

SAFE FERTILITY GROUP

THAILAND / HEALTH CARE SERVICES

SAFE TB

BUY

UNCHANGED

2Q24 results at first glance

กำไรสุทธิ 2Q24 ต่ำกว่าเรคาด 11% จากรายได้และ margin ที่ต่ำกว่าคาด

Highlights

- SAFE รายงานกำไรสุทธิ 2Q24 ที่ 46 ล้านบาท ลดลง -31% q-q จากปัจจัยฤดูกาลเนื่องจาก 1Q24 มีคนไข้มารักษาเป็นจำนวนมากเพราะต้องการมีบุตรในปีมังกร และ -11% y-y ต่ำกว่าเรคาด 11% จากรายได้ค่าบริการตรวจพันธุกรรมตัวอ่อนและโครโมโซมและอัตรากำไรขั้นต้นที่ต่ำกว่าคาด
- โดยรายได้รวมอยู่ที่ 215 ล้านบาท ลดลง 14.5% q-q จากปัจจัยฤดูกาล, -1.8% y-y แม้ค่าบริการปรับขึ้น แต่จำนวนรอบของการเก็บไข่ 2Q24 ชะลอมาอยู่ที่ 300 รอบ จาก 358 รอบใน 1Q24 และ 339 รอบใน 2Q23 ขณะที่รายได้จากการให้บริการตรวจพันธุกรรมตัวอ่อนและโครโมโซม -11% q-q, -1.9% y-y ต่ำกว่าที่เรคาด
- อัตรากำไรขั้นต้นอยู่ที่ระดับ 55.3% ลดลงจาก 58.4% ใน 1Q24 จากต้นทุนยาเวชภัณฑ์ที่ปรับขึ้นและรายได้จากการให้ตรวจโครโมโซมที่มี margin ดีลดลง แต่เพิ่มขึ้นจาก 54.7% ใน 2Q23 จากผลของการปรับขึ้นค่าบริการ ซึ่งต่ำกว่าที่เรคาด
- ค่าใช้จ่ายในการบริการและดำเนินงานทรงตัว q-q แต่เพิ่มขึ้น 9% y-y ขณะที่ค่าใช้จ่ายอื่นทรงตัว

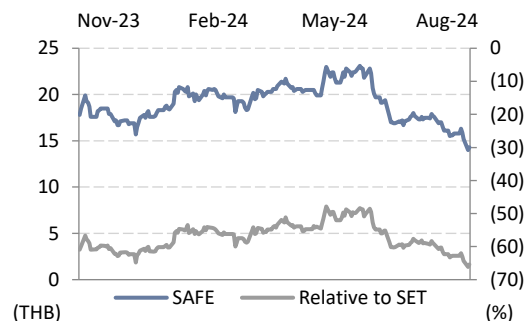
Outlook

- อย่างไรก็ตามแนวโน้มโมเมนตัมกำไร 3Q24 จะเติบโต q-q และ y-y จาก High Season ของลูกค้าต่างชาติ ซึ่งจากตัวเลขยอดการเข้าการรักษาเดือน ก.ค. ที่ผ่านมา พบว่าอยู่ในเกณฑ์ดี เพิ่มขึ้น m-m ประกอบกับผลของการปรับขึ้นค่าบริการอีก 3-5% ในปีนี้จะทำให้รายได้ y-y เพิ่มขึ้น ประกอบกับการให้บริการด้าน NGG (ตรวจพันธุกรรมคิดเป็น 20% ของรายได้รวม) ที่จะเติบโตอย่างมีนัยสำคัญ จากการนำเอาเทคโนโลยีใหม่เข้ามาให้บริการเสริมเพื่อดึงดูดลูกค้าเข้ามารักษาเพิ่มขึ้น ทั้งคนไทยและต่างชาติที่เป็นกลุ่ม Medical Tourism
- สำหรับกำไรสุทธิ 1H24 อยู่ที่ 112 ล้านบาท เพิ่มขึ้น 28.5% y-y และคิดเป็น 40% ของประมาณการกำไรสุทธิทั้งปี 2024 ที่ 281 ล้านบาท +38% y-y อย่างไรก็ตาม เราจะทบทวนประมาณการอีกครั้งหลังประชุมนักวิเคราะห์

TARGET PRICE THB25.00
CLOSE THB14.30
UP/DOWNSIDE +74.8%
TP vs CONSENSUS +9.3%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	849	1,143	1,428	1,786
Net profit	204	281	343	426
EPS (THB)	0.67	0.93	1.13	1.40
vs Consensus (%)	-	11.4	14.1	25.0
EBITDA	302	406	526	679
Recurring net profit	204	281	343	426
Core EPS (THB)	0.67	0.93	1.13	1.40
EPS growth (%)	(6.6)	38.0	21.8	24.3
Core P/E (x)	21.3	15.4	12.7	10.2
Dividend yield (%)	1.0	1.9	2.6	3.2
EV/EBITDA (x)	10.5	7.8	6.1	4.7
Price/book (x)	2.6	2.3	2.1	1.9
Net debt/Equity (%)	(71.1)	(64.3)	(54.4)	(49.8)
ROE (%)	14.3	16.0	17.4	19.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(18.3)	(34.1)	n/a
Relative to country (%)	(16.9)	(29.7)	n/a
Mkt cap (USD m)	122		
3m avg. daily turnover (USD m)	0.9		
Free float (%)	26		
Major shareholder	Quangkananurug family (61%)		
12m high/low (THB)	23.70/13.80		
Issued shares (m)	303.95		

Sources: Bloomberg consensus; FSSIA estimates



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Exhibit 1: SAFE - 2Q24 results summary

Profit & Loss Statement	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	----- Change -----	
Year to Dec 31	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)
Revenue	187	187	183	170	188	219	223	219	251	215	(14.5)	(1.8)
Cost of services	82	83	83	81	81	99	99	100	105	96	(8.1)	(3.0)
Gross profit	105	103	100	89	106	120	124	119	147	119	(19.1)	(0.9)
Operating costs	46	47	50	51	51	58	52	65	63	65	2.7	10.8
Operating profit	58	56	50	39	55	62	72	53	84	54	(35.4)	(11.9)
Other income	0	1	0	2	1	3	1	6	1	5	258.6	93.9
Interest expense	(1)	(1)	(1)	(0)	(1)	(1)	(1)	(1)	(1)	(1)	na	na
Profit before tax	58	56	49	36	55	63	73	59	84	58	(30.8)	(7.1)
Tax	(12)	(11)	(10)	(8)	(19)	(11)	(12)	(5)	(18)	(12)	(29.6)	12.1
Reported net profit	46.5	44.5	39	28	36	52	61	54	67	46	(31.1)	(11.2)
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross margin	56.0	55.3	54.6	52.6	56.7	54.7	55.7	54.2	58.4	55.3	(3.1)	0.5
SG&A / Sales	24.8	25.4	27.5	29.8	27.3	26.6	23.2	29.8	25.0	30.0	5.0	3.4
Effective tax rate	(20.4)	(19.9)	20.2	(23.4)	34.6	17.6	16.7	8.5	20.9	21.3	0.4	3.6

Sources: SAFE; FSSIA estimates

Financial Statements

Safe Fertility Group

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	727	849	1,143	1,428	1,786
Cost of goods sold	(329)	(380)	(503)	(628)	(786)
Gross profit	397	469	640	800	1,000
Other operating income	0	0	0	0	0
Operating costs	(194)	(226)	(304)	(386)	(482)
Operating EBITDA	268	302	406	526	679
Depreciation	(64)	(59)	(70)	(111)	(161)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	204	243	336	414	518
Net financing costs	(3)	(3)	(3)	(3)	(3)
Associates	0	0	0	0	0
Recurring non-operating income	3	10	14	11	10
Non-recurring items	0	0	0	0	0
Profit before tax	203	250	347	423	525
Tax	(41)	(47)	(65)	(80)	(99)
Profit after tax	162	203	281	343	426
Minority interests	0	1	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	162	204	281	343	426
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	162	204	281	343	426
Per share (THB)					
Recurring EPS *	0.72	0.67	0.93	1.13	1.40
Reported EPS	0.72	0.67	0.93	1.13	1.40
DPS	0.25	0.15	0.27	0.37	0.45
Diluted shares (used to calculate per share data)	225	304	304	304	304
Growth					
Revenue (%)	29.8	16.8	34.6	25.0	25.0
Operating EBITDA (%)	52.1	12.7	34.4	29.4	29.1
Operating EBIT (%)	104.1	19.4	38.1	23.3	25.0
Recurring EPS (%)	106.7	(6.6)	38.0	21.8	24.3
Reported EPS (%)	106.7	(6.6)	38.0	21.8	24.3
Operating performance					
Gross margin inc. depreciation (%)	54.7	55.3	56.0	56.0	56.0
Gross margin exc. depreciation (%)	63.6	62.2	62.1	63.8	65.0
Operating EBITDA margin (%)	36.9	35.6	35.5	36.8	38.0
Operating EBIT margin (%)	28.0	28.7	29.4	29.0	29.0
Net margin (%)	22.3	24.0	24.6	24.0	23.9
Effective tax rate (%)	20.3	18.9	18.9	18.9	18.9
Dividend payout on recurring profit (%)	34.6	22.3	29.0	32.8	32.2
Interest cover (X)	59.8	73.6	109.4	157.5	195.5
Inventory days	57.0	64.8	54.9	46.0	38.0
Debtor days	8.0	9.4	8.7	9.0	9.0
Creditor days	89.0	86.1	83.3	59.2	36.2
Operating ROIC (%)	42.2	56.8	65.5	55.2	52.5
ROIC (%)	32.8	42.0	46.0	39.8	38.1
ROE (%)	14.1	14.3	16.0	17.4	19.5
ROA (%)	12.1	12.4	14.1	15.4	17.5

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Revenue from ICSI treatment	609	667	946	1,192	1,502
Revenue from genetic testing services for embryos and fetuses	118	176	194	233	280
Revenue from dermatology services	-	6	3	3	4

Sources: Safe Fertility Group ; FSSIA estimates

Financial Statements

Safe Fertility Group

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	162	204	281	343	426
Depreciation	64	59	70	111	161
Associates & minorities	6	(1)	0	0	0
Other non-cash items	6	(2)	8	5	9
Change in working capital	54	4	(69)	(143)	(92)
Cash flow from operations	292	264	291	316	504
Capex - maintenance	(35)	(43)	(133)	(200)	(200)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	(14)	(66)	(62)	(61)	(72)
Other investments (net)	0	0	0	0	0
Cash flow from investing	(49)	(109)	(195)	(261)	(272)
Dividends paid	(56)	(46)	(82)	(113)	(137)
Equity finance	3	291	6	0	(97)
Debt finance	(7)	0	0	0	0
Other financing cash flows	-	-	-	-	-
Cash flow from financing	(60)	246	(76)	(113)	(234)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	183	401	20	(58)	(3)
Free cash flow to firm (FCFF)	246.69	158.16	98.37	57.24	233.90
Free cash flow to equity (FCFE)	236.13	155.18	95.17	54.54	231.20

Per share (THB)

FCFF per share	0.81	0.52	0.32	0.19	0.77
FCFE per share	0.78	0.51	0.31	0.18	0.76
Recurring cash flow per share	1.06	0.86	1.18	1.51	1.96

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	150	151	284	484	684
Less: Accumulated depreciation	0	0	(54)	(149)	(293)
Tangible fixed assets (net)	150	151	230	335	391
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	851	1,251	1,271	1,213	1,211
A/C receivable	20	23	31	39	49
Inventories	49	65	65	65	65
Other current assets	228	232	312	390	488
Current assets	1,148	1,571	1,680	1,707	1,812
Other assets	114	171	230	288	360
Total assets	1,413	1,894	2,140	2,331	2,563
Common equity	1,204	1,654	1,860	2,090	2,282
Minorities etc.	6	4	4	4	4
Total shareholders' equity	1,210	1,658	1,864	2,094	2,286
Long term debt	73	73	73	73	73
Other long-term liabilities	31	38	51	64	80
Long-term liabilities	103	111	124	137	153
A/C payable	66	85	113	55	69
Short term debt	0	0	0	0	0
Other current liabilities	33	40	40	44	54
Current liabilities	99	125	152	99	123
Total liabilities and shareholders' equity	1,413	1,894	2,140	2,330	2,562
Net working capital	198	195	256	395	478
Invested capital	463	518	717	1,018	1,229

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

Per share (THB)

Book value per share	5.35	5.44	6.12	6.88	7.51
Tangible book value per share	5.35	5.44	6.12	6.88	7.51

Financial strength

Net debt/equity (%)	(64.3)	(71.1)	(64.3)	(54.4)	(49.8)
Net debt/total assets (%)	(55.1)	(62.2)	(56.0)	(48.9)	(44.4)
Current ratio (x)	11.6	12.6	11.0	17.2	14.7
CF interest cover (x)	69.3	46.1	30.7	21.2	86.6

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	19.9	21.3	15.4	12.7	10.2
Recurring P/E @ target price (x) *	34.8	37.3	27.0	22.2	17.8
Reported P/E (x)	19.9	21.3	15.4	12.7	10.2
Dividend yield (%)	1.7	1.0	1.9	2.6	3.2
Price/book (x)	2.7	2.6	2.3	2.1	1.9
Price/tangible book (x)	2.7	2.6	2.3	2.1	1.9
EV/EBITDA (x) **	9.1	10.5	7.8	6.1	4.7
EV/EBITDA @ target price (x) **	18.1	21.3	15.8	12.3	9.5
EV/invested capital (x)	5.3	6.1	4.4	3.2	2.6

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

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

[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

Songklod Wongchai FSS International Investment Advisory Securities Co., Ltd

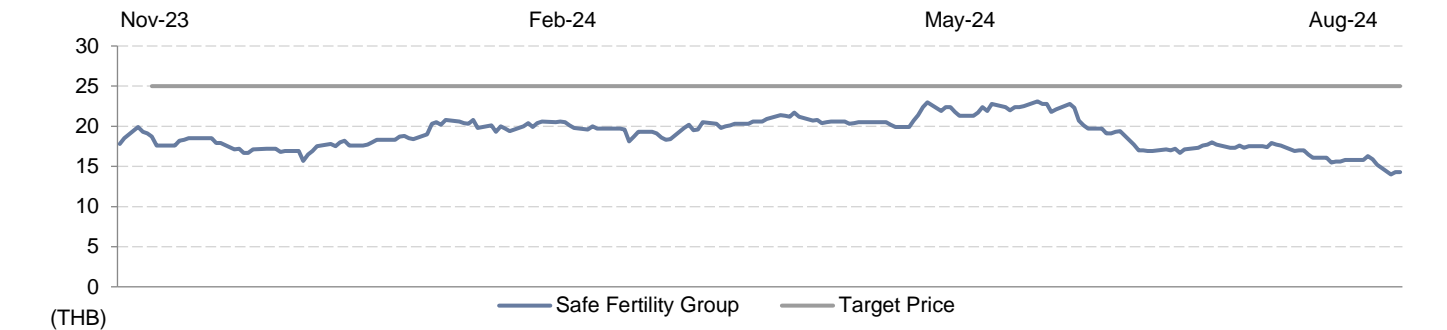
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Safe Fertility Group (SAFE TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-Nov-2023	BUY	25.00	-	-	-	-	-	-

Songklod Wongchai started covering this stock from 08-Nov-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Safe Fertility Group	SAFE TB	THB 14.30	BUY	ความเสี่ยงที่จะมีผลต่อประมาณการของเรา ได้แก่ เกิดเหตุฟ้องร้องหรือ ร้องเรียนหากวิธีการรักษาเกิดความผิดพลาด ลูกค้าต่างชาติลดลงจาก ผลกระทบของการเดินทาง หรือกรณีเกิดโรคระบาดใหม่ และต้นทุนค่ายาปรับตัวสูงขึ้นมากกว่าที่คาด

Source: FSSIA estimates

Additional Disclosures

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

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