

16 MAY 2024

EQUITY RESEARCH – RESULTS FLASH

# MASTER STYLE MASTER TB

THAILAND / SERVICES

**FINANSIA**  
 FSS INTERNATIONAL INVESTMENT ADVISORY

**BUY**  
 UNCHANGED

## 1Q24 results at first glance

TARGET PRICE	THB82.00
CLOSE	THB57.75
UP/DOWNSIDE	+42.0%
TP vs CONSENSUS	+7.4%

### 1Q24 net profit plunged q-q, in line with consensus estimate

#### Highlights

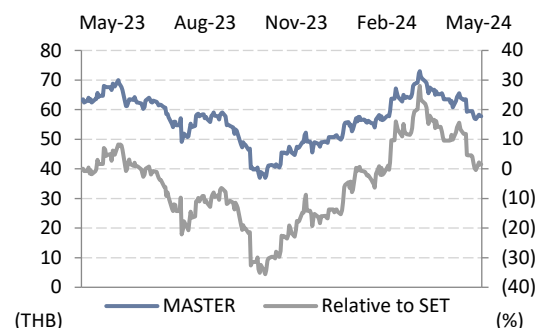
- MASTER posted a 1Q24 net profit of THB106m (-35% q-q, +49% y-y). The q-q decline was from seasonality, as 4Q is typically the high season for its business. Meanwhile, the y-y profit growth was due to a significantly lower base in 1Q23 and an increase in operating rooms from 7 to 17.
- 1Q24 total revenue dropped by 13.7% q-q but grew by 7.4% y-y. MASTER had 11,386 operating hours (-21% q-q, +6% y-y), resulting in a utilisation rate of 60.1%, down from 73.8% in 4Q23.
- The gross margin decreased to 58.5% from 63.6% in 4Q23, but slightly increased from 58.2% in 1Q23. The decline in gross margin on a q-q basis came from lower total revenue, despite high fixed costs, such as personnel expenses and depreciation.
- The SG&A expenses remained high, partly due to increased investment-related costs, but with the change in revenue, 1Q24 SG&A-to-sales equaled 34.3%, up from 28.3% in 4Q23 but down from 37.2% in 1Q23.
- MASTER's share of profits from associated companies increased to THB10m in 1Q24, up from THB5m in 4Q23. This was delivered from six companies, with four contributing profits and two incurring minimal losses.

#### Outlook

- MASTER's 1Q24 net profit and share of profit accounted for 17% and 8% of our full-year estimates, respectively.
- We anticipate that 2Q24 net profit will return to growth both q-q and y-y, supported by a recovery in revenue from Masterpiece Hospital. Moreover, the share of profits from associated companies should recover and accelerate.

#### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,917	2,326	2,556	2,861
Net profit	416	621	685	763
EPS (THB)	1.58	2.35	2.60	2.89
vs Consensus (%)	-	19.2	10.9	6.4
EBITDA	586	719	800	902
Recurring net profit	416	621	685	763
Core EPS (THB)	1.58	2.35	2.60	2.89
EPS growth (%)	(2.2)	49.2	10.3	11.3
Core P/E (x)	36.6	24.5	22.2	20.0
Dividend yield (%)	0.5	1.2	-	-
EV/EBITDA (x)	25.4	21.2	18.8	16.3
Price/book (x)	5.1	4.5	4.0	3.6
Net debt/Equity (%)	(11.1)	(0.1)	(5.7)	(12.6)
ROE (%)	24.5	19.4	18.9	18.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(9.1)	2.3	(9.0)
Relative to country (%)	(7.3)	3.6	2.4
Mkt cap (USD m)	477		
3m avg. daily turnover (USD m)	3.3		
Free float (%)	0		
Major shareholder	Maschamadol family (68%)		
12m high/low (THB)	74.00/36.31		
Issued shares (m)	264.00		

Sources: Bloomberg consensus; FSSIA estimates



#### Sureeporn Teewasuwet

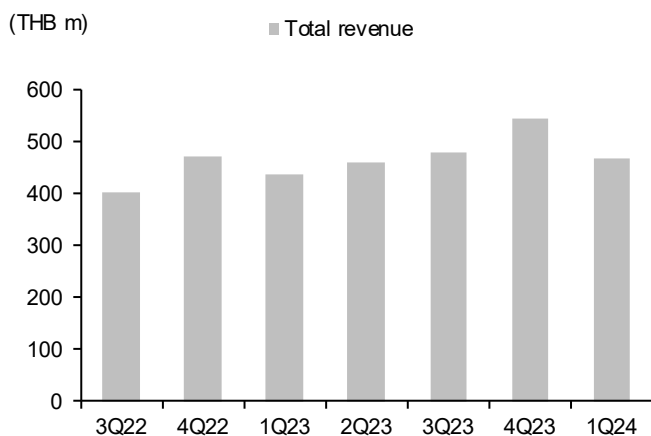
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**Exhibit 1: MASTER – 1Q24 results summary**

	1Q23	2Q23	3Q23	4Q23	1Q24	----- Change -----		2024E	Change	% 1Q24
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	to 2024E
Sales	436	459	479	543	468	(13.7)	7.4	2,326	21.4	20.1
Cost of sales	182	204	200	198	194	(1.8)	6.5	949	20.9	20.5
Gross profit	253	255	279	345	274	(20.6)	8.1	1,377	21.7	19.9
SG&A	162	158	160	154	160	4.3	(1.2)	768	21.1	20.9
Operating profit	94	106	128	197	122	(37.8)	30.8	642	22.3	19.1
Profit sharing	0	0	0	5	10	110.8	nm	125	2521.1	8.0
Interest expense	3	4	4	3	3	1.8	(3.0)	15	6.2	23.0
Tax expense	19	21	25	40	23	(41.5)	26.5	136	30.2	17.2
Reported net profit	72	81	100	164	106	(35.0)	48.5	621	49.2	17.1
Core profit	72	81	100	164	106	(35.0)	48.5	621	49.2	17.1
<b>Key Ratios (%)</b>						<b>(ppt)</b>	<b>(ppt)</b>			
Gross margin	58.2	55.5	58.2	63.6	58.5	(5.1)	0.4	59.2	0.1	
SG&A to sales	37.2	34.3	33.5	28.3	34.3	5.9	(3.0)	33.0	(0.1)	
Operating margin	21.5	23.1	26.8	36.3	26.2	(10.1)	4.7	27.6	0.2	
Net margin	16.4	17.7	20.8	30.1	22.7	(7.4)	6.3	26.7	5.0	
Core margin	16.4	17.7	20.8	30.1	22.7	(7.4)	6.3	26.7	5.0	
<b>Operating Statistics</b>										
Total OR rooms (no.)	7	7	17	17	17			17	0.0	
Operating hours (hours)	10,752	11,975	12,587	14,316	11,386	(20.5)	5.9	58,079	17.0	19.6
Utilisation rate (%)	94.8	81.3	64.9	73.8	60.1			72.0	(5.9)	
<b>Revenue breakdown (THB m)</b>										
Surgery	340	364	387	462	375	(18.7)	10.4	1,908	22.9	19.7
Skin	42	34	33	27	27	(1.2)	(36.4)	161	18.5	16.6
Hair treatment	28	32	31	24	27	13.2	(2.1)	136	18.5	20.0
Aftercare	18	18	17	17	29	66.4	59.2	75	8.2	37.8
Other	8	11	11	13	11	(16.7)	26.5	46	5.0	23.0
<b>Revenue proportion (%)</b>										
Surgery	78.0	79.2	80.8	85.1	80.2	(5.0)	2.2	82.0	1.0	(81.0)
Skin	9.6	7.5	6.8	5.0	5.7	0.7	(3.9)	6.9	(0.2)	(7.1)
Hair treatment	6.4	6.9	6.5	4.4	5.8	1.4	(0.6)	5.9	(0.1)	(6.0)
Aftercare	4.1	3.9	3.5	3.2	6.1	2.9	2.0	3.2	(0.4)	(3.6)
Other	1.9	2.4	2.4	2.3	2.2	(0.1)	0.3	2.0	(0.3)	(2.3)

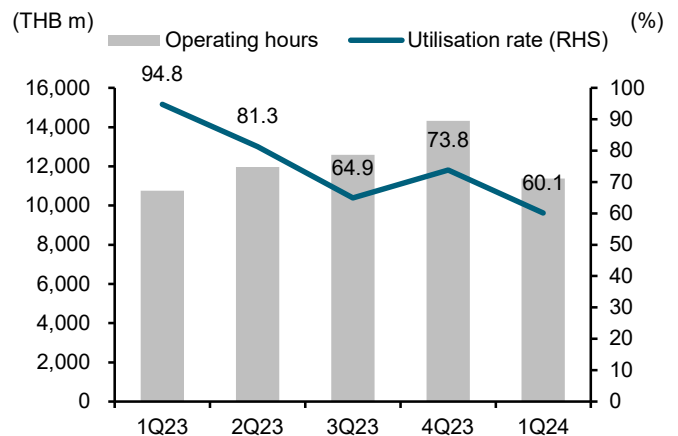
Sources: MASTER; FSSIA's compilation

**Exhibit 2: Total revenue**



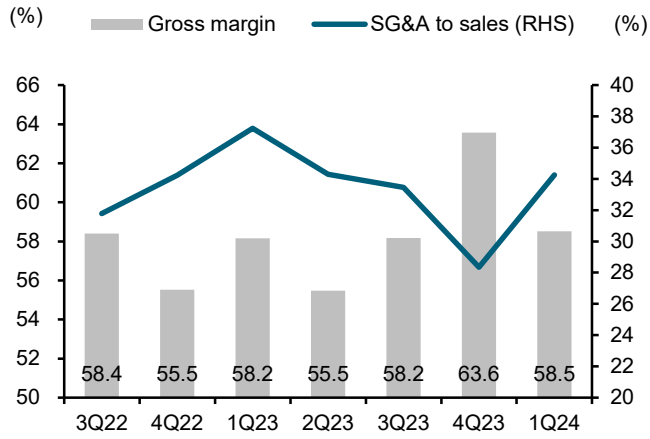
Source: MASTER

**Exhibit 3: Operating hours and utilisation rate**



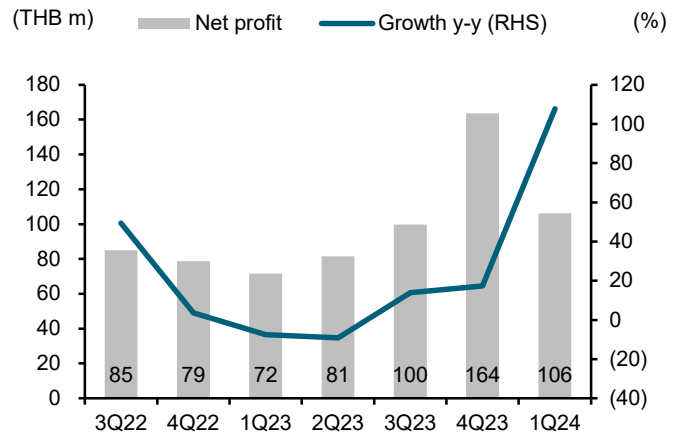
Source: MASTER

**Exhibit 4: Gross margin and SG&A to sales**



Source: MASTER

**Exhibit 5: Net profit and growth**



Source: MASTER

## Financial Statements

### Master Style

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	1,483	1,917	2,326	2,556	2,861
Cost of goods sold	(641)	(785)	(949)	(1,038)	(1,159)
<b>Gross profit</b>	<b>841</b>	<b>1,132</b>	<b>1,377</b>	<b>1,518</b>	<b>1,702</b>
Other operating income	8	27	33	33	37
Operating costs	(463)	(634)	(768)	(844)	(944)
<b>Operating EBITDA</b>	<b>422</b>	<b>586</b>	<b>719</b>	<b>800</b>	<b>902</b>
Depreciation	(35)	(62)	(77)	(92)	(107)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>386</b>	<b>525</b>	<b>642</b>	<b>708</b>	<b>795</b>
Net financing costs	(4)	(9)	(9)	(9)	(9)
Associates	0	5	125	137	144
Recurring non-operating income	0	5	125	137	144
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>383</b>	<b>521</b>	<b>758</b>	<b>836</b>	<b>930</b>
Tax	(76)	(105)	(136)	(150)	(167)
<b>Profit after tax</b>	<b>306</b>	<b>416</b>	<b>621</b>	<b>685</b>	<b>763</b>
Minority interests	-	-	-	-	-
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>306</b>	<b>416</b>	<b>621</b>	<b>685</b>	<b>763</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>306</b>	<b>416</b>	<b>621</b>	<b>685</b>	<b>763</b>
<b>Per share (THB)</b>					
Recurring EPS *	1.61	1.58	2.35	2.60	2.89
Reported EPS	1.61	1.58	2.35	2.60	2.89
DPS	0.30	0.27	0.71	0.00	0.00
Diluted shares (used to calculate per share data)	190	264	264	264	264
<b>Growth</b>					
Revenue (%)	124.8	29.3	21.4	9.9	11.9
Operating EBITDA (%)	73.9	39.1	22.5	11.3	12.8
Operating EBIT (%)	82.7	35.9	22.3	10.3	12.3
Recurring EPS (%)	0.0	(2.2)	49.2	10.3	11.3
Reported EPS (%)	0.0	(2.2)	49.2	10.3	11.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	56.7	59.1	59.2	59.4	59.5
Gross margin exc. depreciation (%)	59.1	62.3	62.5	63.0	63.2
Operating EBITDA margin (%)	28.4	30.6	30.9	31.3	31.5
Operating EBIT margin (%)	26.1	27.4	27.6	27.7	27.8
Net margin (%)	20.7	21.7	26.7	26.8	26.7
Effective tax rate (%)	19.9	20.1	18.0	18.0	18.0
Dividend payout on recurring profit (%)	18.6	17.0	30.0	-	-
Interest cover (X)	102.2	62.2	81.8	90.8	101.7
Inventory days	26.8	41.1	42.8	42.0	41.8
Debtor days	0.9	1.1	1.1	1.0	0.9
Creditor days	34.7	64.9	62.6	47.2	47.0
Operating ROIC (%)	115.1	37.7	33.0	43.0	46.8
ROIC (%)	82.1	25.8	20.2	19.2	20.4
ROE (%)	107.4	24.5	19.4	18.9	18.8
ROA (%)	40.0	18.5	16.4	16.3	16.3
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Surgery	1,194	1,553	1,908	2,087	2,337
Skin	106	136	161	185	210
Hair treatment	90	115	136	154	175
Aftercare	62	70	75	82	88

Sources: Master Style; FSSIA estimates

## Financial Statements

### Master Style

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	306	416	621	685	763
Depreciation	35	62	77	92	107
Associates & minorities	0	0	0	0	0
Other non-cash items	0	(5)	(125)	(137)	(144)
Change in working capital	(100)	74	(38)	18	9
<b>Cash flow from operations</b>	<b>242</b>	<b>547</b>	<b>534</b>	<b>658</b>	<b>735</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(413)	(2,179)	(673)	(171)	(107)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(413)</b>	<b>(2,179)</b>	<b>(673)</b>	<b>(171)</b>	<b>(107)</b>
Dividends paid	(263)	(99)	(189)	(274)	(305)
Equity finance	198	2,270	0	0	0
Debt finance	159	(11)	(2)	(2)	(2)
Other financing cash flows	(1)	2	0	0	1
<b>Cash flow from financing</b>	<b>93</b>	<b>2,161</b>	<b>(190)</b>	<b>(275)</b>	<b>(306)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>(5)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(83)</b>	<b>529</b>	<b>(329)</b>	<b>212</b>	<b>321</b>
Free cash flow to firm (FCFF)	(162.06)	(1,618.40)	(124.30)	501.30	641.77
Free cash flow to equity (FCFE)	(18.91)	(1,641.98)	(140.59)	485.66	626.34

### Per share (THB)

FCFF per share	(0.61)	(6.13)	(0.47)	1.90	2.43
FCFE per share	(0.07)	(6.22)	(0.53)	1.84	2.37
Recurring cash flow per share	1.80	1.79	2.17	2.42	2.75

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	498	1,242	1,578	1,665	1,740
Less: Accumulated depreciation	(73)	(339)	(366)	(395)	(427)
<b>Tangible fixed assets (net)</b>	<b>424</b>	<b>903</b>	<b>1,211</b>	<b>1,270</b>	<b>1,313</b>
<b>Intangible fixed assets (net)</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Long-term financial assets	8	15	15	15	15
Invest. in associates & subsidiaries	0	362	1,861	2,019	2,060
Cash & equivalents	98	627	298	509	830
A/C receivable	5	7	6	7	8
Inventories	63	101	104	114	127
Other current assets	166	1,136	302	281	315
<b>Current assets</b>	<b>331</b>	<b>1,871</b>	<b>710</b>	<b>911</b>	<b>1,280</b>
Other assets	177	480	233	256	286
<b>Total assets</b>	<b>947</b>	<b>3,637</b>	<b>4,037</b>	<b>4,477</b>	<b>4,961</b>
Common equity	404	2,991	3,424	3,835	4,292
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>404</b>	<b>2,991</b>	<b>3,424</b>	<b>3,835</b>	<b>4,292</b>
Long term debt	291	294	292	291	289
Other long-term liabilities	3	5	5	5	6
<b>Long-term liabilities</b>	<b>294</b>	<b>298</b>	<b>297</b>	<b>296</b>	<b>295</b>
A/C payable	148	260	210	230	257
Short term debt	15	2	2	2	2
Other current liabilities	86	86	105	115	114
<b>Current liabilities</b>	<b>249</b>	<b>348</b>	<b>316</b>	<b>347</b>	<b>373</b>
<b>Total liabilities and shareholders' equity</b>	<b>947</b>	<b>3,637</b>	<b>4,037</b>	<b>4,477</b>	<b>4,961</b>
Net working capital	0	898	98	57	78
Invested capital	616	2,664	3,424	3,623	3,758

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

### Per share (THB)

Book value per share	2.12	11.33	12.97	14.53	16.26
Tangible book value per share	2.09	11.30	12.94	14.50	16.23

### Financial strength

Net debt/equity (%)	51.7	(11.1)	(0.1)	(5.7)	(12.6)
Net debt/total assets (%)	22.1	(9.1)	(0.1)	(4.8)	(10.9)
Current ratio (x)	1.3	5.4	2.2	2.6	3.4
CF interest cover (x)	105.2	64.0	57.8	71.6	80.5

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>35.8</b>	<b>36.6</b>	<b>24.5</b>	<b>22.2</b>	<b>20.0</b>
<b>Recurring P/E @ target price (x) *</b>	<b>50.9</b>	<b>52.0</b>	<b>34.8</b>	<b>31.6</b>	<b>28.4</b>
Reported P/E (x)	35.8	36.6	24.5	22.2	20.0
Dividend yield (%)	0.5	0.5	1.2	-	-
Price/book (x)	27.2	5.1	4.5	4.0	3.6
Price/tangible book (x)	27.6	5.1	4.5	4.0	3.6
EV/EBITDA (x) **	26.5	25.4	21.2	18.8	16.3
EV/EBITDA @ target price (x) **	37.5	36.4	30.1	26.8	23.4
EV/invested capital (x)	18.2	5.6	4.5	4.1	3.9

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

Sources: Master Style; FSSIA estimates

## Disclaimer for ESG scoring

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

**Rating** regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) **CG Score**; 2) **AGM Level**; 3) **Thai CAC**; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

#### Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

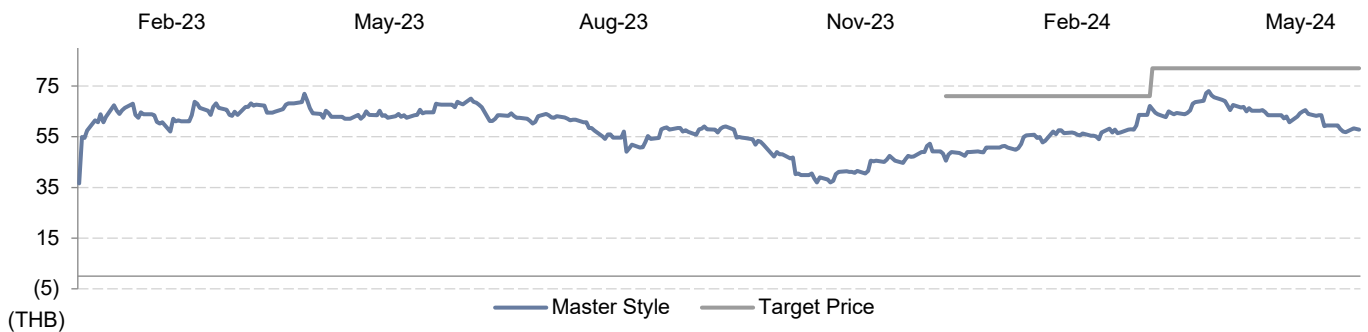
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#### History of change in investment rating and/or target price

##### Master Style (MASTER TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Dec-2023	BUY	71.00	27-Feb-2024	BUY	82.00	-	-	-

Sureeporn Teewasuwet started covering this stock from 12-Dec-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Master Style	MASTER TB	THB 57.75	BUY	Downside risks to our P/E-based TP include 1) increased competition, 2) a pandemic that results in a lockdown, 3) lower-than-expected utilization rate of new operating beds, 4) higher-than-expected doctor costs and expenses, and 5) a loss contribution from the acquired units.

Source: FSSIA estimates

#### Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 15-May-2024 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

**BUY (B).** The upside is 10% or more.

**HOLD (H).** The upside or downside is less than 10%.

**REDUCE (R).** The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.