

Healthcare

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Expansion to drive long-term growth; Healthy earnings makes BDMS our top pick

We Overweight the healthcare service sector, whose long-term growth is underpinned by an increase in bed capacity of 22% (from 2023 to 2027 onward). The EEC area is the focus of bed expansion: healthcare demand is poised to grow in tandem with economic activities and bed supply is low. Our top pick is BDMS, whose earnings are healthy both short-term and long-term and valuation is undemanding.

Capacity expansion to drive long-term growth. For hospitals under coverage (BCH, BDMS, BH, CHG and RJH), bed capacity will grow 22%, from 12,715 beds in 2023 to 15,553 beds in the long term (2027 onward). This growth in capacity will come from expansion of existing facilities, greenfield projects and new specialized centers, including a cancer center and a wellness center. The EEC area is a prime target for bed expansion: it is an area where economic activities are growing, which will raise demand for healthcare, and because bed supply is low, we do not expect competition to exert a material impact. BH is the exception, as it is expanding to Phuket, where we expect it to be challenged by competition as BDMS already has a strong presence there.

SC service: Short-term overhang on RW>2 payment in 2H24. In 2H24, we view operations and earnings for private hospitals participating in SC services face an overhang from a potential budget shortfall for high-cost care (RW>2). Some, such as BCH, are conservatively lowering the rate they use to record SC payment for high-cost care (RW>2) from Bt12,000/RW to Bt7,200/RW in 4Q24, which will cut revenue and core earnings both YoY and QoQ. Currently, CHG and RJH are not changing their booking of revenue in 4Q24. Assuming a lower rate used to record SC payment, we estimate 5-6% earnings downside for CHG and RJH. We see limited impact on BDMS as SC services account for only ~2% of its revenue, below RJH at 51% of revenue, BCH at 33% and CHG at 29%.

Overweight the healthcare service sector: BDMS is our pick. We estimate the sector's core earnings CAGR for 2024-26 at 7%. We like BDMS for: 1) strong short-term earnings, with 3Q24 poised to be a new high, 2) healthy long-term earnings, with core earnings CAGR estimated at 8% for 2024-26, above sector average and 3) undemanding valuation: in 3Q24TD, BDMS's share price has risen 12%, in line with the SET's increase. However, it is trading at 29x 2024 PE, which is nearly -2SD of its historical average.

In 3Q24TD, the prices of SC service plays show a 5% rise in CHG's share price, 1% in BCH and RJH has fallen by 6%, all unperforming the SET and peers BDMS and BH, dragged down by the overhang on SC service. Resolution of the high-cost care (RW>2) payment between the private hospitals and the Social Security Office will be a catalyst, expected in 4Q24. Of the SC service plays, we like BCH: 1) it has a stronger earnings growth profile among the SC plays, with 13% core earnings CAGR in 2024-26, 2) less earnings downside and 3) BCH is trading at 29x 2024PE, nearly -1SD of its historical average.

Risks include unpredictable events, global economic slowdown and geopolitical risk that would interrupt patient traffic, slow ramping up of new facilities, intense competition, workforce shortage and regulatory risk. For the healthcare service sector, we see ESG risk as patient safety (S): BCH, BDMS, BH, CHG and RJH all have adopted a variety of quality assurance systems to provide continuous patient care.

Valuation summary

	Rating	Price (Bt)	TP (Bt)	ETR (%)	P/E (x) 24F	P/E (x) 25F	P/BV (x) 24F	P/BV (x) 25F
BCH	Outperform	17.3	21.0	23.5	28.5	24.1	3.3	3.1
BDMS	Outperform	30.0	36.0	22.6	29.5	27.3	4.8	4.6
BH	Neutral	271.0	300.0	12.5	27.7	26.4	7.7	6.7
CHG	Neutral	2.7	2.9	8.3	26.9	23.6	3.8	3.6
RJH	Neutral	23.2	28.0	26.3	14.7	15.1	3.2	3.1
Average					25.5	23.3	4.6	4.2

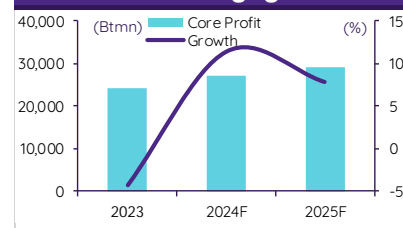
Source: InnovestX Research

Price performance

(%)	Absolute			Relative to SET		
	1M	3M	12M	1M	3M	12M
BCH	13.1	(2.3)	(9.4)	3.2	(12.8)	(6.1)
BDMS	10.1	15.4	13.2	0.5	3.0	17.3
BH	10.6	15.3	5.4	1.0	2.9	9.3
CHG	12.3	1.5	(14.9)	2.5	(9.4)	(11.8)
RJH	(1.3)	(6.1)	(18.6)	(9.9)	(16.2)	(15.6)

Source: SET, InnovestX Research

Sector core earnings growth



Source: SET, InnovestX Research

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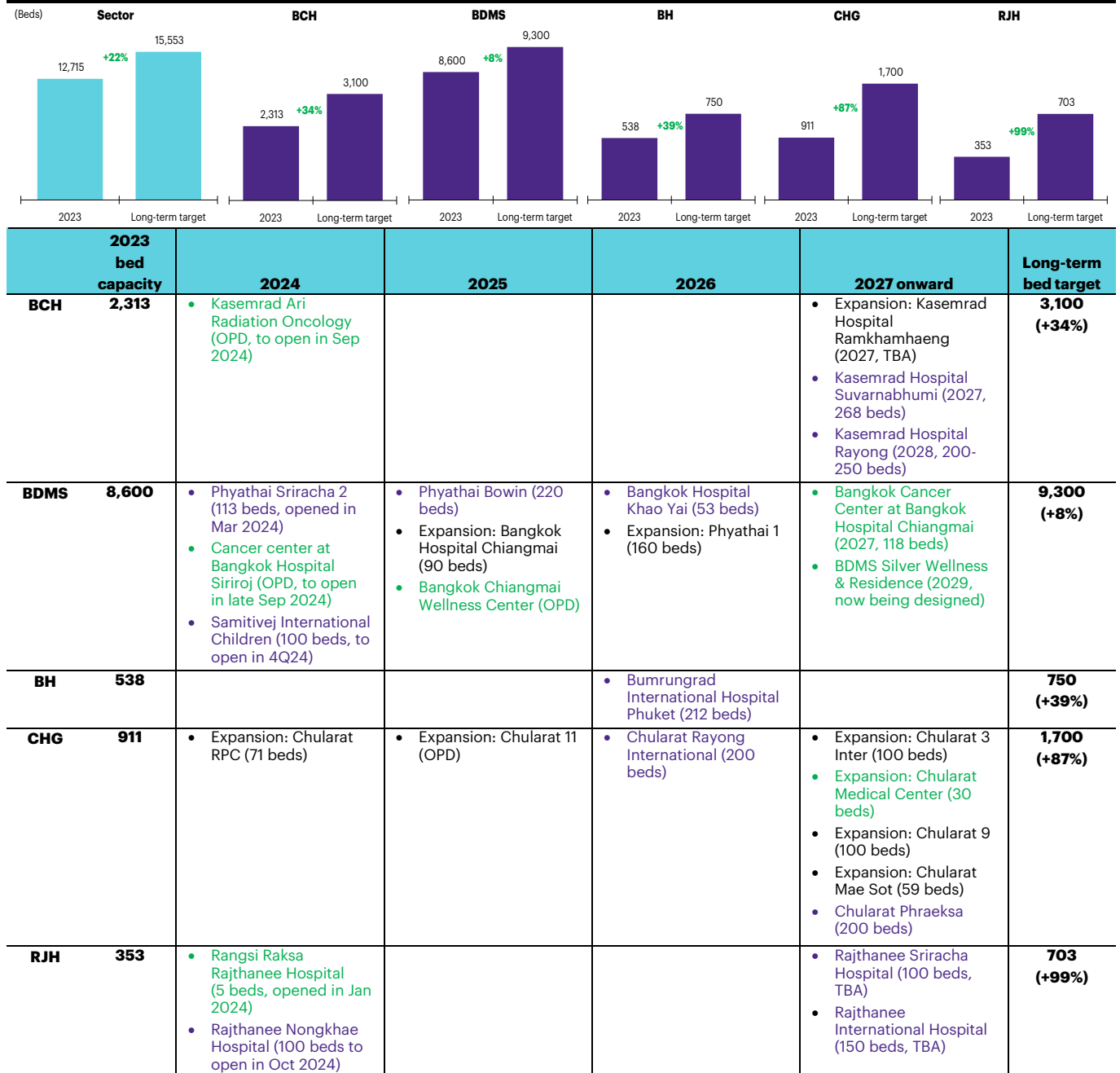
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Bed capacity expansion to drive long-term growth

For the private hospitals under coverage (BCH, BDMS, BH, CHG and RJH), bed capacity will rise from 12,715 beds in 2023 to 15,553 beds in the long term (2027 onward), representing a 22% increase. This capacity growth will come from the expansion of existing facilities, as well as greenfield projects and the addition of specialized centers, including cancer and wellness centers. Within the sector, RJH has the most aggressive expansion plan, with a 99% increase in bed capacity, followed by CHG at 87%, BH at 39%, BCH at 34%, and BDMS at 8% (its growth is less as it is off a large base).

Figure 1: Sector bed capacity will increase 22% in the long term



Source: Company data and InnovestX Research

*Purple color is greenfield projects

*Green color is specialized centers

EEC area – with growing demand and low bed supply - is primed for bed expansion.

Future expansions by all hospitals except BH show a concentration in the EEC area, where demand for healthcare is increasing in tandem with economic activities. Private hospitals will focus on self-pay and social security (SC) patients from the many employers in the many industrial estates.

Data from the Ministry of Public Health shows 9,072 available beds in the EEC area (61% in Chonburi, 21% in Rayong and 18% in Chachoengsao), most in public hospitals at 73% of total beds, with only 27% in private hospitals. Of our coverage, BDMS currently has the strongest presence in the EEC area with a 12% market share in terms of beds (mainly in Chonburi and Rayong), followed by CHG at 3% (mainly in Chachoengsao and Rayong) and BCH at 1% (in Chachoengsao). RJH currently has no presence in the EEC area.

We are positive toward demand and because of the area's low bed supply, do not expect competition to exert a material impact. This area has a registered population of 3.1mn (2023 data). However, there are 4.3mn residents, including workers in the numerous industrial estates, and the government expects this to double to ~8mn by 2037. This works out to 2.9 beds per 1,000 registered population, but the ratio is cut to 2.1 when factoring in all residents and 1.1 when factoring in the estimated 8mn residents in 2037, well below Thailand's average of 2.7 and Bangkok's 6.1, implying low bed supply in the EEC area.

Figure 2: EEC area is prime for bed expansion

	BDMS	CHG	BCH	RJH
Existing hospitals				
Chonburi	<ul style="list-style-type: none"> Bangkok Hospital Pattaya Samitivej Chonburi Samitivej Sriracha Phyathai Sriracha Phyathai Sriracha 2 Phyathai Bangphra Jomtien Hospital 	<ul style="list-style-type: none"> Chularat Cholvaej 		
Rayong	<ul style="list-style-type: none"> Bangkok Rayong Sri Rayong Bangkok Rayong Cancer Bangkok Pluak Daeng 	<ul style="list-style-type: none"> Chularat Rayong 		
Chachoengsao		<ul style="list-style-type: none"> Chularat 11 Chularat RPC 	<ul style="list-style-type: none"> Kasemrad Hospital Chachoengsao 	
Planned expansion				
Chonburi	<ul style="list-style-type: none"> Phyathai Bowin (220 beds, to open in 2025) 			<ul style="list-style-type: none"> Rajthanee Sriracha Hospital (100 beds, TBA)
Rayong		<ul style="list-style-type: none"> Expansion: Chularat 11 (OPD, to open in 2025) Chularat Rayong International (200 beds, to open in 2026) 	<ul style="list-style-type: none"> Kasemrad Hospital Rayong (200-250 beds, to open in 2028) 	
Chachoengsao		<ul style="list-style-type: none"> Expansion: Chularat RPC (71 beds, expected in 2H24) 		

Source: Company data and InnovestX Research

Figure 3: BDMS currently has the strongest presence in the EEC area

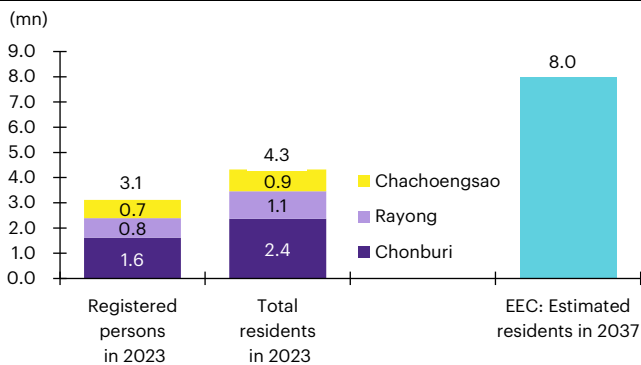
	No. of beds	% market share					
		Public hospitals	Private hospital	BDMS	CHG	BCH	RJH
Chonburi	5,527	69%	31%	16%	1%	0%	0%
Rayong	1,890	76%	24%	11%	3%	0%	0%
Chachoengsao	1,655	84%	16%	0%	10%	6%	0%
EEC	9,072	73%	27%	12%	3%	1%	0%

*Hospital bed data as of September 2024

Source: Ministry of Public Health and InnovestX Research

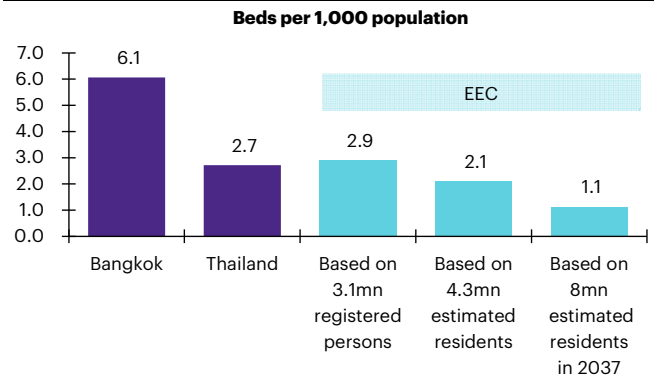
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Figure 4: Rising residents in EEC, tagging growing business activities



Source: National Statistical Office, Eastern Economic Corridor Office and InnovestX Research

Figure 5: EEC area has a low number of beds per 1,000 population, implying low bed supply



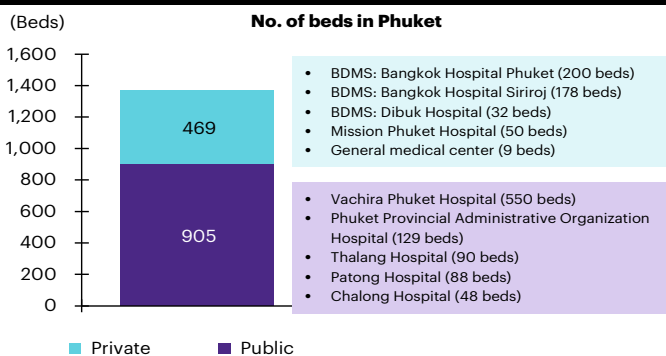
Source: Ministry of Public Health, National Statistical Office, Eastern Economic Corridor Office and InnovestX Research

BH is expanding to Phuket, where competition will present a challenge as BDMS already has a strong presence. BH plans to open a greenfield hospital in Phuket, *Bumrungrad International Hospital Phuket*, in 1H26. This new 212-bed facility in Phuket, with the first phase of 150 beds, will add 39% to its bed capacity (now at 538 beds) and expand its presence from its sole facility in Bangkok.

Phuket is an important province in Thailand in terms of economic activity, particularly tourism. While demand is growing, we view competition will be a challenge for BH. Phuket has 1,374 hospital beds available, most in public hospitals at 66% of total beds, with 34% in private hospitals. BDMS already has a strong presence in Phuket, operating three private hospitals, taking 30% of the market.

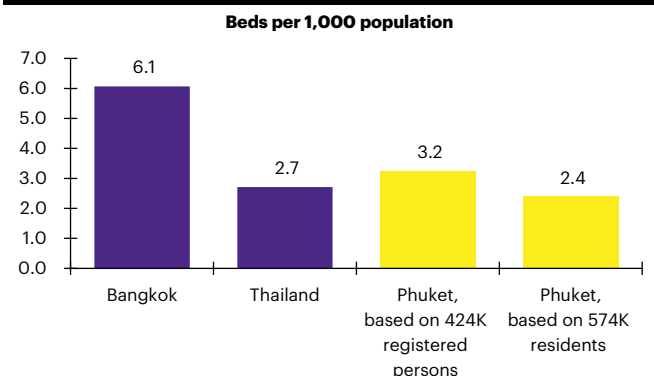
However, we do not expect competition to be intense given the data on the supply side. Our study shows Phuket has 3.2 beds per 1,000 registered population in the province, but the ratio drops to 2.4 when factoring in all residents, which lines up with Thailand’s average of 2.7 but is below Bangkok’s 6.1, easing concern about oversupply in Phuket.

Figure 6: No. of hospital beds in Phuket; with BDMS the main player in private hospitals



*Hospital bed data as of September 2024
Source: Ministry of Public Health and InnovestX Research

Figure 7: Oversupply in Phuket is not a big issue



*Registered persons and residents based on recent data in 2023
Source: Ministry of Public Health, National Statistical Office and InnovestX Research

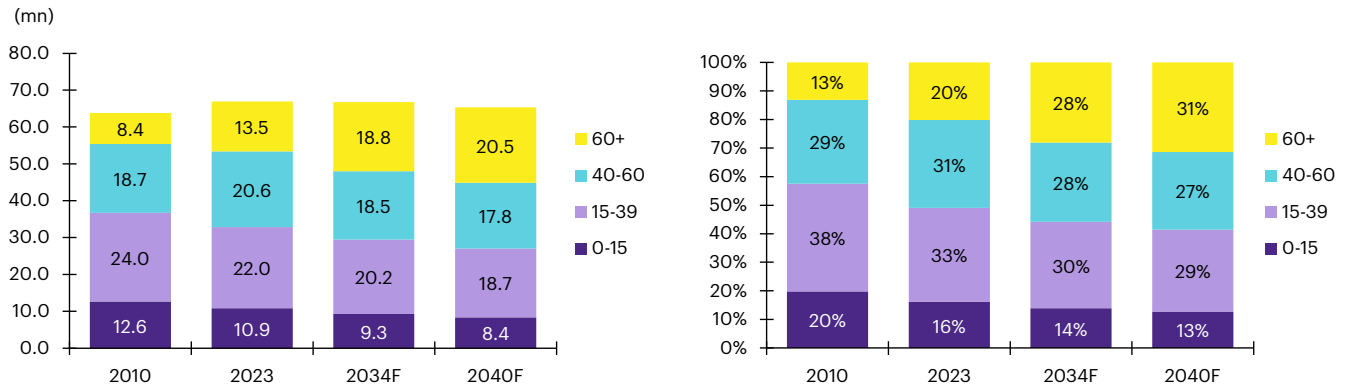
Healthcare demand growth in Thailand backed by demographic changes. According to the Department of Provincial Administration, in 2022 Thailand had 13.5mn population aged over 60, tagged a “complete aged society”, as the proportion of its population aged over 60 reached 20% of total population (or over-65 is above 14%). According to the Report of the Population Projections for Thailand 2010-2040 (revised), Thailand will become a “super-aged society” in 2034 when the proportion of its population aged over 60 will dominate at 28% (or over-65 is above 20%).

Globally, there is a positive correlation between the proportion of elderly to the total population and the percentage of healthcare expenditure to GDP since the elderly in general require more medical care. Given the increase in Thailand’s elderly population,

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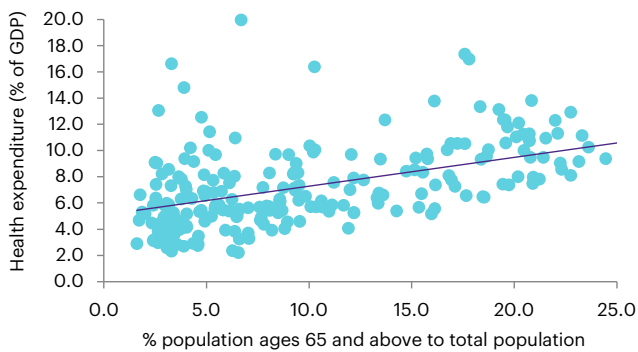
there is no question that healthcare demand will rise, as will the proportionate increase in healthcare expenditure to GDP, forming a long-term driver for the Thai healthcare sector. According to data from the World Health Organization (WHO) in 2021, Thailand’s healthcare spending to GDP was 5.2%, below the world average of 10.4%. Using Japan as a benchmark, where the elderly population (65+) accounts for 30.1% of the total population, its proportion of healthcare spending to GDP is a high 10.8%.

Figure 8: Thailand will become a “super-aged society” in 2034 when the proportion of Thailand’s population aged over 60 will dominate at 28%



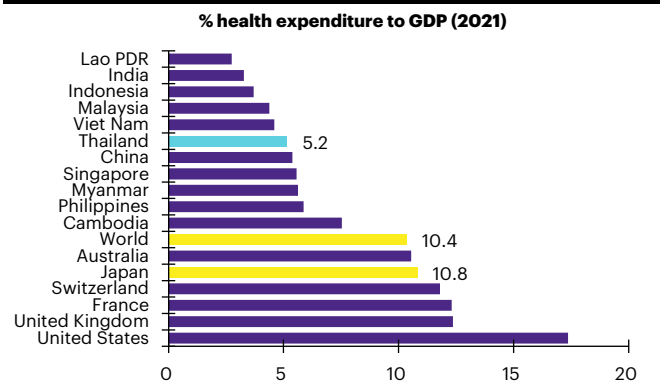
Source: Department of Provincial Administration, Office of the National Economic and Social Development Council and InnovestX Research

Figure 9: A positive correlation between the proportion of elderly to the total population and the percentage of healthcare expenditure to GDP



Source: WHO and InnovestX Research

Figure 10: Thailand has low percentage of healthcare expenditure to GDP



Source: WHO and InnovestX Research

SC service: Short-term overhang on RW>2 payment in 2H24

Overhang on a potential budget shortfall for high-cost care (RW>2). In 2H24, we view private hospitals participating in SC services face an overhang from a potential budget shortfall in 2024 for high-cost care (RW>2). The budget shortfall that cut SC payments for high-cost care (RW>2) in December 2022 and November-December 2023 hurt operations, leading to write-off of revenue that had already been booked in 4Q23 and 2Q24.

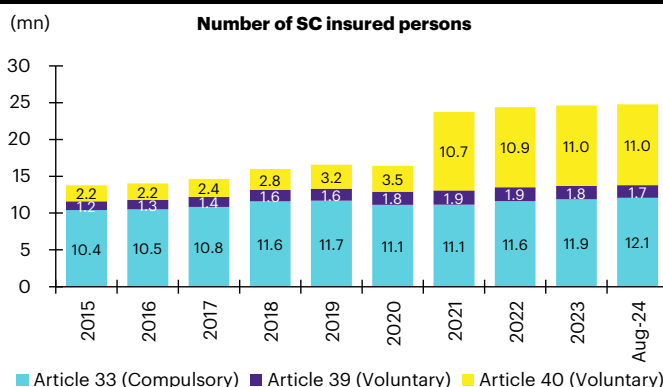
This year, for services provided, BCH, the largest private hospital network providing SC services, received payment at the predetermined rate of Bt12,000/RW through April. It will thus use Bt12,000/RW for 1Q-3Q24 but will conservatively lower the rate used to record SC payment for high-cost care (RW>2) in 4Q24 to Bt7,200/RW (the actual rate for November-December 2023) to counter a potential budget shortfall in 2024. We view this revenue recognition will pull revenue and core earnings down both YoY and QoQ in 4Q24. Our discussions with CHG and RJH show they are keeping the rate used to record SC payment for high-cost care (RW>2) at Bt12,000/RW in 4Q24.

How to mitigate this risk? The benefit and compensation fund for four types of cases (illness, maternity, disability and death) is still increasing after the COVID-19 pandemic. However, BCH says that the annual budget shortfall for high-cost care (RW>2) is due to higher demand than anticipated for medical care. To address this, the private hospitals participating in SC services will work with the Social Security Office to find a solution, perhaps guaranteeing payments to match the increase in demand.

The number of SC insured persons under Articles 33 and 39 (who have benefits for medical treatment) has increased to 13.7mn as of August 2024 from 11.6mn in 2015. Of these, ~30% are served by leading listed private hospitals, while the remainder are served by public and other private hospitals. As private hospitals play a crucial role in handling the care for insured individuals under the SC system, BCH expects a resolution this year before private hospitals sign contracts for 2025 SC services.

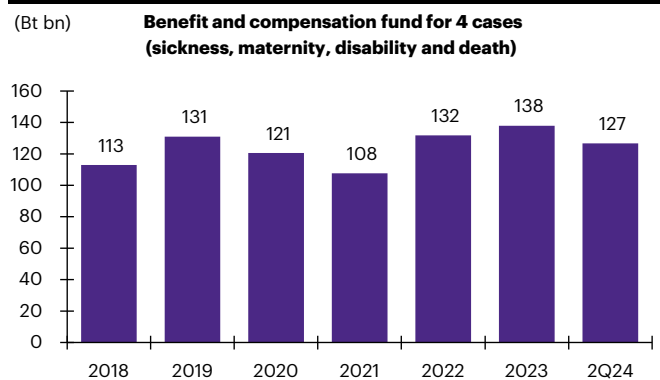
BDMS has limited impact from SC services compared to RJH, BCH and CHG. Amid the overhang until the resolution of the question over the high-cost care (RW>2) payment, we see limited impact on BDMS as SC services account for only ~2% of its revenue, below RJH at 51% of revenue, BCH at 33% and CHG at 29%. In Figure 15, assuming CHG and RJH decide to conservatively lower the rate used to record SC payment for high-cost care (RW>2) in 4Q24 to Bt7,200/RW and lower the average rate to Bt10,800/RW from 2024 onward (which is the assumption we use for BCH), we estimate 5-6% earnings downside in 2024-25.

Figure 11: Growing SC insured persons in Thailand



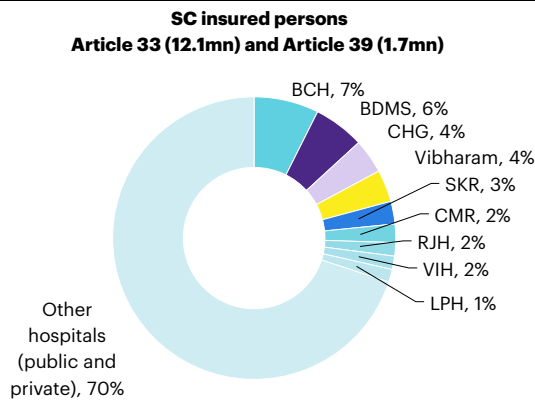
Source: Social Security Office and InnovestX Research
Number of SC insured persons (Article 40) has increased in 2021 since the government provided unemployment assistance during the COVID-19 pandemic.

Figure 12: SC fund is rising after the pandemic



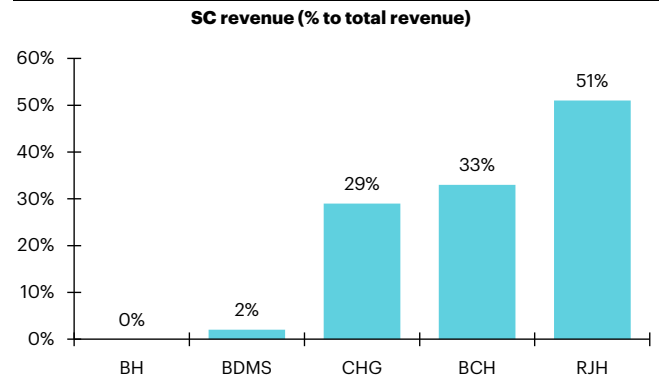
Source: Social Security Office and InnovestX Research

Figure 13: ~30% of SC insured persons are served by leading listed private hospitals



Source: Social Security Office and InnovestX Research

Figure 14: Revenue contribution from SC services



Source: Social Security Office, company data and InnovestX Research

Figure 15: Estimated earnings impact from a lower rate used to record SC payment for high-cost care (RW>2) in 4Q24 to Bt7,200/RW

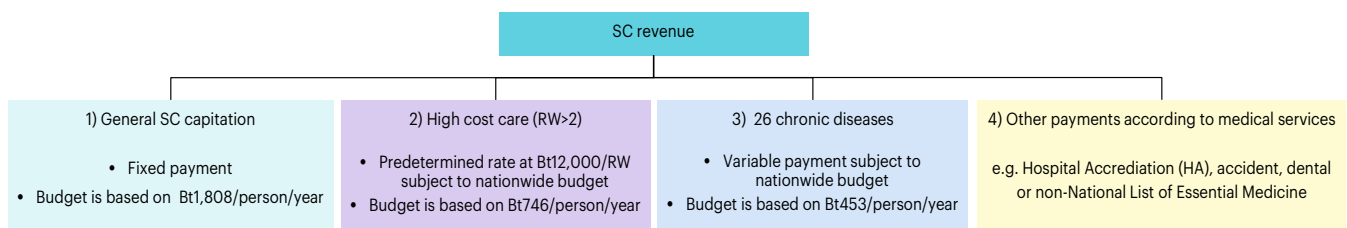
High-cost care actual payment (Bt/RW)	2021	2022	2023	2024
January	12,000	12,000	12,000	12,000
February	12,000	12,000	12,000	12,000
March	12,000	12,000	12,000	12,000
April	12,000	12,000	12,000	12,000
May	12,000	12,000	12,000	12,000
June	12,000	12,000	12,000	12,000
July	12,000	12,000	12,000	12,000
August	12,000	12,000	12,000	12,000
September	12,000	12,000	12,000	12,000
October	12,000	12,000	12,000	7,200 ⁽³⁾
November	12,000	12,000	7,200 ⁽²⁾	7,200 ⁽³⁾
December	12,000	10,000 ⁽¹⁾	7,200 ⁽²⁾	7,200 ⁽³⁾
Annual average rate	12,000	11,833	11,200	10,800
% change from predetermined rate at Bt12,000/RW	0%	-1.4%	-6.7%	-10.0%

Period that actual payment has been reduced	Impact period on PL	Earnings impact (Bt mn)		
		BCH	CHG	RJH
(1) December 2022	4Q23 Actual	(8)	(2)	(3)
(2) November - December 2023	2Q24 Actual	(60)	(42)	(15)
(3) October - December 2024	4Q24 Estimate	(100)	(66)	(23)

% downside to 2024 earnings	Factored into projection	-6%	-5%
% downside to 2025 earnings	Factored into projection	-5%	-5%

Source: InnovestX Research

Figure 16: SC revenue structure by service/payment type



Source: Social Security Office and InnovestX Research

Earnings outlook

3Q24 to be a strong quarter for BDMS and BH. We expect BDMS and BH to deliver record high core earnings in 3Q24 off high revenue, as 3Q is normally the high season for the sector, driven by seasonal illnesses (Thai patient services) and better Thai tourism (international patient services). We expect BDMS' revenue to grow 10% YoY in 3Q24, accelerating from 7% YoY in 2Q24, on strong revenue from international patient services and operations of hospitals in the provinces. We estimate BH's revenue growth at 4% YoY in 3Q24, normalizing from 6% YoY in 1H24, due to lower gain from the price increase (effective price increase was 6% in 1H24, dropping to 4% in 2H24).

In 2H24, SC service will cause earnings volatility for BCH, CHG and RJH and new facilities will pressure CHG and RJH. To counter the potential budget shortfall in 2024 for high-cost care (RW>2), BCH will conservatively lower the rate it uses to record SC payment for high-cost care (RW>2) in 4Q24 to Bt7,200/RW (vs the predetermined rate of Bt12,000/RW which it used to record revenue in 1Q-3Q24). We view this will cut BCH's core earnings YoY and QoQ in 4Q24. CHG and RJH on the other hand, will be pressured by new facilities. Though at this point they are still keeping the rate used to record SC payment for high-cost care (RW>2) at Bt12,000/RW, earnings in 4Q24 will be weaker than our estimate if they decide to lower the rate used to record SC payment for high-cost care (RW>2) in 4Q24.

Figure 17: Earnings momentum in 3Q-4Q24

Core earnings (Bt mn)	3Q23	4Q23	1Q24	2Q24	3Q24F		4Q24F	
					YoY	QoQ	YoY	QoQ
BCH	456	485	326	337	+	+	-	-
					YoY growth driven by new services: Kasemrad Ari Radiation Oncology Center and a mobile dental service, and growing operations at three new hospitals. QoQ growth is due to seasonality.		BCH will conservatively lower its 4Q24 rate for booking SC revenue for high-cost care (RW>2) to Bt7,200/RW from Bt12,000/RW to counter a potential budget shortfall in 2024. This will result in a drop in earnings both YoY and QoQ.	
BDMS	3,890	3,954	4,074	3,335	+	+	+	-
					We expect a record high core profit in 3Q24 driven by high revenue growth of an estimated 10% YoY, accelerating from 7% YoY growth in 2Q24, on stronger revenue from international patient services and operations of hospitals in the provinces. QoQ growth is due to seasonality.		The YoY earnings growth is driven by growing revenue from Thai and international patient service and wider EBITDA margin. The QoQ earnings drop is due to seasonality.	
BH	1,948	1,702	1,975	1,937	+	+	+	-
					We expect a record high core profit but the YoY growth is normalizing. We expect BH's revenue growth at 4% YoY in 3Q24, normalizing from 6% YoY in 1H24 on less gain from the price increase (effective price increase was 6% in 1H24, dropping to 4% in 2H24). QoQ growth is due to high season.		The YoY earnings growth is driven by growing revenue. The QoQ earnings drop is due to low season.	
CHG	326	274	264	235	=	+	=	-
					Growing operations at existing hospitals will be offset by losses at new facilities: Chularat Mae Sot Hospital in Tak and Chularat Medical Center. Therefore, we expect YoY flat earnings. QoQ growth is due to high season.		The QoQ earnings drop is due to seasonality. CHG is maintaining the rate used to record SC payment for high-cost care (RW>2) at Bt12,000/RW in 4Q24. Earnings in 4Q24 will be weaker than our estimate if CHG decides to lower the rate used to record SC payment for high-cost care (RW>2) in 4Q24.	
RJH	121	99	116	133	=	-	=	-
					We expect RJH's core earnings to drag by rising cost of new facilities, Rangsi Raksa Rajthanee Hospital in Ayutthaya (opened in Jan 2024) and Rajthanee Nongkhae Hospital in Saraburi (to open in Oct 2024).		The QoQ earnings drop is due to low season and expected loss at Rajthanee Nongkhae Hospital in Saraburi (to open in Oct 2024). RJH is keeping the rate used to record SC payment for high-cost care (RW>2) at Bt12,000/RW in 4Q24. Earnings in 4Q24 will be weaker than our estimate if the company decides to lower the rate used to record SC payment for high-cost care (RW>2) in 4Q24.	

Source: InnovestX Research

BCH, CHG and BDMS to beat sector average growth in 2024-26. For the longer term, we estimate the sector's core earnings CAGR for 2024-26 at 7%. The outperformers are BCH, CHG and BDMS, with 13% core earnings CAGR for BCH, 11% for CHG and 8% for BDMS in 2024-26. The strong growth for BCH and CHG is off a low earnings base in 2024 and ramping up operations at new hospitals. BDMS' healthy earnings growth is driven by growing revenue and margin expansion. We estimate core earnings CAGR in 2024-26 for BH at 2% and RJH at 3%, below sector average due to pressure from new investments scheduled to open in 2025-26.

Figure 18: Earnings forecast in 2024-26

Core earnings (Bt mn)	2019	2020	2021	2022	2023	2024F	2024F	2026F	% YoY growth			CAGR in 2024-26
									2024F	2025F	2026F	
BCH	1,240	1,262	6,846	4,033	1,492	1,511	1,794	1,929	1	19	8	13
BDMS	9,560	6,037	7,736	12,606	14,375	16,182	17,481	18,747	13	8	7	8
BH	3,748	1,199	1,226	4,941	6,918	7,765	8,151	8,109	12	5	(1)	2
CHG	756	877	4,204	2,778	1,092	1,121	1,276	1,380	3	14	8	11
RJH	396	412	1,012	1,029	420	474	460	502	13	(3)	9	3
Sector average									8	9	6	7

Source: InnovestX Research

Figure 19: INVX earnings forecast vs. consensus

Core earnings (Bt mn)	INVX			Consensus			INVX vs. consensus		
	2024F	2025F	2026F	2024F	2025F	2026F	2024F	2025F	2026F
BCH	1,511	1,794	1,929	1,578	1,804	2,000	-4%	-1%	-4%
BDMS	16,182	17,481	18,747	15,914	17,333	19,158	2%	1%	-2%
BH	7,765	8,151	8,109	7,791	8,327	8,332	0%	-2%	-3%
CHG	1,121	1,276	1,380	1,144	1,314	1,449	-2%	-3%	-5%
RJH	474	460	502	447	439	459	6%	5%	9%

Source: Bloomberg Finance L.P. and InnovestX Research

Investment strategy

We have a positive view and Overweight the healthcare service sector. BDMS (Outperform, TP of Bt36/share) is our top pick as we like: 1) its strong short-term earnings, with record high core earnings expected in 3Q24; 2) healthy earnings for the long-term with an estimated 8% core earnings CAGR for 2024-26 vs. sector average of 7% and direct peer BH's 2% and 3) undemanding valuation: in 3Q24TD, BDMS's share price has risen 12%, in line with the SET's increase. However, it is trading at 29x 2024 PE, which is nearly -2SD of its historical average.

Of SC service plays, a catalyst will be resolution of questions over the high-cost care (RW>2) payment, expected in 4Q24. We prefer BCH (Outperform, TP of Bt21/share).

In 3Q24TD, the prices of SC service plays show a 5% rise in CHG's share price, 1% in BCH and RJH has fallen by 6%, all unperforming the SET and peers BDMS and BH, dragged down by the overhang on the SC service payment. A share price catalyst will be the resolution of the question over payment for high-cost care (RW>2), expected in 4Q24. Of SC service plays, we prefer BCH: 1) it has a stronger earnings growth profile among SC plays, with 13% core earnings CAGR in 2024-26 for BCH vs. 11% for CHG and 3% for RJH, 2) its more conservative revenue recognition for high-cost care (RW>2) that eases the earnings downside that CHG and RJH may face and 3) BCH is trading at 29x 2024PE, nearly -1SD of its historical average.

BDMS and BCH are in SET ESG Ratings with level of AA. This demonstrates significant progress in the disclosure of ESG information, such as ESG risk management data, environmental management policies, environmental performance data and operations related to employees, the community and society through business processes, among other aspects.

Risks and concerns. Risks include; 1) unpredictable events such as another pandemic and disaster that would interrupt patient traffic, 2) a global economic slowdown and geopolitical risk that may cause clients to delay elective medical care and make it inconvenient for international patients to come to Thailand for treatment, 3) slow ramping up of new facilities, 4) intense competition, 5) staff shortages, 6) regulatory risk. We see the main ESG risk as patient safety (S). We note that BCH, BDMS, BH, CHG and RJH each have their own quality assurance system to provide continuous patient care.

Figure 20: BDMS is our top pick

	Rating	End-2024 TP	Investment theme	Valuation	SET ESG ratings
BDMS	Top pick Outperform	Bt36/share DCF (WACC at 7%, long-term growth at 3%)	Record-high core earnings in 3Q24. Healthy growth at 8% core earnings CAGR in 2024-26, above sector average of 7%	BDMS is trading at 29x 2024PE, nearly -2SD of its historical average.	AA
BCH	Outperform	Bt21/share DCF (WACC at 7%, long-term growth at 3%)	Catalyst will be resolution of the high-cost care (RW>2) payment, expected in 4Q24. Strongest earnings growth profile among the SC plays: we expect 13% core earnings CAGR in 2024-26.	BCH is trading at 29x 2024PE, nearly -1SD of its historical average.	AA
CHG	Neutral	Bt2.9/share DCF (WACC at 6.8%, long-term growth at 3%)	Catalyst will be resolution of the high-cost care (RW>2) payment, expected in 4Q24. We expect 11% core earnings CAGR in 2024-26.	CHG is trading at 27x 2024PE, below -1SD of its historical average.	Not included
BH	Neutral	Bt300/share DCF (WACC at 7.1%, long-term growth at 3%)	Record high core earnings in 3Q24. We estimate core earnings CAGR for 2024-26 for BH at 2%, below the sector average due to the pressure from new investment.	BH is trading at 28x 2024PE, nearly -1SD of its historical average.	Not included
RJH	Neutral	Bt28/share DCF (WACC at 6%, long-term growth at 1.5%)	Catalyst will be resolution of the high-cost care (RW>2) payment, expected in 4Q24. We estimate the core earnings CAGR for 2024-26 for RJH at 3%, below the sector average due to the pressure from new investments.	RJH is trading at 15x 2024PE, nearly -1SD of its historical average.	Not included

Source: InnovestX Research

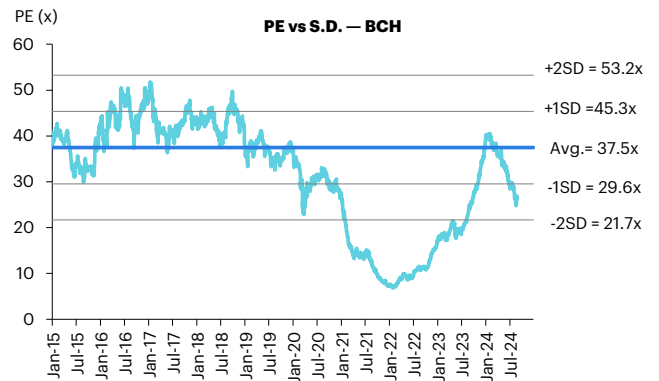
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Figure 21: 3QTD share price performance



Source: SET and InnovestX Research

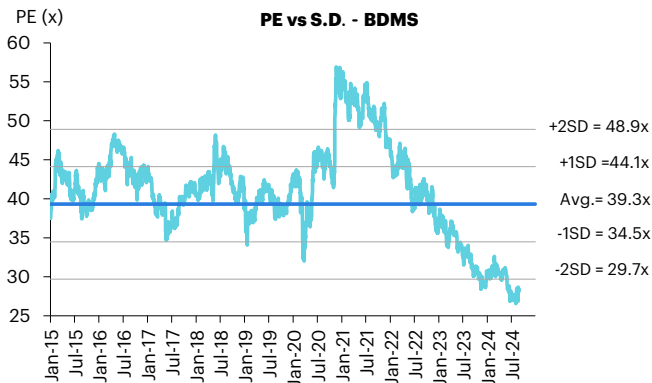
Figure 22: BCH PE band



Source: SET and InnovestX Research

PE band since 2015, excluding 2020-22 which is an exceptional COVID-19 period

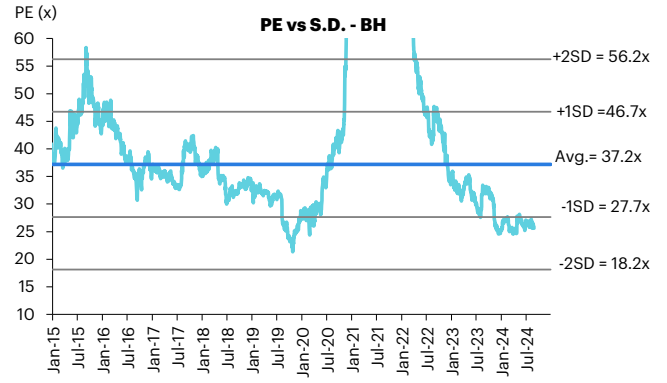
Figure 23: BDMS PE band



Source: SET and InnovestX Research

PE band since 2015, excluding 2020-21 which is an exceptional COVID-19 period

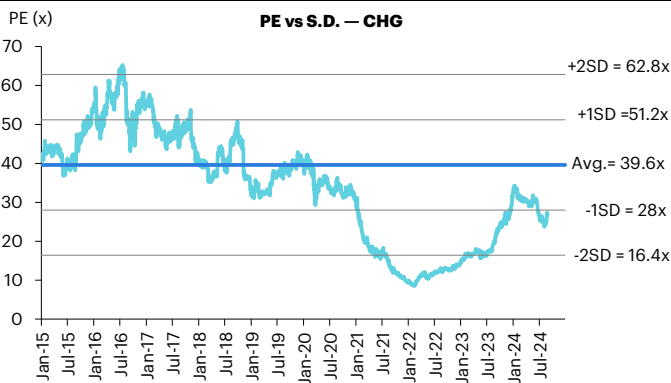
Figure 24: BH PE band



Source: SET and InnovestX Research

PE band since 2015, excluding 2020-21 which is an exceptional COVID-19 period

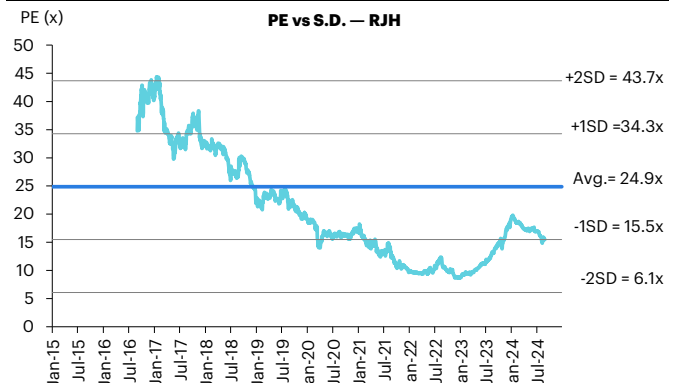
Figure 25: CHG PE band



Source: SET and InnovestX Research

PE band since 2015, excluding 2020-22 which is an exceptional COVID-19 period

Figure 26: RJH PE band



Source: SET and InnovestX Research

PE band since 2015, excluding 2020-22 which is an exceptional COVID-19 period

Figure 27: ESG summary

	BCH	BDMS	BH	CHG	RJH
SET ESG ratings	AA	AA	Not Included	Not Included	Not Included
Bloomberg ESG Financial Materiality Score (2022)	3.58	3.52	5.08	2.67	N/A
Rank in Sector	2/25	3/25	1/25	4/25	N/A
Environmental Issue	<ul style="list-style-type: none"> BCH has an energy conservation goal to reduce energy consumption by 0.3% within 2024 (baseline year 2022) by cooperating with affiliated hospitals to operate energy-saving projects such as installing more Solar rooftops and replacing inefficient equipment with energy-efficient equipment. BCH has a waste reduction goal to reduce waste per patient by 5% within 2024 (baseline year 2022) by cooperating with affiliated hospitals to improve waste management such as encouraging employees to reduce the usage of a single-use package and reduce waste from food. BCH has a water conservation goal to reduce water consumption by 0.3% within 2024 (the baseline year 2022) by cooperating with affiliated hospitals to operate water conservation projects such as replacing water taps with automatic water taps in crowded areas. 	<ul style="list-style-type: none"> BDMS intends to accomplish net zero emissions in 2050. It has adopted circular economy principles on energy and resource management. BDMS has set direction and sustainability goals in 2050 to increase the recycling of non-hazardous waste to 50% while promoting plastic container recycling and the use of biodegradable containers. In 2023, it utilized 24.46% of its non-hazardous waste. In the medium term, by 2030, BDMS targets reducing greenhouse gas emissions by at least 30% from the base year of 2022. In 2023, the company cut greenhouse gas emissions 24.05% from the base year of 2022. We believe that BDMS' environmental plans will improve energy efficiency and minimize the environmental impact of its business activities through better design processes, management, clean energy, and high-efficiency equipment and technology. 	<ul style="list-style-type: none"> BH has calculated its Greenhouse Gas (GHG) emissions (Scope 1, 2 and 3) or its carbon footprint and in 2023 reported these for the first time. In 2023, total GHG emissions was 33,686 tonCO₂e (increased from 31,824 tonCO₂e in 2022). However, GHG emissions intensity fell to 1.34 tonCO₂e per revenue of Bt1mn (from 1.55 in 2022). BH has efficiently carried out water flow reduction assessments in which a team examined multiple options - from changing sinks to redesigning heating, ventilation and air conditioning (HVAC) systems - to reduce water usage. In 2023, water consumption intensity was 21.68 m³ per million Baht revenue (down from 23.27 in 2022) BH seeks to minimize its use of products and processes that generate regulated medical waste (RMW) and find alternatives where possible. Additionally, to decrease the environmental footprint of processing RMW, it sterilizes a portion of it in-house at the hospital. 	<ul style="list-style-type: none"> In order to increase the efficiency of electricity consumption and the project for efficient use of electricity, CHG has regularly examined and maintained the tools and equipment related to electricity. Based on the recent data in 2022, electricity intensity was 97.06 kilowatt-hours, similar to that of 2019 and 0.0017 kilowatt-hours per revenue (Bt1mn) in line with the set goals. CHG has determined and set a systematic waste management within the hospital in accordance with the environmental management standards. Based on the recent data in 2022, waste intensity was 10.38 kilograms per inpatient day and 0.00019 kilograms per revenue (Bt1mn) that was better than its target of not more than 10.5 kilograms per inpatient day and 0.00019 kilograms per revenue (Bt1mn) CHG has continued organizing water-saving projects and activities in hospital, with an annual follow-up and assessment. Based on the recent data in 2022, CHG had total water consumption of 70,379 cbm, down 11.28% YoY, driven by water-saving measures and guidelines. 	<ul style="list-style-type: none"> Wastewater treatment: Wastewater from the hospitals is treated until its quality meets standards before disposing to water resources outside the hospitals. Hazardous material and waste management: RJH has measures of waste sorting, wearing personal protection, procedures for spills of hazardous materials as well as route maps and schedules for waste transportation.
Social Issue We see the main ESG risk as patient safety (S). We note that BCH, BDMS, BH, CHG and RJH each have their own quality assurance system to provide continuous patient care.	<ul style="list-style-type: none"> BCH puts patient safety first. It has established a policy to control the quality of services that is consistent with both national and international standards, such as Hospital Accreditation (HA) and Joint commission International (JCI). There are also guidelines for continuous and regular improvement. In 2023, average employee training hours was 9.5 hours per person, higher than 7.6 hours per person in 2022 and above its goal of at least 6 hours per person. The data regarding employee engagement is only from the World Medical Hospital. In 2023, employee engagement score was 70%, reaching its target and better than 68.3% in 2022. 	<ul style="list-style-type: none"> In 2023, BDMS Medical Affairs Office set up BDMS Mandatory Courses. These courses encompass the group's Code of Conduct and good practices for physicians and dentists, including PDPA, informed consent, and other relevant laws to ensure physician awareness of insured patients as well as to communicate and foster an understanding of correct medical practices. BDMS set up a Quality Improvement and Patient Safety Plan Procedure to enhance the satisfaction and convenience of clients, employees and physicians, ensuring the wellbeing and trust of patients, including their family members. This handbook also includes assessment and adjustment of the corporate governance structure and management in line with JCI, HA standards and other related regulations. Performance must be reported at a minimum on a quarterly basis to the appropriate committee. 	<ul style="list-style-type: none"> BH follows the operational standards of Joint Commission International (JCI), which are considered the highest arbiter of hospital quality and safety standards, applied equally to health facilities in Europe and the United States. BH has improved HR management processes and adopted technologies to its work. In 2023, average training hours per employee per year was 72.43, up from 55.58 hours in 2022. 	<ul style="list-style-type: none"> CHG is focusing on international hospital quality standards of Joint Commission International (JCI), and local hospital quality standards of The Healthcare Accreditation Institute (HA). In 2023, CHG had zero occupational fatalities, zero severe work-related injury rate, zero loss time injury frequency rate (LTIFR) and zero occupational fatality from illness rate, achieving its goals. CHG has established a policy on personnel training and development in various forms. In 2023, average training was 41 hours/person/year, above a target of 18 hours/person/year. 	<ul style="list-style-type: none"> RJH pays attention to safety measures to minimize risks that could be harmful to patients' and staff's health. RJH has certified occupational safety staffs to monitor and give advice on safety measures.

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	BCH	BDMS	BH	CHG	RJH
Governance Issue	<ul style="list-style-type: none"> BCH's operation guideline considers stakeholders across the value chain, from upstream to downstream. This will help increase opportunities, reduce risks and improve competitive capabilities. Its goal is 100% of business partners acknowledge supplier code of conduct through BCH website within 2024. BCH has established anti-corruption policy, anti-corruption handbook and whistleblowing and complaint policy to the Board of Directors, Executive Directors and employees for their acknowledgement and strict adherence. As of 31 December 2023, BCH has 12 members of the Board of Director, including 7 Executive Directors and, 5 Non-Executive Director. 4 of Non-Executive Directors are Independent Directors (33.33% of all directors). The chairman is not an independent director. Major shareholders control ~50% of total issued and paid-up shares. 	<ul style="list-style-type: none"> BDMS Board of Directors has set up a corporate governance policy for executives, committee members and employees as operational guidelines. BDMS appointed a standardization and compliance committee to ensure all subsidiary hospitals operate in line with quality policies, patient safety plans and corporate strategy. In 2023, BDMS reviewed the Supplier Code of Conduct in the area of labor practices, non-discrimination and anti-harassment in the organization. In addition, it adheres to strict business integrity as well as ensuring green procurement and management to enable continued development throughout the supply chain. The company additionally does follow-up on supplier performance through an evaluation system to ensure compliance with the Supplier Code of Conduct. As of December 31, 2023, there were 15 directors in total, consisting of 7 executive directors (47% of all directors), 2 non-executive directors (13% of all directors) and 6 independent directors (40% of all directors). The chairman is an independent director. Major shareholders control ~20% of total issued and paid-up shares. 	<ul style="list-style-type: none"> BH has assigned a patient experience management working team to establish and monitor systematically, its customer relationship management practices. Customer retention rate was 97.4% in 2023. BH enforces a procurement policy that includes supply chain risk assessment. This aims to ensure procurement process transparency in accordance with international standards and regulations related to product and service quality, minimize supply sourcing risks and to prevent environmental and societal risks. As of December 31, 2023, there are 11 directors, consisting of five independent directors equal to 45.5% of the total number of directors. The chairman is not an independent director. Major shareholders control ~30% of total issued and paid-up shares. 	<ul style="list-style-type: none"> CHG provides all employees with the Personal Data Protection Act (PDPA) training and for better understanding the right to access the customers' personal information, including examination after the training session. CHG has established a plan to develop products and services that continuously respond to the changing needs of customers. This is to create opportunities to expand the customer base and promote long-term business growth. In 2022, the customer satisfaction rating was at 88%, meeting the target. On November 10, 2023, the Securities and Exchange Commission (SEC) announced civil penalties against Dr. Kumpol Plussind, Chief Executive Officer (CEO), for buying CHG's shares by using inside information. Dr. Kumpol Plussind has resigned from his position as CEO and Director, effective November 10, 2023. As of December 31, 2023, there are 12 directors, four of whom are independent directors, or 33.33% of the board. The chairman is not an independent director. Major shareholders control 37.48% of total issued and paid-up shares. 	<ul style="list-style-type: none"> RJH has a policy to act against corruption by providing written a guideline which is specified in the document "Rules and regulations in the operation of the hospital" and communicated to the directors, executives and employees for acknowledgment and implementation. As of December 31, 2023, there are 9 directors, 3 of whom are independent directors, or 33.33% of the board. The chairman is an independent director. Major shareholders control 24.93% of total issued and paid-up shares.

Source: Company data and InnovestX Research

Figure 28: Regional valuation comparison

Company name	Country	Mkt Cap (US\$ mn)	PE (x)			EPS Growth (%)			PBV (x)			Div. Yield (%)			ROE (%)			EV/EBITDA (x)		
			24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F
Bangkok Chain Hospital *	Thailand	1,300	28.5	24.1	22.4	1.3	18.7	7.5	3.3	3.1	3.0	2.1	2.6	2.8	10.8	12.2	12.5	14.3	12.2	11.2
Bangkok Dusit Medical*	Thailand	14,365	29.5	27.3	25.4	12.6	8.0	7.2	4.8	4.6	4.5	2.6	2.8	3.0	16.1	16.7	17.2	17.7	16.5	15.5
Bumrungrad Hospital*	Thailand	6,491	27.7	26.4	26.6	12.2	5.0	(0.5)	7.7	6.7	6.0	1.8	1.9	1.9	29.6	26.8	23.5	18.4	17.3	17.0
Chularat Hospital*	Thailand	908	26.9	23.6	21.8	2.6	13.9	8.1	3.8	3.6	3.4	2.5	3.0	3.2	13.8	15.0	15.3	15.3	13.4	12.4
Rajthanee Hospital *	Thailand	209	14.7	15.1	13.9	13.0	(2.9)	9.0	3.2	3.1	3.0	5.6	5.6	6.1	19.8	18.5	19.4	10.4	10.2	9.5
Praram 9 Hospital	Thailand	507	26.0	23.2	21.0	16.1	11.8	10.4	3.1	2.9	2.7	1.8	2.1	2.3	12.3	12.6	12.9	14.6	13.4	12.5
Vibhavadi Medical Center	Thailand	894	31.4	27.5	31.4	9.9	14.3	(12.5)	2.3	2.3	2.2	2.3	2.3	2.3	7.6	7.8	7.4	17.8	17.1	17.2
KPJ Healthcare Bhd	Malaysia	2,186	32.5	28.5	26.0	7.6	13.8	9.5	3.6	3.5	3.2	1.7	1.8	2.0	11.7	12.3	12.9	14.8	13.8	12.8
IHH Healthcare Bhd	Malaysia	14,950	33.7	31.2	28.6	(36.8)	8.0	9.2	2.0	1.9	1.9	1.3	1.3	1.4	6.5	6.5	7.1	14.6	13.7	12.7
Raffles Medical Group	Singapore	1,313	24.7	23.5	21.3	(23.7)	5.4	10.3	1.6	1.6	1.5	2.5	2.6	2.2	6.6	6.9	7.4	11.9	11.1	10.2
Apollo Hospitals Enterpris	India	12,083	76.4	54.9	41.8	50.6	39.1	31.2	12.8	10.6	8.7	0.2	0.2	0.3	17.7	20.6	21.9	36.5	29.0	23.5
Ramsay Health Care	Australia	6,322	20.9	25.3	19.7	(39.2)	(17.2)	28.5	1.8	1.8	1.7	2.1	2.5	3.2	6.4	7.6	9.0	9.2	8.7	8.0
Ryman Healthcare	New Zealand	1,957	17.3	11.2	9.7	103.3	54.6	14.9	0.7	0.6	0.6	n.a	n.a	n.a	6.9	6.5	6.4	18.2	17.8	13.1
Average			30.0	26.3	23.8	10.0	13.3	10.2	3.9	3.6	3.3	2.2	2.4	2.6	12.7	13.1	13.3	16.4	14.9	13.5

Source: Bloomberg Finance L.P. and InnovestX Research

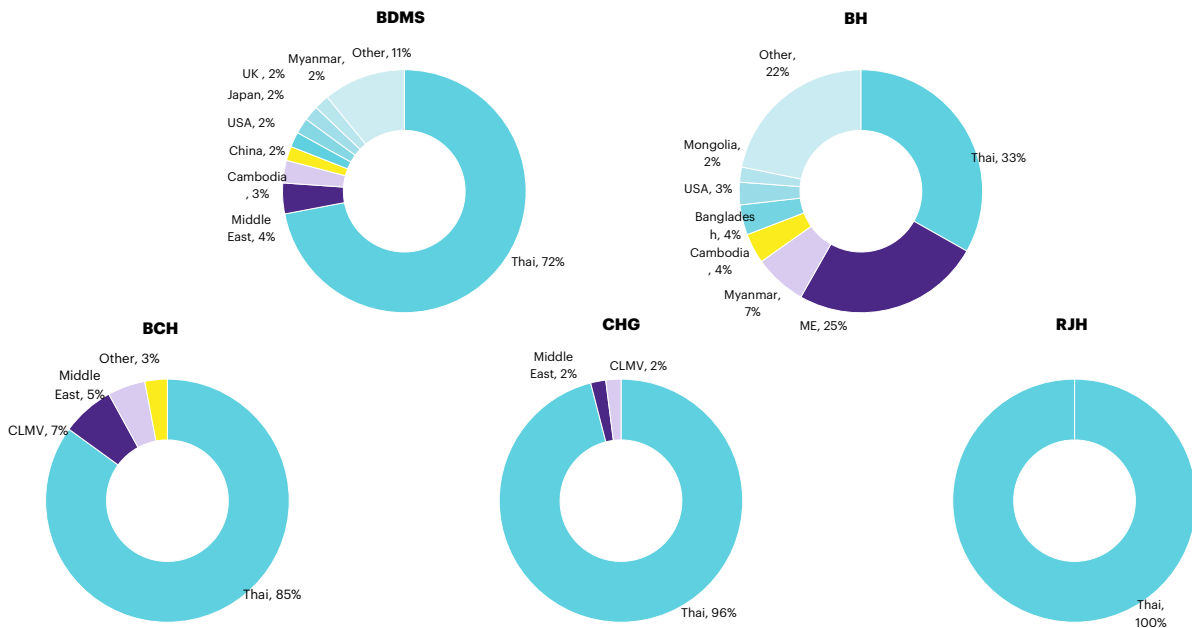
Figure 29: Valuation summary (Price as of Sep 19, 2024)

Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)			
				23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	
BCH	Outperform	17.30	21.0	23.5	28.9	28.5	24.1	(63.0)	1.3	18.7	3.4	3.3	3.1	11	11	12	2.0	2.1	2.6	14.6	14.3	12.2
BDMS	Outperform	30.00	36.0	22.6	33.2	29.5	27.3	14.0	12.6	8.0	5.0	4.8	4.6	15	16	17	2.3	2.6	2.8	19.5	17.7	16.5
BH	Neutral	271.00	300.0	12.5	31.1	27.7	26.4	40.0	12.2	5.0	9.1	7.7	6.7	31	30	27	1.7	1.8	1.9	21.9	18.4	17.3
CHG	Neutral	2.74	2.9	8.3	27.6	26.9	23.6	(60.7)	2.6	13.9	4.0	3.8	3.6	14	14	15	2.6	2.5	3.0	16.0	15.3	13.4
RJH	Neutral	23.20	28.0	26.3	16.6	14.7	15.1	(59.3)	13.0	(2.9)	3.4	3.2	3.1	18	20	18	5.2	5.6	5.6	11.3	10.4	10.2
Average				27.5	25.5	23.3	(25.8)	8.3	8.5	5.4	4.9	4.5	18	18	18	2.1	2.3	2.6	18.0	16.5	14.8	

Source: InnovestX Research

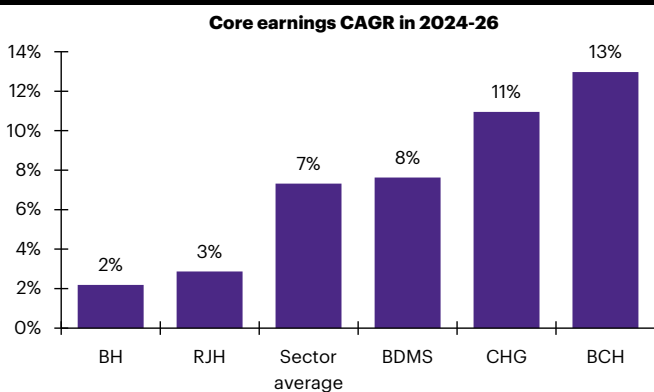
Appendix

Figure 30: Revenue breakdown by nationality in 1H24



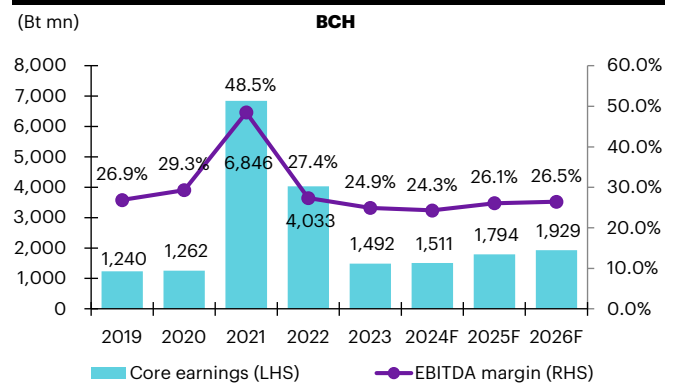
Source: Company data and InnovestX Research

Figure 31: Core earnings CAGR in 2024-26



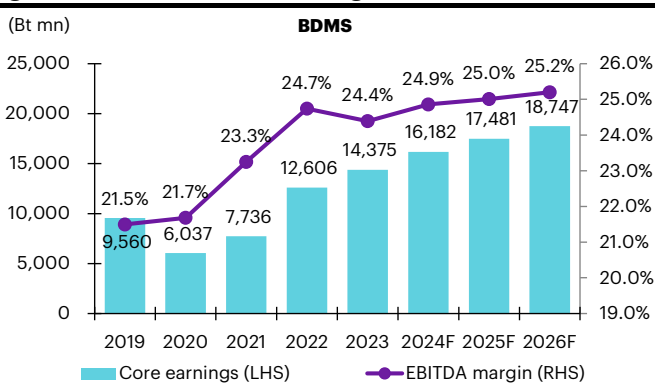
Source: InnovestX Research

Figure 32: BCH's core earnings forecast



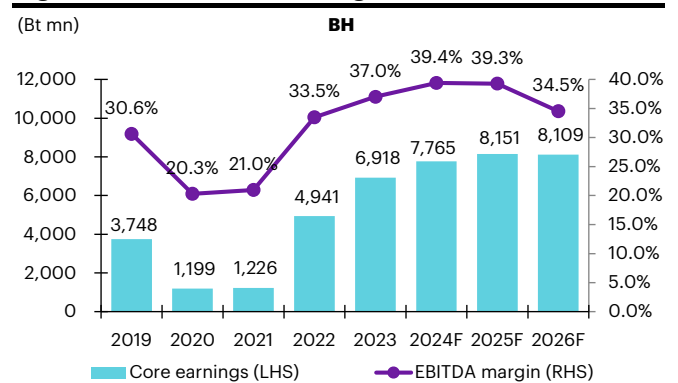
Source: InnovestX Research

Figure 33: BDMS' core earnings forecast

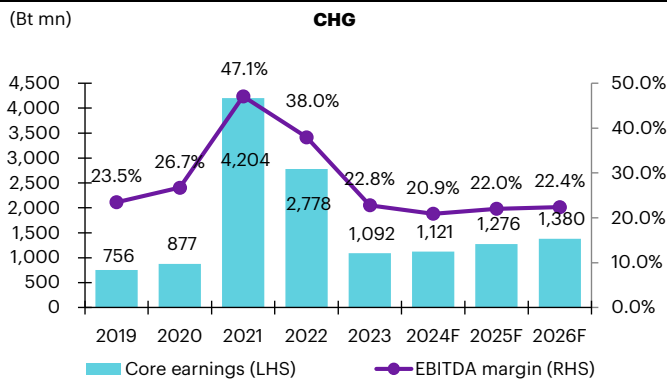


Source: InnovestX Research

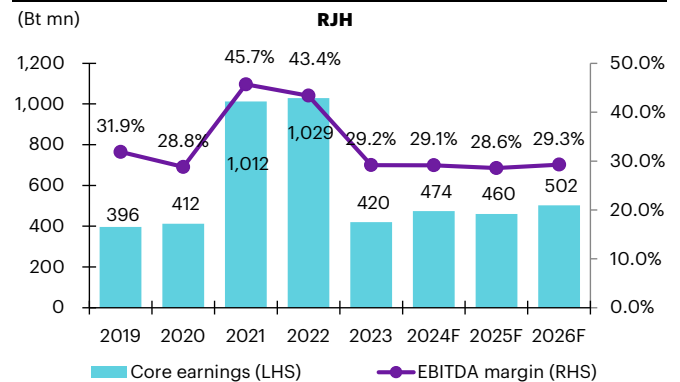
Figure 34: BH's core earnings forecast



Source: InnovestX Research

Figure 35: CHG's core earnings forecast


Source: InnovestX Research

Figure 36: RJH's core earnings


Source: InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, IIL, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITCL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTGCG, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCG, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BSRC, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

The material contained in this publication is for general information only and is not intended as advice on any of the matters discussed herein. Readers and others should perform their own independent analysis as to the accuracy or completeness or legality of such information. The Thai Institute of Directors, its officers, the authors and editor make no representation or warranty as to the accuracy, completeness or legality of any of the information contained herein. By accepting this document, each recipient agrees that the Thai Institute of Directors Association, its officers, the authors and editor shall not have any liability for any information contained in, or for any omission from, this publication.

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. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้สัมฤทธิ์ผล)

2S, AAI, ADB, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, ASW, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRI, BRR, BSBM, BTC, BTG, BTS, BWG, CBG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CI, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CREDIT, CSC, DCC, DELTA, DEMCO, DIMET, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ETC, ETE, FNS, FPI, FPT, FSMART, FSX, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOBAL, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HEALTH, HENG, HMPRO, HTC, ICC, ICHI, IFS, IIL, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JR, JTS, KASET, KBANK, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, MEGA, MENA, META, MFC, MFEC, MILL, MINT, MODERN, MONO, MOONG, MSC, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, OSP, PAP, PATO, PB, PCSGH, PDG, PETA, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPM, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTGCG, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RBF, RML, RS, RWI, S&J, SA, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCB, SCC, SCCG, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SENX, SFLEX, SGC, SGP, SIRI, SITHAI, SKR, SM, SMIT, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SVOA, SVT, SYMC, SYNTEC, TAE, TANUNI, TASCOC, TCAP, TCMC, TEGH, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCOC, TIPH, TISCO, TKN, TKS, TKT, TMD, TYML, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TPLAS, TRT, TRU, TRUE, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TURTLE, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UPF, UV, VCOM, VGI, VIBHA, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

ACE, ADVICE, ALT, AMARIN, AMC, ANI, APCO, B52, BLAND, BPS, BYD, CAZ, CHASE, CHG, CV, DEXON, DITTO, ECL, EKH, EVER, FLOYD, GREEN, HL, HUMAN, ICN, IHL, IP, ITC, JDF, JMART, K, KJL, LDC, LH, LIT, MITSIB, MJD, MOSHI, NER, NEX, PLE, PLUS, POLY, PQS, PRI, PRIME, PROEN, PROUD, PRTR, PTC, RT, S, SANKO, SAWAD, SCAP, SCGD, SFT, SHR, SINGER, SINO, SIS, SJWD, SKE, SNNP, SOLAR, SONIC, SUPER, TBN, TMI, TPAC, TPP, TQM, UREKA, VNG, WELL, WIN, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALUCON, AMARC, AMR, ANAN, AOT, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BR, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DOD, DPAINT, DTCENT, DTCL, DV8, EASON, EE, EFORL, EMC, ESTAR, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HFT, HPT, HTECH, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IRC, IRCP, IT, ITD, ITNS, ITTHI, J, JAK, JCK, JCKH, JCT, JKN, JMT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KK, KKC, KLINIQU, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, METCO, MGC, MGI, MGT, MICRO, MIDA, MK, ML, MORE, MST, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PCE, PEACE, PEER, PERM, PF, PHG, PICO, PIN, PJW, PLT, PMC, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PRO, PSG, PSP, PTL, QTCG, RAM, RCL, READY, RICHY, RUH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWANG, SBNEXT, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMC, SMT, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVR, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPLY, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, THI, TTT, TTW, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQU, UOBKH, UP, UPOIC, UTP, UVAN, VARO, VL, VPO, VRANDA, W, WARRIX, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 30, 2024) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.