

SISB SISB TB

THAILAND / PROFESSIONAL SERVICE

BUY
 UNCHANGED

New growth on the horizon

- Expect the 4Q24 profit to be THB247m (+13.2% q-q, +17.3% y-y), bringing the 2024 profit to THB887m (+35.7% y-y).
- Despite a downward revision, we expect the profit to grow 18% CAGR (2024E-26E).
- Still like its growth path, maintain BUY call with a TP of THB42.

Despite a downward revision, SISB remains a growth stock

We revised down our profit estimates for 2024-26 by 4%/6%/8% to THB887m, THB1.1b, and THB1.2b, respectively. The main reason for the revision is an adjustment in student numbers to align with the company's targets and a delay in the Phase 3 expansion of the Pracha Uthit (PU) campus, which SISB initially expected to start operations in 4Q25 but had postponed by one quarter to 1Q26. Despite our downward revision, SISB remains a growth stock, driven by capacity expansion, and we forecast profits to grow by +36%/+21%/+15% during 2024-26, reflecting a growth rate of 18% CAGR.

Expect 4Q24 revenue and profit to reach a record high

In 9M24, SISB had a net increase of 390 students, bringing the total number of students to 4,587. We think that student numbers in 4Q24 may not significantly increase as it is still during the first semester of the academic year. By the end of 2024, we expect the total number of students to reach 4,600. However, we anticipate the revenue and profit for 4Q24 to hit a record, benefiting from a full quarter realization of the additional students since August 2024, which marks the start of the new academic year, as well as an annual tuition fee increase of 5%. Meanwhile, costs and expenses have remained fixed since 3Q24. Therefore, we expect the 4Q24 profit to be THB247m (+13.2% q-q, +17.3% y-y), bringing the full-year profit for 2024 to THB887m (+35.7% y-y).

Expansion is on the way

In 2025, we expect total revenue and profit to grow by 14.3% y-y and 20.9% y-y, respectively, based on a net enrolment of 400 students (as per the company's target), full-year benefits from expansions in Chiang Mai Phase 2 (+300 seats) and Thonburi Phase 3.1 (+300 seats), and an annual tuition fee increase. The delay of the PU expansion (+600 seats) from 4Q25 to 1Q26, as well as the opening of SISB's 7th new school (+1,000 seats) in 4Q26, would contribute to the company's target to increase total students by 600 to 5,600 students by the end of 2026.

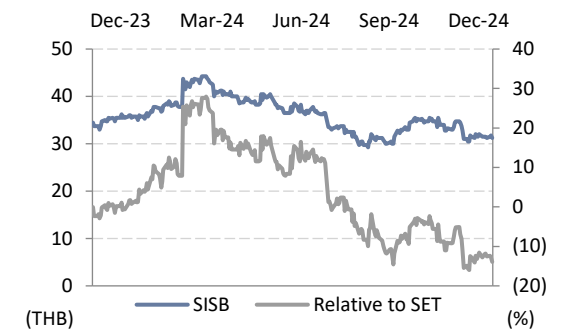
Trim TP to THB42, maintain BUY call

We decreased our DCF-based TP to THB42 (8.0% WACC, 5% LTG) from THB44. We continue to like SISB as a growth stock. The company's initiation of the Halving project, if successful, will expand the market rather than lead to a reduction in margins. The stock price is now trading at -1SD of its five-year P/E multiple, which we believe to be too cheap. Therefore, we maintain our BUY rating.

TARGET PRICE	THB42.00
CLOSE	THB31.25
UP/DOWNSIDE	+34.4%
PRIOR TP	THB44.00
CHANGE IN TP	-4.5%
TP vs CONSENSUS	-1.2%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,889	2,358	2,695	3,111
Net profit	654	887	1,072	1,232
EPS (THB)	0.70	0.94	1.14	1.31
vs Consensus (%)	-	(3.4)	(7.4)	(12.3)
EBITDA	851	1,076	1,275	1,440
Recurring net profit	654	887	1,072	1,232
Core EPS (THB)	0.70	0.94	1.14	1.31
Chg. In EPS est. (%)	-	(3.6)	(5.6)	(7.6)
EPS growth (%)	77.0	35.7	20.9	14.9
Core P/E (x)	44.9	33.1	27.4	23.8
Dividend yield (%)	1.0	1.3	1.6	1.8
EV/EBITDA (x)	33.7	26.5	22.4	19.8
Price/book (x)	10.5	8.9	8.0	7.0
Net debt/Equity (%)	(23.9)	(26.1)	(23.6)	(20.7)
ROE (%)	25.7	29.2	30.9	31.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.1)	4.2	0.0
Relative to country (%)	(9.3)	(2.0)	(4.6)
Mkt cap (USD m)	855		
3m avg. daily turnover (USD m)	1.8		
Free float (%)	29		
Major shareholder	Mr. Yew Hock Koh (33%)		
12m high/low (THB)	45.00/28.75		
Issued shares (m)	940.00		

Sources: Bloomberg consensus; FSSIA estimates



Jitra Amornthum

Fundamental Investment Analyst on Securities; License no. 014530
 jitra.a@fssia.com, +66 2646 9966

Investment thesis

We revised down our profit estimates for 2024-26 by 4%/6%/8% to THB887m, THB1.1b, and THB1.2b, respectively. The main reason for the revision is an adjustment in student numbers to align with the company's targets and a delay in the Phase 3 expansion of the Pracha Uthit (PU) campus, which SISB initially expected to start operations in 4Q25 but had postponed by one quarter to 1Q26.

We continue to like SISB as a growth stock. The company's initiation of the Halving project, if successful, will expand the market rather than lead to a reduction in margins. The stock price has declined and is now trading at -1SD of its five-year P/E multiple, which we believe to be too cheap. Therefore, we maintain our BUY rating.

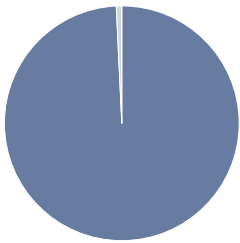
Company profile

The company operates international schools under its own brand. SISB provides a Singapore curriculum, which ranks highest in the world for mathematics and science. Its unique strength is its trilingual focus including English, Chinese, and Thai. Besides the Singapore curriculum, SISB also provides Cambridge IGCSE A and AS Levels, as well as the International Baccalaureate Programme.

www.sisb.ac.th

Principal activities (revenue, 2023)

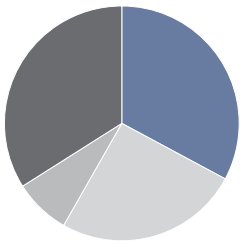
- Tuition fees and service income - 99.3 %
- Education equipment revenue - 0.7 %



Source: SISB

Major shareholders

- Mr. Yew Hock Koh - 32.8 %
- Ms. Wilawan Kaewkanokvijit - 25.4 %
- Mr. Prayong Vanichsuwan - 7.8 %
- Others - 34.0 %



Source: SISB

Catalysts

Key potential catalysts include 1) capacity expansion; 2) stronger demand from both Thai and foreign families; and 3) more SISB students accepted at top universities.

Risks to our call

Downside risks to our DCF-based TP include 1) intensified competition; 2) less demand from China; 3) staff shortages; and 4) risks from legal requirements and government policies relating to the business of private schools.

Event calendar

Date	Event
February 2025	4Q24 earnings announcement
May 2025	1Q25 earnings announcement

Key assumptions

	2024E	2025E	2026E
Students, all campuses	4,600	5,000	5,600
New students	403	400	600
Tuition fee (THB/year)	0.57	0.60	0.63
Revenue (THB m)	2,358	2,695	3,111
Student to teacher ratio	8.1	8.2	8.3
Gross margin (%)	54.7	56.9	56.0
EBITDA margin (%)	46.9	48.6	46.9
SG&A to sales (%)	19.5	19.2	18.9

Source: FSSIA estimates

Earnings sensitivity

- For every 100-student change in enrollment, we project SISB's 2025 net profit to change by 3%, all else being equal.
- For every 1% change in gross margin, we project SISB's 2025 net profit to change by 3%, all else being equal.
- For every 1% change in SG&A expenses, we project SISB's 2025 net profit to change by 2%, all else being equal.

Source: FSSIA estimates

Despite a downward revision, SISB remains a growth stock

We revised down our profit estimates for 2024-26 by 4%/6%/8% to THB887m, THB1.1b, and THB1.2b, respectively. The main reason for the revision is an adjustment in student numbers to align with the company's targets and a delay in the Phase 3 expansion of the Pracha Uthit (PU) campus, which SISB initially expected to start operations in 4Q25 but had postponed by one quarter to 1Q26. Despite our downward revision, SISB remains a growth stock, driven by capacity expansion, and we forecast profits to grow by +36%/+21%/+15% during 2024-26, reflecting a growth rate of 18% CAGR.

Campus development plan 2024-26

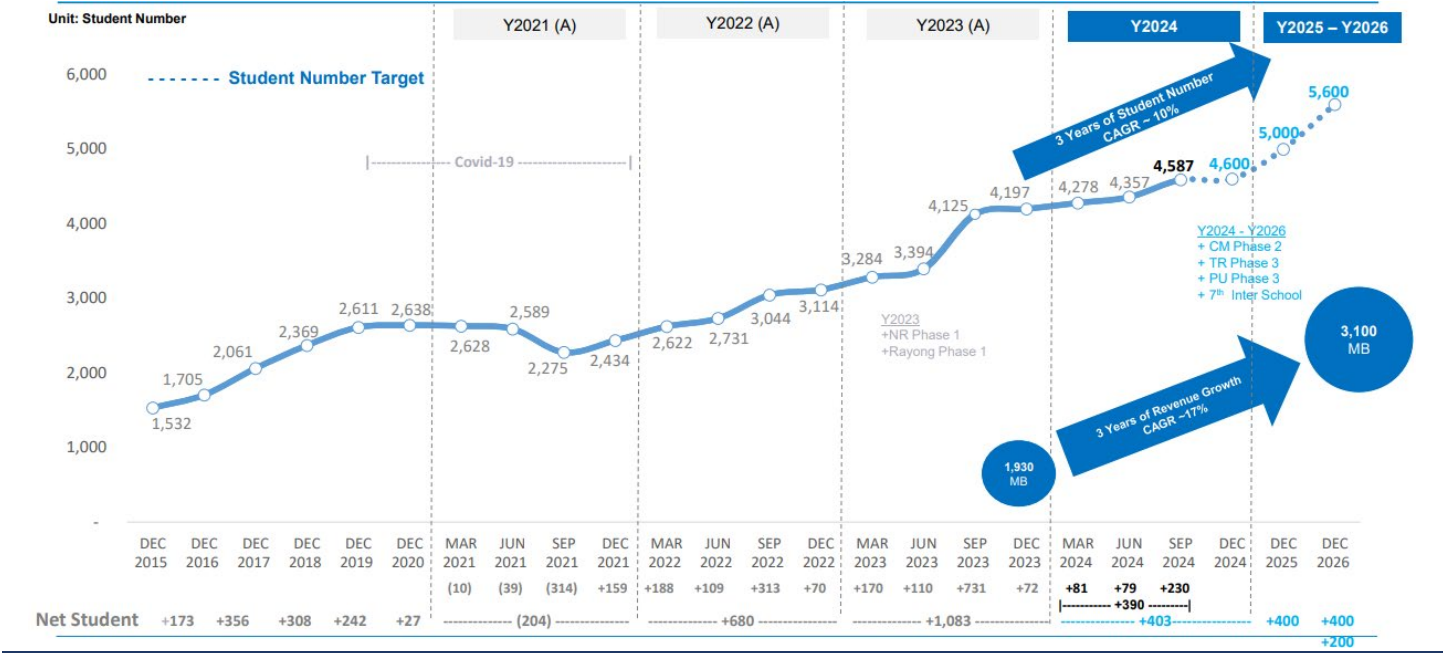
- Chiangmai expansion, CM phase 2 (+300 seats): completed in February 2024.
- Bangkok expansion, PU phase 3 (+600 seats): expect to complete by 1Q26.
- Thonburi expansion, TR phase 3 (+900 seats).
 - TR 3.1 (+300 seats): completed in August 2024.
 - TR 3.2 (+600 seats): waiting for new building code
- 7th International School Project (+1,000 seats): expect to complete by 4Q26.

Exhibit 1: Key changes in assumptions

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
Tuition and services revenue	2,358	2,695	3,111	2,390	2,761	3,137	(1.3)	(2.4)	(0.8)
Cost of services	1,069	1,161	1,363	1,024	1,144	1,266	4.3	1.4	7.7
Gross profit	1,289	1,534	1,748	1,366	1,617	1,872	(5.6)	(5.1)	(6.6)
Administrative expense	460	517	576	490	530	598	(6.2)	(2.4)	(3.7)
EBITDA	1,076	1,275	1,440	1,109	1,338	1,542	(3.0)	(4.7)	(6.6)
Net profit	887	1,072	1,232	920	1,136	1,334	(3.6)	(5.6)	(7.6)
Key ratios	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(ppt)
Gross profit	54.7	56.9	56.2	57.1	58.6	59.7	(2.5)	(1.6)	(3.5)
EBITDA	46.9	48.6	47.5	47.2	49.3	49.9	(0.3)	(0.7)	(2.4)
Net profit margin	37.6	39.8	39.6	38.5	41.1	42.5	(0.9)	(1.4)	(2.9)
Key assumptions									
Students, all campuses (students)	4,600	5,000	5,600	4,700	5,200	5,600	(2.1)	(3.8)	0.0
Net additions (students)	403	400	600	503	500	400	(19.9)	(20.0)	50.0
Annual tuition fee (THB m/student)	0.57	0.60	0.63	0.57	0.60	0.63	0.0	0.0	0.0
Student to teacher ratio	8.05	8.16	8.28	8.05	8.16	8.28	0.0	0.0	0.0

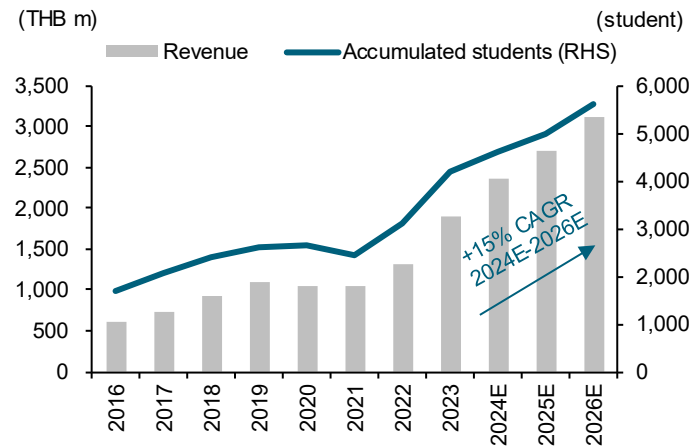
Source: FSSIA estimates

Exhibit 2: Student number projection 2024-26



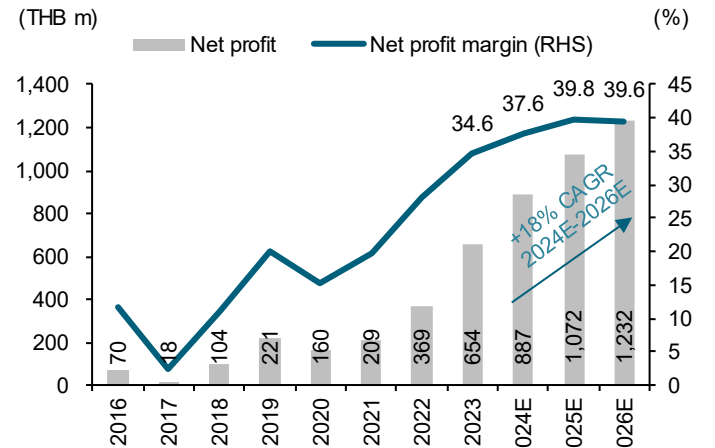
Source: SISB

Exhibit 3: Accumulated students and revenue



Sources: SISB, FSSIA estimates

Exhibit 4: Net profit and net margin



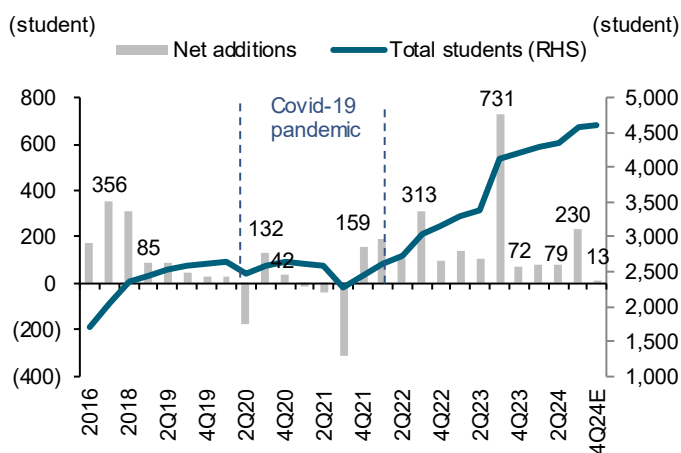
Sources: SISB, FSSIA estimates

Exhibit 5: SISB - 4Q24 earnings preview

Year to Dec 31	4Q23	1Q24	2Q24	3Q24	4Q24E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)
Service revenue	564	561	559	596	643	7.9	14.0
Cost of service	(261)	(252)	(247)	(286)	(284)	(0.9)	8.9
Gross profit	303	309	312	309	359	16.0	18.3
Operating costs	(104)	(111)	(115)	(107)	(127)	19.2	22.7
Operating profit	200	198	197	203	232	14.4	16.1
Operating EBITDA	270	272	269	278	303	9.3	12.6
Other income	9	11	10	10	11	4.6	27.1
Interest expense	(4)	(4)	(4)	(7)	(5)	(31.7)	13.9
Profit before tax	213	214	211	221	249	13.1	17.3
Associates	7	7	8	8	8	0.7	20.3
Net profit	211	212	210	218	247	13.2	17.3
Core profit	211	212	210	218	247	13.2	17.3
Reported EPS (THB)	0.22	0.23	0.22	0.23	0.23	0.0	3.7
Core EPS (THB)	0.22	0.23	0.22	0.23	0.23	0.0	3.7
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross margin	53.8	55.1	55.8	51.9	55.8	3.9	2.1
Operating margin	38.1	38.6	38.5	37.1	39.0	1.9	0.9
EBITDA margin	47.8	48.5	48.2	46.6	47.2	0.6	(0.6)
Net margin	37.3	37.8	37.5	36.6	38.4	1.8	1.1
Admin. expense / revenue	18.4	19.8	20.6	17.9	19.8	1.9	1.4
Number of students (no.)						(q-q %)	(y-y %)
Total students	4,197	4,278	4,357	4,587	4,600	0.3	9.6
Net additions	72	81	79	230	13	(94.3)	(81.9)

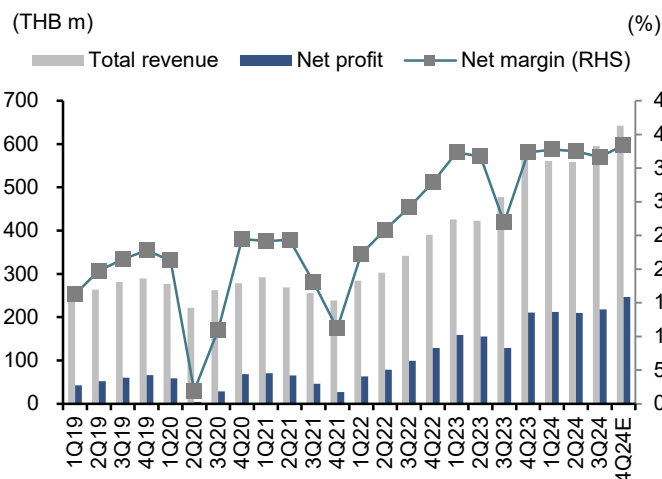
Sources: SISB, FSSIA estimates

Exhibit 6: Net additions and total students



Sources: SISB, FSSIA estimates

Exhibit 7: Revenue, net profit, and net margin

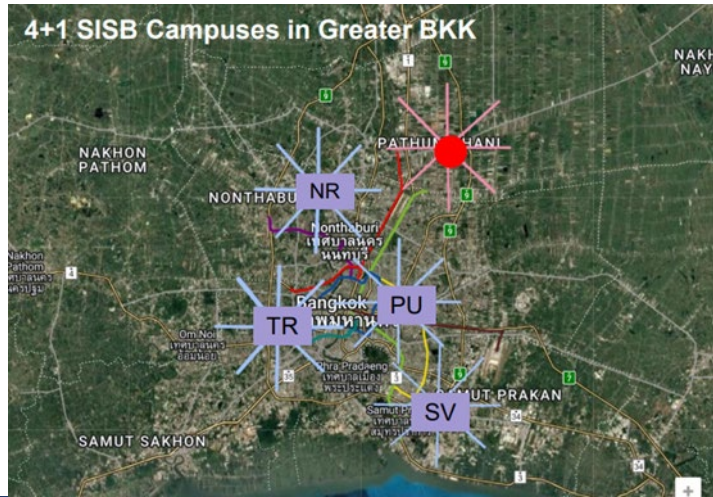


Sources: SISB, FSSIA estimates

A new school to support growth from 2026 onwards

SISB's 7th branch, located in Rangsit Khlong 3, will be part of the Halving School project. The tuition fees will be about 35% lower than the full-price SISB International school model, or around THB300,000 +/- . This rate is competitive with bilingual schools in the surrounding area. Since there are no full international schools in Rangsit Khlong 3, SISB will be the first international school in the area. The company has set a THB300m capex (excluding land costs of THB160-170m), funded by internal cash flows. The investment will be phased to reduce risks, with its initial phase focusing from kindergarten to elementary school. The company expects to break even with approximately 200 students. Based on their most recent branch in Nonthaburi, it took one year to achieve a net margin of 23%.

Exhibit 8: 7th International School in Pathum Thani



Source: SISB

Trim TP to THB42; maintain BUY call

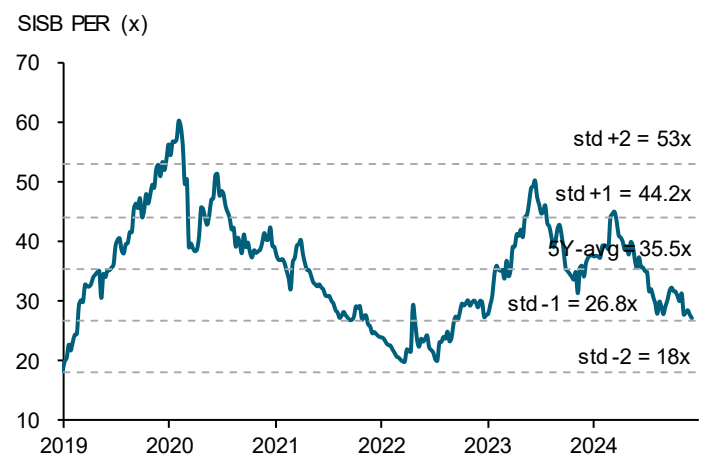
We decreased our DCF-based TP to THB42 (8.0% WACC, 5% LTG) from THB44, in line with our slight downward revision. Our new TP implies 36.8x 2025E P/E, which should decline to 28.5x in 2027E when the capacity expansion is completed. We continue to like SISB as a growth stock. The company's initiation of the Halving project, if successful, will expand the market rather than lead to a reduction in margins. This is because the international school market accounts for less than 1% of the total student population in the country. By contrast, the bilingual private school market is much larger, making up around 18% of the total, with over 2 million students. The stock price traded at -1SD of its five-year P/E ratio, which we believe to be too cheap. We maintain our BUY call.

Exhibit 9: DCF-based valuation

Cost of equity assumption	(%)	Cost of debt assumption	(%)
Risk free rate	3.0	Pre-tax cost of debt	3.0
Market risk premium	8.0	Tax rate	0.0
Stock beta	1.0		
Cost of equity, Ke	11.0	Cost of debt, Kd	1.1
Weight applied	62.5	Weight applied	37.5
WACC	8.0		
Terminal growth	5.0		
(THB m)			
Sum of PV of FCF	4,980		
PV of Terminal value	33,412		
Enterprise value	38,392		
Net debt	1,296		
Equity value	39,688		
No. of shares	940		
Equity value per share	42.22		

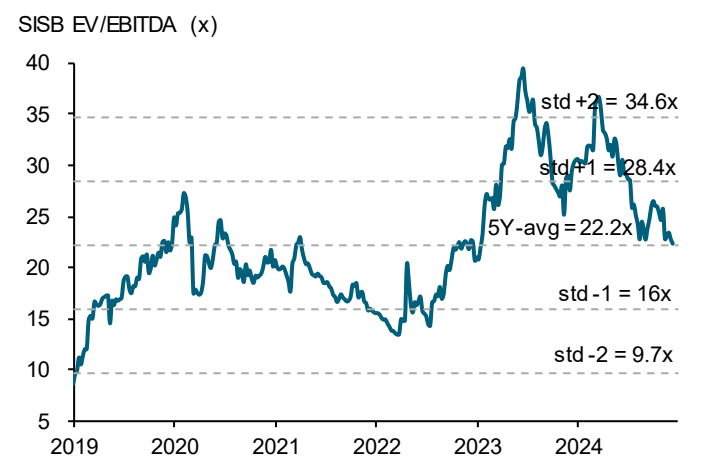
Sources: SISB, FSSIA estimates

Exhibit 10: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 11: One-year rolling forward EV/EBITDA band



Sources: Bloomberg, FSSIA estimates

Financial Statements

SISB

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	1,319	1,889	2,358	2,695	3,111
Cost of goods sold	(653)	(898)	(1,069)	(1,161)	(1,363)
Gross profit	666	992	1,289	1,534	1,748
Other operating income	25	51	63	61	60
Operating costs	(301)	(382)	(460)	(517)	(576)
Operating EBITDA	551	851	1,076	1,275	1,440
Depreciation	(161)	(191)	(183)	(198)	(208)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	390	661	893	1,077	1,233
Net financing costs	(25)	(26)	(28)	(29)	(27)
Associates	5	20	31	33	38
Recurring non-operating income	5	20	31	33	38
Non-recurring items	0	0	0	0	0
Profit before tax	370	655	895	1,082	1,244
Tax	(1)	(1)	(8)	(10)	(11)
Profit after tax	369	654	887	1,072	1,232
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	369	654	887	1,072	1,232
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	369	654	887	1,072	1,232
Per share (THB)					
Recurring EPS *	0.39	0.70	0.94	1.14	1.31
Reported EPS	0.39	0.70	0.94	1.14	1.31
DPS	0.16	0.31	0.41	0.49	0.56
Diluted shares (used to calculate per share data)	940	940	940	940	940
Growth					
Revenue (%)	25.1	43.2	24.8	14.3	15.4
Operating EBITDA (%)	41.3	54.6	26.3	18.5	13.0
Operating EBIT (%)	63.8	69.4	35.1	20.7	14.4
Recurring EPS (%)	73.1	77.0	35.7	20.9	14.9
Reported EPS (%)	73.1	77.0	35.7	20.9	14.9
Operating performance					
Gross margin inc. depreciation (%)	50.5	52.5	54.7	56.9	56.2
Gross margin exc. depreciation (%)	62.7	62.6	62.4	64.3	62.9
Operating EBITDA margin (%)	41.7	45.1	45.6	47.3	46.3
Operating EBIT margin (%)	29.6	35.0	37.9	40.0	39.6
Net margin (%)	28.0	34.6	37.6	39.8	39.6
Effective tax rate (%)	0.2	0.2	0.9	0.9	0.9
Dividend payout on recurring profit (%)	40.7	44.6	43.0	43.0	43.0
Interest cover (X)	15.6	26.3	32.5	38.4	46.4
Inventory days	5.7	5.7	6.3	6.1	5.3
Debtor days	22.6	21.4	20.8	20.5	21.9
Creditor days	86.3	55.7	48.8	44.2	21.8
Operating ROIC (%)	23.8	34.3	39.9	(0.4)	(40.7)
ROIC (%)	18.6	28.4	34.5	(0.4)	(36.8)
ROE (%)	17.2	25.7	29.2	30.9	31.3
ROA (%)	10.9	15.9	18.5	19.6	20.3

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Tuition fees and service income	1,311	1,875	2,342	2,676	3,091
Education equipment revenue	9	14	17	18	20

Sources: SISB; FSSIA estimates

Financial Statements

SISB

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	369	654	887	1,072	1,232
Depreciation	161	191	183	198	208
Associates & minorities	(5)	(20)	(31)	(33)	(38)
Other non-cash items	(36)	(404)	(102)	(156)	(98)
Change in working capital	138	324	203	(91)	(69)
Cash flow from operations	627	745	1,140	989	1,234
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,923)	(1,330)	(439)	(399)	(509)
Net acquisitions & disposals	1,471	1,047	0	0	0
Other investments (net)	0	28	(150)	(150)	(206)
Cash flow from investing	(452)	(254)	(589)	(549)	(715)
Dividends paid	(94)	(150)	(381)	(461)	(530)
Equity finance	0	0	0	0	0
Debt finance	(36)	(36)	13	14	(16)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(130)	(187)	(368)	(447)	(546)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	46	304	183	(7)	(27)
Free cash flow to firm (FCFF)	201.06	516.19	579.33	469.57	546.37
Free cash flow to equity (FCFE)	139.91	453.91	564.37	454.52	502.71

Per share (THB)

FCFF per share	0.21	0.55	0.62	0.50	0.58
FCFE per share	0.15	0.48	0.60	0.48	0.53
Recurring cash flow per share	0.52	0.45	1.00	1.15	1.39

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	3,327	3,919	4,169	4,369	4,669
Less: Accumulated depreciation	(833)	(986)	(803)	(605)	(397)
Tangible fixed assets (net)	2,493	2,933	3,366	3,764	4,271
Intangible fixed assets (net)	340	321	323	317	311
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	60	60	60	60	60
Cash & equivalents	810	1,113	1,296	1,290	1,262
A/C receivable	93	128	141	161	212
Inventories	7	15	16	16	17
Other current assets	15	14	14	15	15
Current assets	926	1,270	1,467	1,482	1,506
Other assets	95	52	53	54	55
Total assets	3,914	4,636	5,270	5,677	6,204
Common equity	2,290	2,788	3,293	3,650	4,222
Minorities etc.	0	0	0	0	0
Total shareholders' equity	2,290	2,788	3,293	3,650	4,222
Long term debt	442	431	423	414	373
Other long-term liabilities	323	362	384	406	431
Long-term liabilities	766	793	806	820	804
A/C payable	149	67	170	64	75
Short term debt	14	14	14	15	15
Other current liabilities	696	974	986	1,128	1,088
Current liabilities	858	1,055	1,170	1,207	1,178
Total liabilities and shareholders' equity	3,914	4,636	5,270	5,677	6,204
Net working capital	(728)	(884)	(985)	(1,000)	(918)
Invested capital	2,260	2,482	2,818	3,195	3,779

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

Per share (THB)

Book value per share	2.44	2.97	3.50	3.88	4.49
Tangible book value per share	2.07	2.62	3.16	3.55	4.16

Financial strength

Net debt/equity (%)	(15.4)	(23.9)	(26.1)	(23.6)	(20.7)
Net debt/total assets (%)	(9.0)	(14.4)	(16.3)	(15.2)	(14.1)
Current ratio (x)	1.1	1.2	1.3	1.2	1.3
CF interest cover (x)	82.6	69.8	36.4	30.5	38.0

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	79.5	44.9	33.1	27.4	23.8
Recurring P/E @ target price (x) *	106.9	60.4	44.5	36.8	32.0
Reported P/E (x)	79.5	44.9	33.1	27.4	23.8
Dividend yield (%)	0.5	1.0	1.3	1.6	1.8
Price/book (x)	12.8	10.5	8.9	8.0	7.0
Price/tangible book (x)	15.1	11.9	9.9	8.8	7.5
EV/EBITDA (x) **	52.7	33.7	26.5	22.4	19.8
EV/EBITDA @ target price (x) **	71.0	45.6	35.9	30.3	26.8
EV/invested capital (x)	12.8	11.6	10.1	8.9	7.5

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

Sources: SISB; 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.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG 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 SETESG 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. SETESG Index is extended from the SET ESG Ratings 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 Sustainabilitycs	The Sustainabilitycs' 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

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

SISB (SISB TB)



Jitra Amornthum started covering this stock from 27-Mar-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
SISB	SISB TB	THB 31.25	BUY	Downside risks to our DCF-based TP include 1) intensified competition; 2) less demand from China; 3) staff shortages; and 4) risks from legal requirements and government policies relating to the business of private schools.

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 04-Dec-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.