mn)															
Revenue	2,178	2,083	2,359	2,308	2,316	4,313	7,959	6,816	7,087	5,523	3,429	2,788	2,674	2,849	3,175
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)	(1,989)	(2,098)
Gross Profit	663	691	863	737	698	1,995	4,271	3,881	3,197	2,037	(90)	912	738	860	1,077
Operating Expenses	(293)	(280)	(276)	(363)	(291)	(401)	(367)	(411)	(491)	(524)	(420)	(511)	(398)	(495)	(470)
Other incomes	20	21	20	35	68	19	19	24	32	21	27	12	24	31	26
Operating Profit	389	432	606	409	475	1,613	3,923	3,494	2,738	1,534	(484)	413	364	395	633
Non-Operating Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Expenses	(30)	(32)	(35)	(35)	(28)	(35)	(40)	(48)	(48)	(39)	(35)	(34)	(28)	(24)	(30)
Interest Expense	(30)	(32)	(35)	(35)	(28)	(35)	(40)	(48)	(48)	(39)	(35)	(34)	(28)	(24)	(30)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Profit	359	400	572	374	448	1,578	3,883	3,446	2,690	1,495	(518)	379	336	371	602
Current taxation	(63)	(75)	(107)	(68)	(84)	(312)	(772)	(679)	(542)	(319)	74	(101)	(70)	(86)	(135)
Minorities	(37)	(46)	(52)	(28)	(40)	(121)	(215)	(286)	(120)	(32)	41	(8)	(12)	(1)	(27)
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	259	279	413	278	324	1,146	2,896	2,480	2,028	1,144	(403)	270	254	284	441
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	0.1	0.2
Margins (%)															
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	30.2	33.9
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	13.9	19.9
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	10.0	13.9
Growth (%)															
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)	(48.4)	(7.4)
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)	(74.2)	(230.9)
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)	(75.1)	(209.3)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Total Assets	16,527	26,384	19,796	20,738	22,280
Current Assets	3,538	13,541	6,835	6,666	6,857
Cash & ST Investments	944	4,520	2,598	2,967	4,385
Inventories	250	437	362	419	463
Accounts Receivable	2,335	7,820	3,814	3,216	1,941
Others	10	764	61	64	67
Non-current Assets	12,989	12,842	12,962	14,072	15,423
LT Investments	999	487	485	485	485
Net fixed Assets	11,767	12,119	12,159	13,375	14,712
Others	223	237	319	213	227
Total Liabilities	8,901	12,078	6,287	6,712	7,064
Current Liabilities	5,667	7,848	3,510	3,655	3,913
Accounts Payable	784	1,358	1,300	1,338	1,479
ST Borrowings	4,289	2,980	1,275	1,289	1,303
Others	595	3,510	935	1,028	1,131
Long-term Liabilities	3,234	4,231	2,776	3,056	3,151
Long-term Debts	3,027	4,060	2,613	2,666	2,719
Others	207	170	163	391	432
Shareholders' Equity	7,626	14,306	13,510	14,026	15,216
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	9,790	10,971
Others	899	1,471	1,127	1,097	1,107

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Growth (% YoY)					
Sales	0.5	139.8	(12.0)	(37.0)	12.0
OP	7.1	417.4	(55.8)	(52.9)	25.5
EBITDA	10.1	296.3	(50.4)	(42.2)	18.6
NP	8.3	456.9	(55.6)	(53.9)	29.2
EPS	8.3	456.9	(55.6)	(53.9)	29.2
Profitability (%)					
Gross Margin	33.1	50.7	32.2	31.1	32.0
Operating Margin	20.6	44.4	22.3	16.7	18.7
EBITDA Margin	29.3	48.5	27.4	25.1	26.6
Net Profit Margin	13.8	32.0	16.1	11.8	13.6
ROAA	7.4	25.9	15.4	6.8	8.1
ROAE	16.1	47.9	22.5	10.0	11.9
Stability					
Gross Debt/Equity (%)	95.9	49.2	28.8	28.2	26.4
Net Debt/Equity (%)	83.5	12.5	9.2	6.7	(2.7)
Interest Coverage (x)	13.1	13.9	62.8	27.0	18.0
Interest & ST Debt Coverage (x)	0.4	3.0	2.9	1.4	1.8
Cash Flow Interest Coverage (x)	14.1	41.4	36.7	37.3	40.1
Cash Flow/Interest & ST Debt (x)	0.4	2.0	4.0	2.9	3.2
Current Ratio (x)	0.6	1.7	1.9	1.8	1.8
Quick Ratio (x)	0.6	1.7	1.8	1.7	1.6
Net Debt (Bt mn)	6,578	2,691	1,453	1,378	68
Per Share Data (Bt)					
EPS	0.5	2.7	1.2	0.6	0.7
CFPS	0.4	1.8	1.0	1.2	1.8
BVPS	3.1	5.7	5.4	5.6	6.1
SPS	3.6	8.6	7.5	4.8	5.3
EBITDA/Share	1.1	4.2	2.1	1.2	1.4
DPS	0.2	1.2	0.8	0.3	0.3
Activity					
Asset Turnover (x)	0.6	1.0	0.8	0.6	0.6
Days Receivables	95.5	133.3	73.9	99.0	53.3
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	52.1	6.3

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Sales	8,928	21,405	18,827	11,861	13,284
Cost of Goods Sold	(5,975)	(10,561)	(12,772)	(8,172)	(9,033)
Gross Profit	2,953	10,844	6,055	3,689	4,251
Operating Expenses	(1,116)	(1,339)	(1,854)	(1,709)	(1,767)
Operating Profit	1,837	9,505	4,201	1,980	2,484
Net Interest	(132)	(151)	(156)	(110)	(113)
Interest Income	0	0	0	0	0
Interest Expense	(132)	(151)	(156)	(110)	(113)
Net Investment Income/(Loss)	0	0	0	0	0
Net other Non-op. Income/(Loss)	96	131	92	106	93
Net Extraordinaries	(163)	(661)	(118)	(65)	(85)
Pretax Income	1,705	9,354	4,046	1,870	2,371
Income Taxes	(313)	(1,846)	(888)	(403)	(474)
Net Profit	1,229	6,846	3,039	1,402	1,811
EBITDA	2,619	10,379	5,151	2,977	3,531
EPS (Bt)	0.49	2.74	1.22	0.56	0.73

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Operating Cash Flow	1,863	6,256	5,715	4,104	4,541
Net Profit	1,229	6,846	3,039	1,402	1,811
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)
Investment Cash Flow	(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
Free Cash Flow	(734)	4,761	4,956	3,322	3,736
Financing Cash Flow	886	(1,185)	(6,878)	(2,954)	(2,317)
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)	(2,331)
Net Cash Flow	151	3,576	(1,922)	368	1,419

Source: KGI Securities Research

Rates of Return on Invested Capital

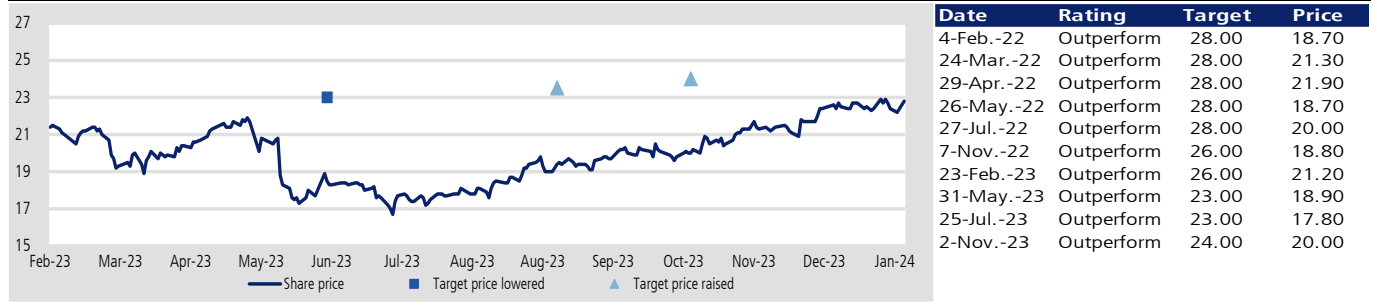
Year	1 - $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= Operating Margin
2020	66.9%	8.8%	13.6%	10.7%
2021	49.3%	4.1%	6.9%	39.7%
2022	67.8%	5.0%	10.3%	16.8%
2023F	68.9%	8.4%	15.3%	7.4%
2024F	68.0%	7.9%	14.0%	10.1%

Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= Capital Turnover
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	0.44	1.10	1.75	0.30
2024F	0.40	1.08	1.68	0.32

Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	= 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	7.4%		0.3		78.5%	1.8%
2024F	10.1%		0.3		78.5%	2.5%

Source: KGI Securities Research

Bangkok Chain Hospital - Recommendation & target price history



Source: KGI Securities Research

Company's ESG details

Environment

- The company targets to reduce electricity expense to total revenue to 1% (from 2% in the past) by implementing an energy savings program, while reducing water expense to total revenue to 0.07% (from 0.14% in the past) through less loss on water leakage and a water saving program.
- The company implements efficient waste management in air pollution, water and waste by using measures to improve waste from the hospitals (i.e. planting trees in hospitals, waste management and water treatment).

Social

- Hospitals in the group have developed staff skills to raise capabilities and provide future sustainability.
- The company has been involved in governmental programs to do social activities for years (i.e. COVID-19 center, blood donation, health check-up).

Governance

- The company maintains annual "Very Good" CG scoring from Thai Institute of Directors Association (IOD).

Source: Company data, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALAI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

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.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFECO	SEAFECO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRISAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

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	SEAFSCO	SEAFSCO
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
BPCG	BPCG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

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KGI's Ratings

Rating	Definition
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.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
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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