

14 NOVEMBER 2024

EQUITY RESEARCH – RESULTS FLASH

MASTER STYLE MASTER TB

THAILAND / SERVICES

FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

BUY
UNCHANGED

3Q24 results at first glance

3Q24 net profit below estimate, but still grew q-q & y-y

Highlights

- MASTER posted a 3Q24 net profit of THB109m (+25% q-q, +9.6% y-y), 8% below our estimate mainly due to a 50 bps lower-than-expected gross margin and higher-than-expected taxes. However, both revenue and profit sharing showed a strong recovery.
- Revenue from Masterpiece Hospitals grew by 2.3% q-q and 8.9% y-y, driven by a higher utilization rate of 63.7%, up from 60.3% in 2Q24. Although some customers from northern and northeastern regions postponed their appointments (reflected by a decline in revenue from Thai customers of 6% q-q and 0.2% y-y), this was fully offset by a significant increase in revenue from foreign customers (+28% q-q, +37% y-y). As a result, the share of foreign customers increased to 30.6% in 3Q24 and 25.9% for 9M24.
- The 3Q24 gross margin was at 57%, flat q-q but down from 58.2% in 3Q23, mainly due to higher material costs and medical fees as the company expands its business.
- Overall, expenses were well controlled, and revenue growth outpaced costs, bringing the SG&A to sales ratio down to 33.2% from 36.9% in 2Q24.
- Profit sharing from joint ventures rose as expected to THB10m, up from THB7m in 2Q24, with the company now recognizing a share of profits from 11 joint ventures, compared to six in 2Q24.

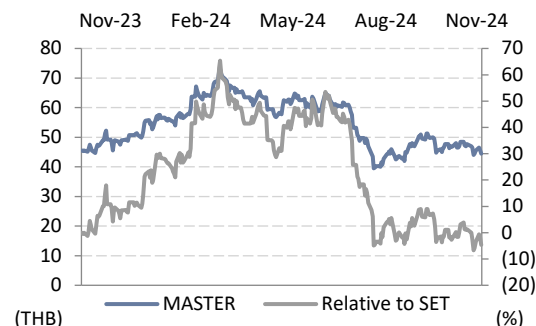
Outlook

- Looking ahead, we expect 4Q24 profit to continue growing q-q and y-y, likely peaking for the year during the high season in October-November. The company is also expected to recognize the Thai customers who postponed their appointments in the previous quarter.

TARGET PRICE THB56.00
CLOSE THB44.50
UP/DOWNSIDE +25.8%
TP vs CONSENSUS -4.7%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,917	2,116	2,501	2,787
Net profit	419	492	622	714
EPS (THB)	1.59	1.63	2.06	2.37
vs Consensus (%)	-	(0.1)	0.6	3.8
EBITDA	586	632	784	881
Recurring net profit	419	492	622	714
Core EPS (THB)	1.59	1.63	2.06	2.37
EPS growth (%)	(1.4)	2.5	26.6	14.8
Core P/E (x)	28.0	27.3	21.6	18.8
Dividend yield (%)	0.6	1.1	1.9	2.1
EV/EBITDA (x)	19.5	21.0	16.9	14.7
Price/book (x)	3.9	4.0	3.6	3.2
Net debt/Equity (%)	(11.1)	(4.4)	(4.7)	(11.5)
ROE (%)	24.7	15.5	17.5	18.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(6.8)	11.3	10.0
Relative to country (%)	(5.6)	(0.5)	5.1
Mkt cap (USD m)	387		
3m avg. daily turnover (USD m)	2.7		
Free float (%)	0		
Major shareholder	Maschamadol family (68%)		
12m high/low (THB)	74.00/37.00		
Issued shares (m)	301.71		

Sources: Bloomberg consensus; FSSIA estimates



Sureeporn Teewasuwet

Fundamental Investment Analyst on Securities; License no. 040694
sureeporn.t@fssia.com, +66 2646 9972

Exhibit 1: MASTER – 3Q24 results summary

	3Q23	4Q23	1Q24	2Q24	3Q24	----- Change -----		9M23	9M24	Change	2024E	%9M24
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)	to 2024E
Sales	479	543	468	510	522	2.3	8.9	1,374	1,500	9.2	2,116	70.9
Cost of sales	200	198	194	220	224	2.2	12.0	587	638	8.7	882	72.3
Gross profit	279	345	274	291	298	2.4	6.8	787	862	9.6	1,233	69.9
SG&A	160	154	160	188	173	(7.8)	8.1	480	522	8.7	705	74.1
Operating profit	128	197	122	108	127	17.4	(0.9)	328	358	9.2	556	64.4
Profit sharing	0	5	10	7	10	48.8	nm	0	27	nm	42	63.7
Interest expense	4	3	3	3	4	23.8	19.3	10	11	4.3	14	78.5
Tax expense	25	40	23	18	25	37.9	(2.0)	65	66	2.2	97	68.0
Reported net profit	100	164	106	88	109	24.9	9.6	253	303	19.9	492	61.6
Core profit	100	164	106	97	109	13.3	9.6	253	312	23.5	492	63.5
Key Ratios (%)						(ppt)	(ppt)					
Gross margin	58.2	63.6	58.5	57.0	57.0	0.1	(1.2)	57.3	57.5	0.2	58.9	
SG&A to sales	33.5	28.3	34.3	36.9	33.2	(3.6)	(0.2)	34.9	34.8	(0.2)	33.2	
Operating margin	26.8	36.3	26.2	21.2	24.4	3.1	(2.4)	23.9	23.9	0.0	27.4	
Net margin	20.8	30.1	22.7	17.2	21.0	3.8	0.1	18.4	20.2	1.8	19.9	
Core margin	20.8	30.1	22.7	18.9	21.0	2.0	0.1	18.4	20.8	2.4	19.3	
Operating Statistics												
Total OR rooms (no.)	17	17	17	17	17							
Operating hours (hours)	12,587	14,316	11,386	11,564	11,702							
Utilization rate (%)	64.9	73.8	60.1	60.3	63.7							
Revenue by type of services (THB m)												
Surgery	387	462	375	416	423	1.7	9.2	1,091	1,214	11.3	1,725	11.1
Skin	33	27	27	26	23	(10.9)	(29.4)	109	75	(30.6)	100	(25.9)
Hair treatment	31	24	27	37	37	0.6	18.1	91	101	11.0	148	28.7
Aftercare	17	17	29	22	22	(0.7)	32.4	53	73	38.0	100	42.8
Other	11	13	11	9	10	6.3	(12.8)	31	30	(3.4)	43	(1.5)
Revenue by customer (THB m)												
Thailand	363	400	364	386	362	(6.0)	(0.2)	1,062	1,112	4.8		
Foreigner	116	142	104	125	160	28.2	37.3	312	388	24.2		
Revenue proportion (%)												
Thailand	75.7	73.8	77.9	75.6	69.4			77.3	74.1			
Foreigner	24.3	26.2	22.1	24.4	30.6			22.7	25.9			

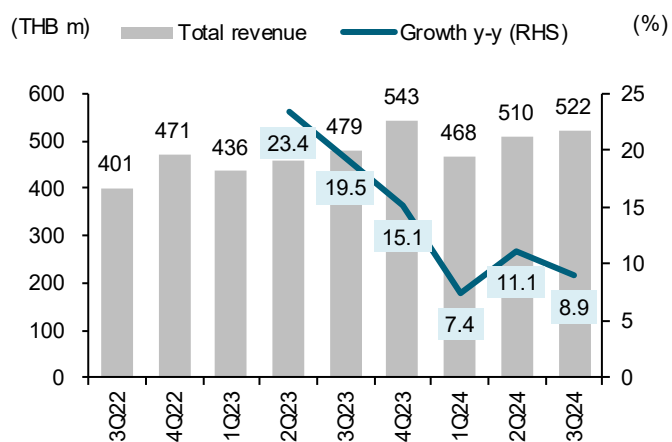
Sources: MASTER; FSSIA's compilation

Exhibit 2: Profit sharing from associate companies in 3Q24 and 9M24

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of profit (loss) from investments in associates	
Company's name	For the three-month period ended 30 September 2024	For the nine-month period ended 30 September 2024
Me Plan Dee Co., Ltd.	(3,873)	(7,285)
Advance Medical Clinic Co., Ltd.	469	2,841
Kin Corporation Co., Ltd.	3,542	17,839
Dr.Chen Surgery Hospital Co., Ltd.	(3,841)	(3,711)
TYP Medical Co., Ltd.	130	1,553
Twinkle Star Co., Ltd.	3,022	5,294
Korawin Holding (Thailand) Co., Ltd.	4,050	4,050
V Exclusive Group Co., Ltd.	3,396	2,999
CMNH 2012 Co., Ltd.	559	559
Me Center Co., Ltd.	(242)	(242)
S45 Medical Co., Ltd.	2,653	2,653
Total	9,865	26,550

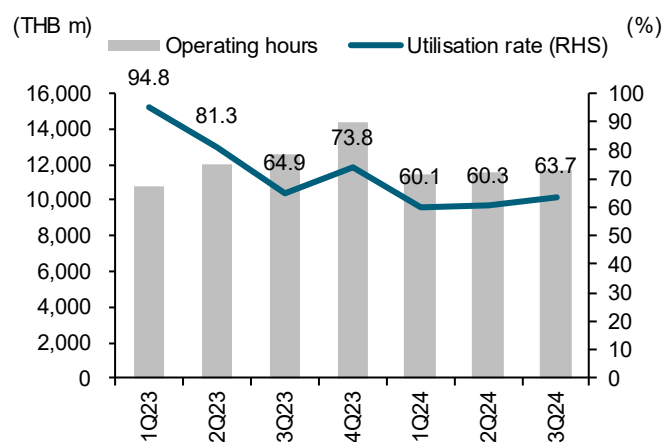
Source: MASTER

Exhibit 3: Quarterly total revenue and growth



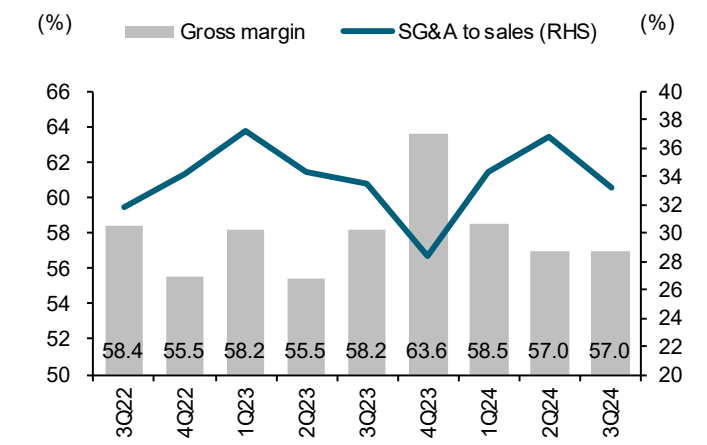
Sources: MASTER; FSSIA's compilation

Exhibit 4: Operating hours and utilization rate



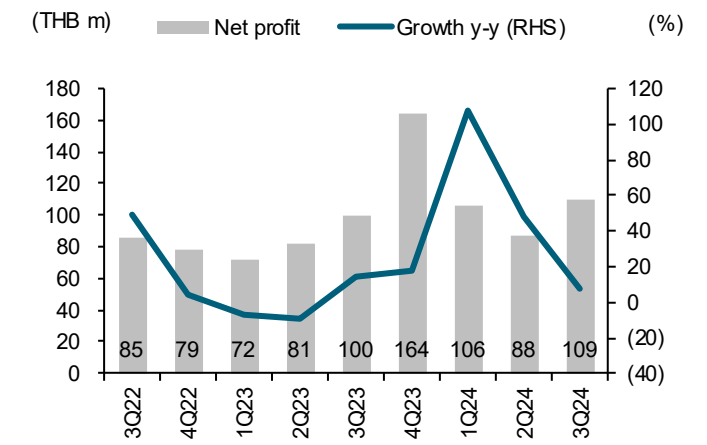
Sources: MASTER; FSSIA's compilation

Exhibit 5: Quarterly gross margin and SG&A to sales



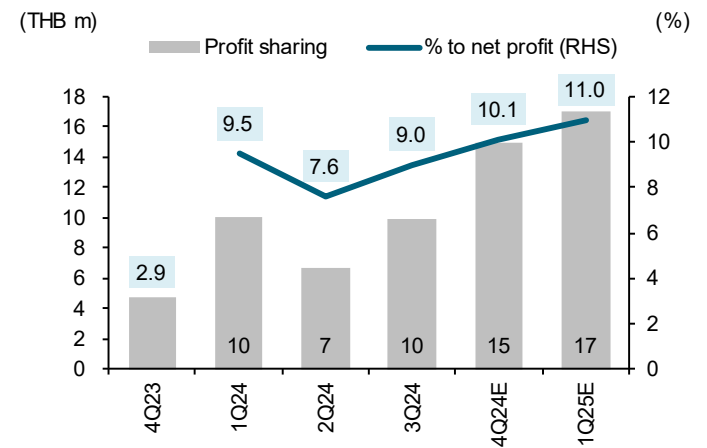
Sources: MASTER; FSSIA's compilation

Exhibit 6: Quarterly net profit and growth



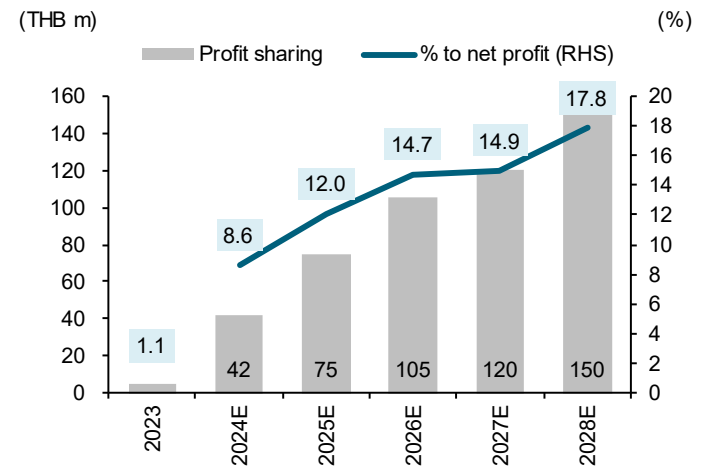
Sources: MASTER; FSSIA's compilation

Exhibit 7: Quarterly profit sharing



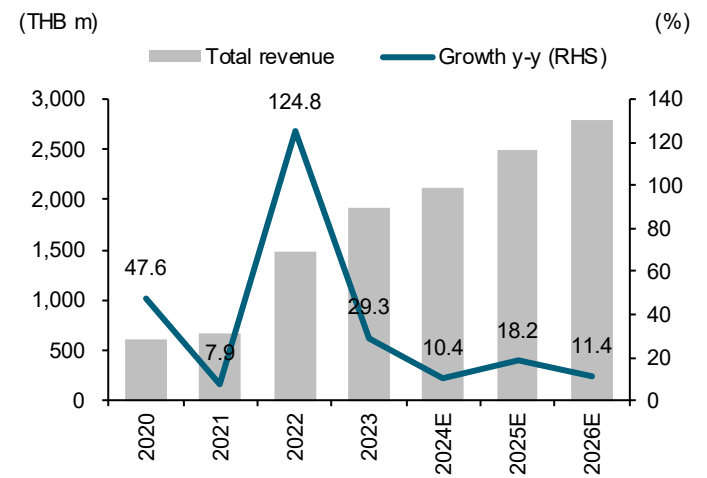
Sources: MASTER; FSSIA estimates

Exhibit 8: Yearly profit sharing



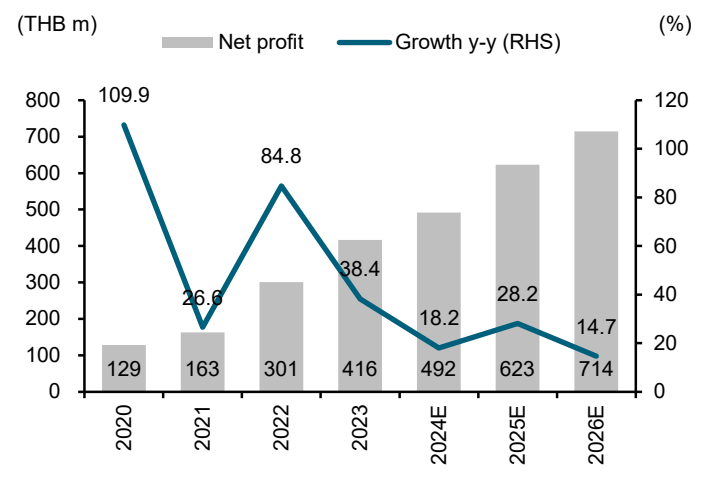
Sources: MASTER; FSSIA estimates

Exhibit 9: Yearly total revenue and growth



Sources: MASTER; FSSIA estimates

Exhibit 10: Yearly net profit and growth



Sources: MASTER; FSSIA estimates

Financial Statements

Master Style

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	1,483	1,917	2,116	2,501	2,787
Cost of goods sold	(641)	(785)	(882)	(1,015)	(1,129)
Gross profit	841	1,132	1,233	1,486	1,658
Other operating income	8	27	27	33	36
Operating costs	(463)	(634)	(705)	(825)	(920)
Operating EBITDA	422	586	632	784	881
Depreciation	(35)	(62)	(77)	(92)	(107)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	386	525	556	693	775
Net financing costs	(4)	(5)	(9)	(9)	(9)
Associates	0	5	42	75	105
Recurring non-operating income	0	5	42	75	105
Non-recurring items	0	0	0	0	0
Profit before tax	383	524	589	759	871
Tax	(76)	(105)	(97)	(137)	(157)
Profit after tax	306	419	492	622	714
Minority interests	-	-	-	-	-
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	306	419	492	622	714
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	306	419	492	622	714
Per share (THB)					
Recurring EPS *	1.61	1.59	1.63	2.06	2.37
Reported EPS	1.61	1.59	1.63	2.06	2.37
DPS	0.30	0.27	0.48	0.83	0.95
Diluted shares (used to calculate per share data)	190	264	302	302	302
Growth					
Revenue (%)	124.8	29.3	10.4	18.2	11.4
Operating EBITDA (%)	73.9	39.1	7.8	24.1	12.4
Operating EBIT (%)	82.7	35.9	5.9	24.7	11.8
Recurring EPS (%)	0.0	(1.4)	2.5	26.6	14.8
Reported EPS (%)	0.0	(1.4)	2.5	26.6	14.8
Operating performance					
Gross margin inc. depreciation (%)	56.7	59.1	58.3	59.4	59.5
Gross margin exc. depreciation (%)	59.1	62.3	61.9	63.1	63.3
Operating EBITDA margin (%)	28.4	30.6	29.9	31.4	31.6
Operating EBIT margin (%)	26.1	27.4	26.3	27.7	27.8
Net margin (%)	20.7	21.9	23.2	24.9	25.6
Effective tax rate (%)	19.9	20.0	16.5	18.0	18.0
Dividend payout on recurring profit (%)	18.6	16.9	29.6	40.0	40.0
Interest cover (X)	102.2	98.1	69.1	87.5	103.4
Inventory days	26.8	41.1	44.7	41.1	42.0
Debtor days	0.9	1.1	1.1	0.9	0.9
Creditor days	34.7	64.9	65.9	46.2	47.2
Operating ROIC (%)	115.1	37.7	28.7	42.2	45.7
ROIC (%)	82.1	25.8	16.2	18.1	19.4
ROE (%)	107.4	24.7	15.5	17.5	18.1
ROA (%)	40.0	18.5	13.1	15.1	15.7
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Surgery	1,194	1,553	1,725	2,032	2,254
Skin	106	136	100	118	136
Hair treatment	90	115	148	191	221
Aftercare	62	70	100	115	128

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	419	492	622	714
Depreciation	35	62	77	92	107
Associates & minorities	0	0	0	0	0
Other non-cash items	0	(5)	(33)	(75)	(105)
Change in working capital	(100)	74	(55)	30	8
Cash flow from operations	242	550	481	669	724
Capex - maintenance	-	-	-	-	-
Capex - new investment	(413)	(2,179)	(542)	(393)	(133)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(413)	(2,179)	(542)	(393)	(133)
Dividends paid	(263)	(99)	(146)	(249)	(286)
Equity finance	198	2,270	38	0	0
Debt finance	159	(11)	(11)	(2)	(2)
Other financing cash flows	(1)	2	0	1	1
Cash flow from financing	93	2,161	(119)	(250)	(287)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(5)	(3)	(6)	0	0
Movement in cash	(83)	529	(186)	26	305
Free cash flow to firm (FCFF)	(162.06)	(1,615.28)	(47.20)	289.37	605.14
Free cash flow to equity (FCFE)	(18.91)	(1,641.86)	(78.17)	274.76	590.41
Per share (THB)					
FCFF per share	(0.54)	(5.35)	(0.16)	0.96	2.01
FCFE per share	(0.06)	(5.44)	(0.26)	0.91	1.96
Recurring cash flow per share	1.80	1.80	1.77	2.12	2.37
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)
Tangible fixed assets (net)	424	903	1,211	1,270	1,313
Intangible fixed assets (net)	7	7	7	7	7
Long-term financial assets	8	15	15	15	15
Invest. in associates & subsidiaries	0	362	1,693	1,976	2,007
Cash & equivalents	98	627	441	467	771
A/C receivable	5	7	6	7	8
Inventories	63	101	97	111	124
Other current assets	166	1,136	275	275	307
Current assets	331	1,871	818	860	1,209
Other assets	177	480	212	250	279
Total assets	947	3,637	3,955	4,377	4,829
Common equity	404	2,991	3,369	3,742	4,171
Minorities etc.	0	0	0	0	0
Total shareholders' equity	404	2,991	3,369	3,742	4,171
Long term debt	291	294	292	291	289
Other long-term liabilities	3	5	4	5	6
Long-term liabilities	294	298	296	296	295
A/C payable	148	260	193	225	251
Short term debt	15	2	2	2	2
Other current liabilities	86	86	95	113	111
Current liabilities	249	348	290	339	364
Total liabilities and shareholders' equity	947	3,637	3,955	4,377	4,829
Net working capital	0	898	89	55	76
Invested capital	616	2,664	3,226	3,573	3,696
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	2.12	11.33	11.17	12.40	13.82
Tangible book value per share	2.09	11.30	11.14	12.38	13.80
Financial strength					
Net debt/equity (%)	51.7	(11.1)	(4.4)	(4.7)	(11.5)
Net debt/total assets (%)	22.1	(9.1)	(3.7)	(4.0)	(10.0)
Current ratio (x)	1.3	5.4	2.8	2.5	3.3
CF interest cover (x)	105.2	100.5	54.6	77.1	86.0
Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	27.6	28.0	27.3	21.6	18.8
Recurring P/E @ target price (x) *	34.7	35.2	34.4	27.1	23.6
Reported P/E (x)	27.6	28.0	27.3	21.6	18.8
Dividend yield (%)	0.7	0.6	1.1	1.9	2.1
Price/book (x)	20.9	3.9	4.0	3.6	3.2
Price/tangible book (x)	21.3	3.9	4.0	3.6	3.2
EV/EBITDA (x) **	20.6	19.5	21.0	16.9	14.7
EV/EBITDA @ target price (x) **	25.7	24.6	26.5	21.3	18.6
EV/invested capital (x)	14.1	4.3	4.1	3.7	3.5
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Master Style; FSSIA estimates

Master Style PCL (MASTER TB)

FSSIA ESG rating

n/a

Exhibit 11: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 12: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BCH	39.71	--	--	--	4.00	5.00	Certified	High	48.21	--	--	27.19	18.00	3.52	47.60
BH	51.21	--	--	--	4.00	4.00	--	Medium	64.29	A	29.00	59.03	27.00	5.08	47.79
CHG	38.25	--	--	--	4.00	5.00	--	High	55.35	--	--	59.57	21.00	2.34	50.24
MASTER	n/a	--	--	--	--	--	--	--	--	--	--	--	--	--	--
KLINIQ	n/a	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Sources: [SETTRADE.com](https://settrade.com); FSSIA's compilation

Exhibit 13: ESG disclosure from the company's one report

FY ending Dec 31	FY 2022	FY 2023	FY ending Dec 31	FY 2022	FY 2023
Environmental			Governance		
Climate change policy	Yes	Yes	Board size / Independent directors (ID) / Female	8 / 5 / 1	8 / 5 / 1
Climate change opportunities discussed	--	--	No. of board meetings for the year / % attendance	9 / 100%	10 / 95%
GHG scope 2 location-based policy	Yes	Yes	Company conducts board evaluations	Yes	Yes
Biodiversity policy	--	--	Number of non-executive directors on board	5	5
Energy efficiency policy	Yes	Yes	Director share ownership guidelines	No	No
Electricity used (MWh)	0.179	0.178	Board age limit	No	No
Fuel used - crude oil/diesel	62.506	36.569	Age of the youngest / oldest director	39 / 65	40 / 66
Waste reduction policy	Yes	Yes	Number of executives / female	5 / 1	5 / 1
Water policy	Yes	Yes	Executive share ownership guidelines	No	No
Water consumption	--	--	Size of audit committee / ID	4 / 4	4 / 4
Social			Audit committee meetings	6	4
Human rights policy	Yes	Yes	Audit committee meeting attendance (%)	93.75	100
Policy against child labor	--	--	Size of compensation committee	3 / 2	3 / 2
Quality assurance and recall policy	--	--	Number of compensation committee meetings	2	2
Consumer data protection policy	Yes	Yes	Compensation committee meeting attendance (%)	100	100
Equal opportunity policy	Yes	Yes	Size of nomination committee / ID	3 / 2	3 / 2
Gender pay gap breakout	--	--	Number of nomination committee meetings	2	2
Pct women in workforce	Yes	Yes	Nomination committee meeting attendance (%)	100	100
Business ethics policy	Yes	Yes	Board compensation (THB m)	1.63	1.73
Anti-bribery ethics policy	Yes	Yes	Auditor fee (THB m)	2.8	1.9
Health and safety policy	Yes	Yes	<i>(EY OFFICE LIMITED)</i>		
Lost time incident rate - employees	--	3			
Training policy	Yes	Yes			
Fair remuneration policy	Yes	Yes			
Number of employees - CSR	--	--			
Total hours spent by firm - employee training	--	--			
Social supply chain management	--	Yes			

Source: FSSIA's compilation

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 Sustainability	The Sustainability's 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+										
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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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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

Sureporn 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	19-Mar-2024	BUY	72.00	28-Oct-2024	BUY	56.00
27-Feb-2024	BUY	82.00	16-Aug-2024	BUY	52.00			

Sureporn 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 44.50	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 13-Nov-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.