

SISB SISB TB

THAILAND / PROFESSIONAL SERVICE

BUY
 UNCHANGED

กังวลมากเกินไป

- คาดกำไร 4Q24 เติบโตทำนิวไฮ
- กรณีที่ไม่ปรับขึ้นค่าเทอมการศึกษาและจำนวนนักเรียนไม่เพิ่ม ราคาเป้าหมายอาจเป็น 32 บาทในปี 2026 ซึ่งเป็นปีที่ถูกระทบเต็มปี
- ผลกระทบชั่วคราวและยังมีแผนขยายโรงเรียนต่อ ราคาหุ้นที่ปรับลงแรงสะท้อนความกังวลที่มากเกินไป

TARGET PRICE	THB42.00
CLOSE	THB24.60
UP/DOWNSIDE	+70.7%
PRIOR TP	THB42.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+8.3%

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 (%)	-	(2.0)	(3.4)	(5.0)
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. (%)	-	-	-	-
EPS growth (%)	77.0	35.7	20.9	14.9
Core P/E (x)	35.4	26.1	21.6	18.8
Dividend yield (%)	1.3	1.6	2.0	2.3
EV/EBITDA (x)	26.4	20.7	17.5	15.4
Price/book (x)	8.3	7.0	6.3	5.5
Net debt/Equity (%)	(23.9)	(26.1)	(23.6)	(20.7)
ROE (%)	25.7	29.2	30.9	31.3

คาดการณ์กำไร 4Q24 เติบโตทำนิวไฮ

เราคาดการณ์กำไร 4Q24 ทำนิวไฮที่ 247 ล้านบาท (+13.2% q-q, +17.3% y-y) โดยคาดว่านักเรียนจะเพิ่มขึ้น 13 คนเนื่องจากยังอยู่ในเทอม 1 (ส.ค.-ธ.ค.) ซึ่งช่วงแรกของการเปิดเทอม (ใน 3Q24) มีนักเรียนเข้าใหม่สุทธิ 230 คน ผลประกอบการใน 4Q24 จึงได้ประโยชน์เต็มไตรมาสจากนักเรียนที่เข้าใหม่และปรับขึ้นค่าเทอมการศึกษาเฉลี่ย 5% ในช่วงกลาง 3Q24 ซึ่งทำให้จบปี 2024 เราคาดการณ์กำไรสุทธิที่ 887 ล้านบาท (+35.7% y-y) โดยมีนักเรียนสิ้นปี 2024 ที่ 4,600 คน (+403 คนตามที่บริษัทตั้งเป้า)

ทุก 1% ของการเปลี่ยนแปลงค่าเทอมมีผลต่อกำไร 2%

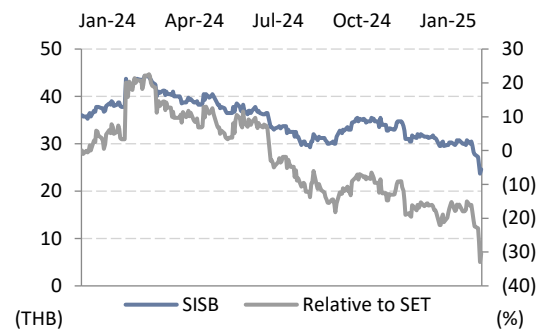
จากความกังวลในภาวะเศรษฐกิจของประเทศ เราได้วิเคราะห์ Sensitivity พบว่าทุกๆ 1% ของการเปลี่ยนแปลงค่าเทอมการศึกษา มีผลต่อกำไรสุทธิประมาณ 20 ล้านบาทต่อปีบนฐานกำไรปัจจุบัน และมีผลต่อราคาเป้าหมายของเรา 0.80 บาท ในกรณีที่แย่มากหากไม่มีการปรับขึ้นค่าเทอมและไม่มีการเรียนเข้ามาเพิ่ม เราคาดการณ์กำไรปี 2025-26 จะ +7%/-10% คิดเป็นกำไรเฉลี่ย -2% CAGR (2027-26) ราคาเป้าหมายปี 2026 (ซึ่งเป็นปีที่ได้รับผลกระทบเต็มปี) จะเป็น 32 บาท ทั้งนี้ ผลกระทบในปี 2025 มีจำกัดเพราะค่าเทอมได้ปรับขึ้นไปแล้วตั้งแต่ ส.ค. 2024 ซึ่งเป็นปีการศึกษาใหม่

เชื่อว่าเร็วเกินไปที่จะปรับประมาณการ เราคงประมาณการตามเดิม

เราคงประมาณการตามเดิมเพราะคิดว่าอาจเร็วเกินไปที่จะปรับประมาณการในเวลานี้ กำไรที่เราคาดการณ์ +21% y-y ในปี 2025 และ +15% y-y ในปี 2026 (หรือ +18% CAGR 2024-26) อยู่บนสมมติฐานนักเรียนเพิ่มขึ้น 400 คนในปี 2025 และ 600 คนในปี 2026 สอดคล้องกับเป้าหมายของบริษัท และค่าเทอมปรับขึ้นเฉลี่ยปีละ 5% ทั้งนี้ จำนวนนักเรียนที่เพิ่มสูงขึ้นมากในปี 2026 มาจากส่วนต่อขยายของของสาขาวิชาชีพ เฟส 3 (+600 ที่นั่ง) ที่แล้วเสร็จใน 1Q26 และสาขาธนบุรี เฟส 3.2 (+600 ที่นั่ง) แล้วเสร็จ

ผลกระทบเป็นเหตุการณ์ชั่วคราวและโรงเรียนยังมีแผนขยายต่อ

แต่หากเศรษฐกิจซบเซาตลอดทั้งปีและทำให้ SISB ปรับขึ้นค่าเทอมได้เพียง 3% ในปีการศึกษาถัดไป (ส.ค. 2025-ก.ค. 2026) ประมาณการกำไรปี 2025-26 ของเราจะสูงเกินไป 4% และ 8% ตามลำดับ การเติบโตของกำไรจะชะลอลงเป็นเฉลี่ย +13% CAGR (2024-26) จากปัจจุบัน +18% CAGR (2024-26) ราคาเป้าหมายจะถูกกระทบ 4 บาท แต่ราคาหุ้น SISB ในช่วง 2 สัปดาห์ที่ผ่านมาปรับลง 6.30 บาท ขณะที่ผลกระทบเป็นเหตุการณ์ชั่วคราว ไม่ได้เปลี่ยนโครงสร้างธุรกิจ และ SISB ยังเดินหน้าสร้างโรงเรียนแห่งที่ 7 แล้วเสร็จปลายปี 2026 ซึ่งเราไม่ได้รวมในประมาณการ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(17.3)	(30.7)	(30.7)
Relative to country (%)	(13.2)	(23.9)	(28.2)
Mkt cap (USD m)	668		
3m avg. daily turnover (USD m)	1.6		
Free float (%)	29		
Major shareholder	Mr. Yew Hock Koh (33%)		
12m high/low (THB)	45.00/22.80		
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 estimate SISB's 4Q24 net profit to reach a new high of THB247m (+13.2% q-q, +17.3% y-y). The 4Q24 performance would benefit from the full-quarter impact of new students and a 5% average increase in tuition fees.

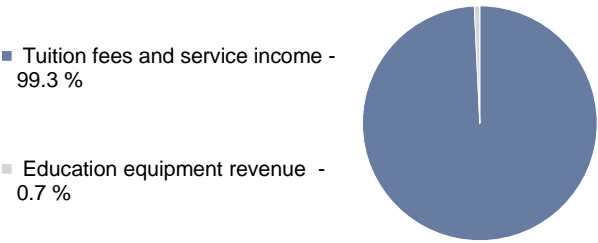
Due to concerns about the country's economic conditions, we conducted a sensitivity analysis. It shows that every 1% change in tuition fees impacts net profit by approximately 20 million baht per year based on the current profit base. If SISB raises tuition fees by only 3% for the next academic year (August 2025 - July 2026), it would impact our TP by THB4. However, the impacts should be temporary and not alter the underlying structure of the business. Hence, we maintain our BUY rating.

Company profile

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

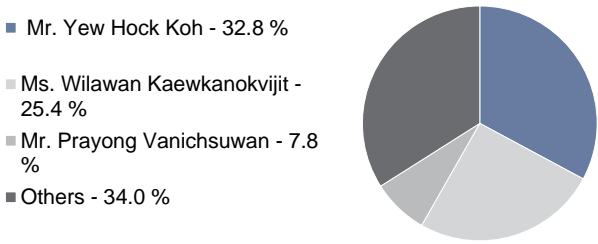
www.sisb.ac.th

Principal activities (revenue, 2023)



Source: SISB

Major shareholders



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	4Q24/2024 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 2%, 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

Earnings set to reach a new high in 4Q24

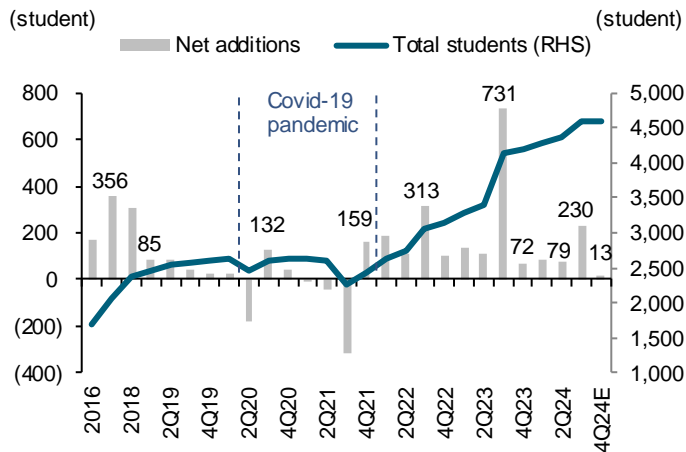
We estimate SISB's 4Q24 net profit to reach a new high of THB247m (+13.2% q-q, +17.3% y-y). We expect the number of students this quarter to increase by about 13, as it is still within the first semester (Aug-Dec). This should come after an increase of 230 students during the school opening period (3Q24). However, the 4Q24 performance would benefit from the full-quarter impact of new students and a 5% average increase in tuition fees compared to 3Q24, which only partially reflected these effects. On the other hand, expenses, particularly personnel costs related to education, were fully accounted for in 3Q24.

By the end of 2024, we expect SISB to have 4,600 students, an increase of 403 students in line with the management's target. 2024 marked the first full year of revenue recognition from the 5th and 6th branches in Nonthaburi and Rayong. We estimate that students from Nonthaburi and Rayong accounted for 11% and 4% of the total students, respectively. As a result, we estimate its revenue to increase by 24.8% y-y to THB2.4b, with a net profit of THB887m (+35.7% y-y), supported by a gross profit margin of 54.7% and a net profit margin of 37.6%, both improving y-y and at record-high levels.

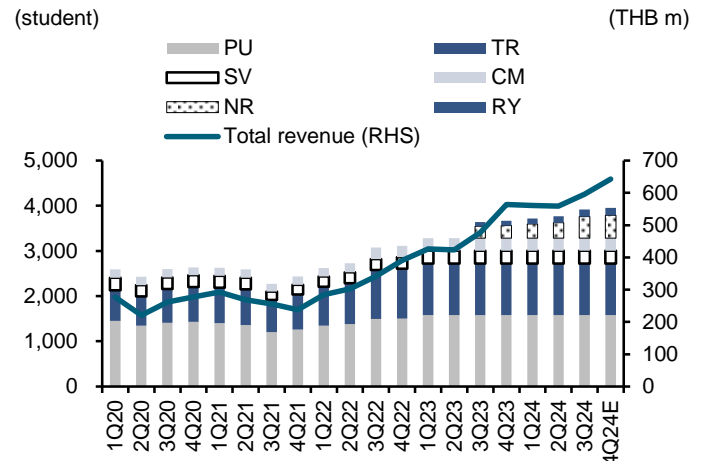
Exhibit 1: SISB - 4Q24 earnings preview

Year to Dec 31	4Q23	1Q24	2Q24	3Q24	4Q24E	----- Change -----		2023	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Service revenue	564	561	559	596	643	7.9	14.0	1,889	2,358	24.8
Cost of service	(261)	(252)	(247)	(286)	(284)	(0.9)	8.9	(898)	(1,069)	19.1
Gross profit	303	309	312	309	359	16.0	18.3	993	1,289	29.8
Operating costs	(104)	(111)	(115)	(107)	(127)	19.2	22.7	(382)	(460)	20.4
Operating profit	200	198	197	203	232	14.4	16.1	611	830	35.7
Operating EBITDA	270	272	269	278	303	9.3	12.6	863	1,122	30.1
Other income	9	11	10	10	11	4.6	27.1	41	43	3.3
Interest expense	(4)	(4)	(4)	(7)	(5)	(31.7)	13.9	(10)	(20)	112.1
Profit before tax	213	214	211	221	249	13.1	17.3	656	646	(1.6)
Associates	7	7	8	8	8	0.7	20.3	20	23	15.6
Net profit	211	212	210	218	247	13.2	17.3	654	887	35.7
Core profit	211	212	210	218	247	13.2	17.3	654	887	35.7
Reported EPS (THB)	0.22	0.23	0.22	0.23	0.23	0.0	3.7	0.70	0.94	35.7
Core EPS (THB)	0.22	0.23	0.22	0.23	0.23	0.0	3.7	0.70	0.94	35.7
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	53.8	55.1	55.8	51.9	55.8	3.9	2.1	52.5	54.7	2.2
Operating margin	38.1	38.6	38.5	37.1	39.0	1.9	0.9	35.5	38.3	2.8
EBITDA margin	47.8	48.5	48.2	46.6	47.2	0.6	(0.6)	44.1	46.9	2.8
Net margin	37.3	37.8	37.5	36.6	38.4	1.8	1.1	34.6	37.6	3.0
Admin. expense / revenue	18.4	19.8	20.6	17.9	19.8	1.9	1.4	20.2	19.5	(0.7)
Number of students (no.)						(q-q %)	(y-y %)			(y-y %)
Total students	4,197	4,278	4,357	4,587	4,600	0.3	9.6	4,197	4,600	9.6
Net additions	72	81	79	230	13	(94.3)	(81.9)	1,083	403	(62.8)

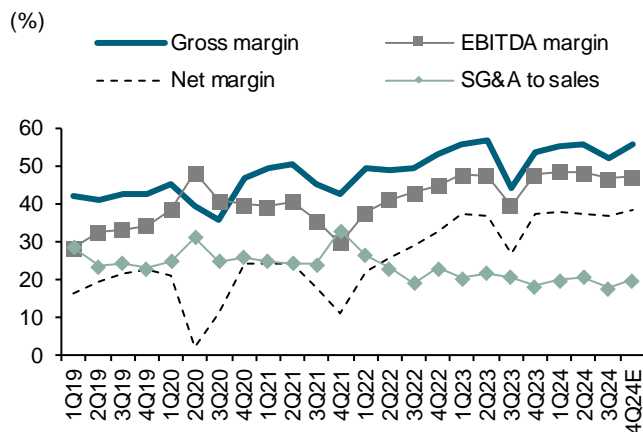
Sources: SISB, FSSIA estimates

Exhibit 2: Net enrolments and accumulated students

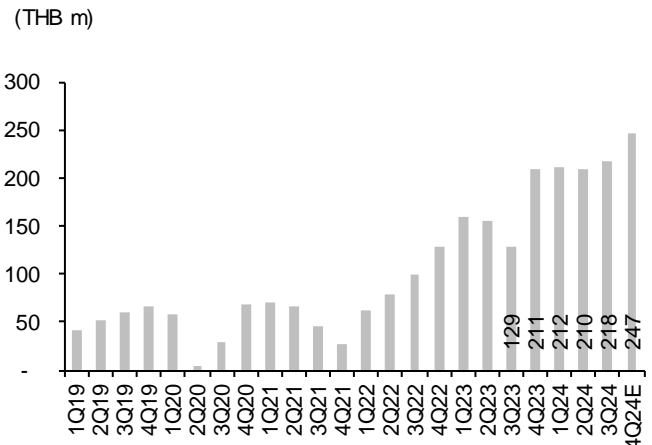
Sources: SISB, FSSIA estimates

Exhibit 3: Total revenue, net profit and net margin

Note: PU: Singapore International School of Bangkok, TR: Singapore International School Thonburi, SV: Singapore International School Suvarnabhumi, CM: Singapore International School Chinagmai, NR: Singapore International School Nonthaburi, RY: Singapore International School Rayong
Sources: SISB, FSSIA estimates

Exhibit 4: Margins

Sources: SISB, FSSIA estimates

Exhibit 5: Net profit

Sources: SISB, FSSIA estimates

Every 1% change in tuition fee impacts our profit estimate by 2%

Due to concerns about the country's economic conditions, we conduct a sensitivity analysis. It shows that every 1% change in tuition fees impacts SISB's net profit by approximately THB20m per year (or 2%) based on the current profit base, affecting our TP by about THB0.80.

If SISB does not raise tuition fees for the new academic year (starting August 2025) as per the usual 5% increase:

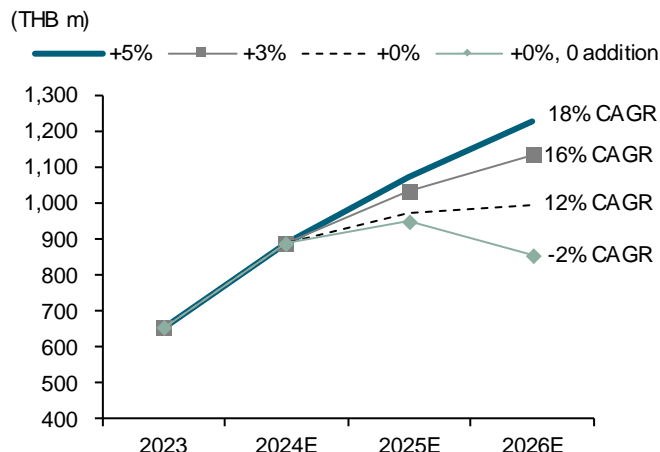
- We expect SISB's net profit for 2025 to be THB970m (+9.4% y-y).
- For 2026, which reflects the full-year impact, we expect SISB's net profit to be THB996m (+2.7% y-y).
- This equates to a three-year average profit growth of 6% CAGR (2024–26). The 2026 TP, based on an implied P/E of 35x, would be THB37.

In a worst-case scenario, with no tuition fee increase and zero student growth:

- We estimate net profit growth for 2025–26 to be +7%/-10%.
- The three-year average profit would decline by 2% CAGR (2024–26).

- The 2026 TP under this scenario would be THB32.

Exhibit 6: Sensitivity analysis of net profit and tuition fee adjustments



(THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024-26 CAGR (%)
Tuition fee +5%, Student +400	887	1,072	1,228	17.7
Tuition fee +3%, Student +400	887	1,031	1,134	13.1
Tuition fee +0%, Student +400	887	970	996	6.0
Tuition fee +0%, Student +0	887	947	855	-1.8

Note: All cases assume 400 students growth per year unless otherwise stated.
Sources: FSSIA estimates

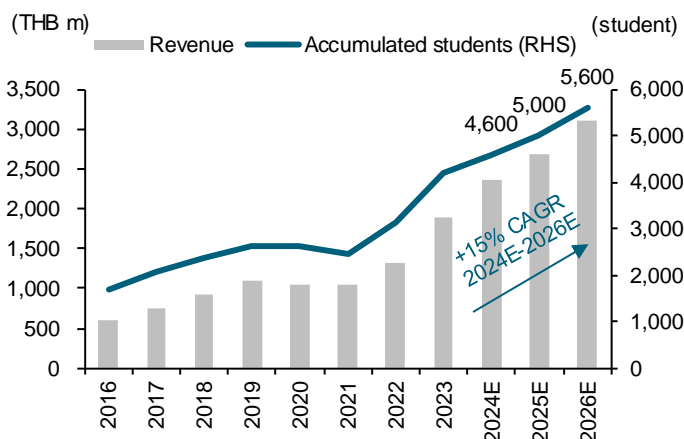
Maintain our projections and BUY rating

We maintain our estimates, assuming an increase of 400 students in 2025 and 600 students in 2026, aligning with the company's targets. The significant rise in student numbers in 2026 should come from the expansion of the Pracha Uthit campus, Phase 3 (+600 seats), scheduled for completion in 1Q26, and the Thonburi campus, Phase 3.2 (+600 seats). We also assume an average tuition fee increase of 5% per year.

With these assumptions, we expect SISB's net profit for 2025 and 2026 to grow by 21% y-y and 15% y-y, respectively, reflecting an average growth rate of 18% CAGR (2024-26). Also, we value our TP at THB42, based on DCF valuation (8% WACC and 5% LTG).

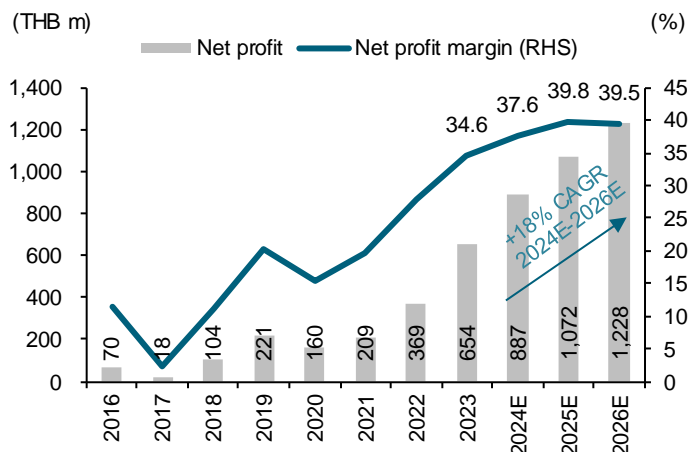
If the economic slowdown persists throughout the year, causing SISB to raise tuition fees by only 3% for the next academic year (August 2025 - July 2026), our profit estimates for 2025-26 would be overstated by 4% and 8%, respectively. Net profit growth would decelerate to an average of 13% CAGR (2024-26), down from the current projection of +18% CAGR. Additionally, our TP would decrease by THB4. However, SISB's share price has already declined by THB6.30 in the last two weeks. Moreover, SISB plans to open its 7th school with affordable fees by the end of 2026. We have not yet factored it into our current estimates. Therefore, we maintain our BUY rating.

Exhibit 7: Accumulated students and revenue



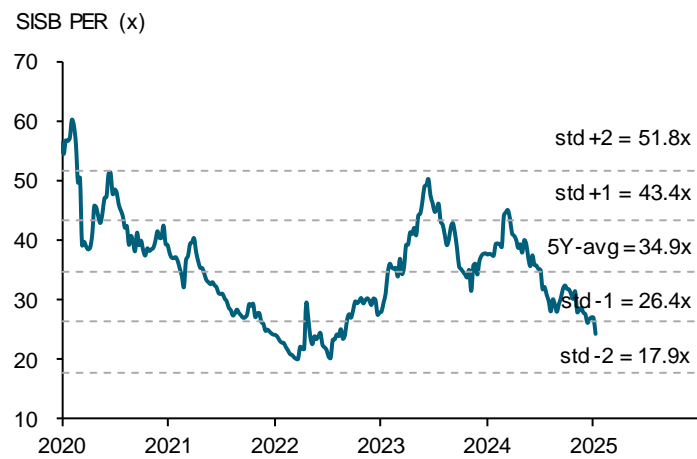
Sources: SISB, FSSIA estimates

Exhibit 8: Net profit and net margin



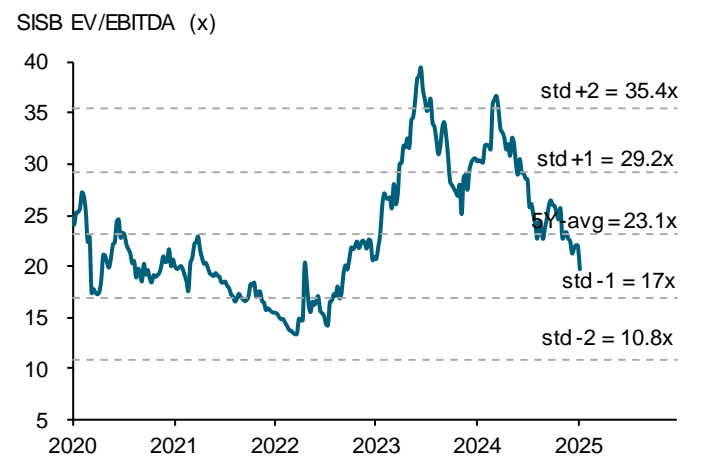
Sources: SISB, FSSIA estimates

Exhibit 9: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 10: 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) *	62.6	35.4	26.1	21.6	18.8
Recurring P/E @ target price (x) *	106.9	60.4	44.5	36.8	32.0
Reported P/E (x)	62.6	35.4	26.1	21.6	18.8
Dividend yield (%)	0.7	1.3	1.6	2.0	2.3
Price/book (x)	10.1	8.3	7.0	6.3	5.5
Price/tangible book (x)	11.9	9.4	7.8	6.9	5.9
EV/EBITDA (x) **	41.3	26.4	20.7	17.5	15.4
EV/EBITDA @ target price (x) **	71.0	45.6	35.9	30.3	26.8
EV/invested capital (x)	10.1	9.0	7.9	7.0	5.9

* 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 Sustainalytics	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 & 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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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

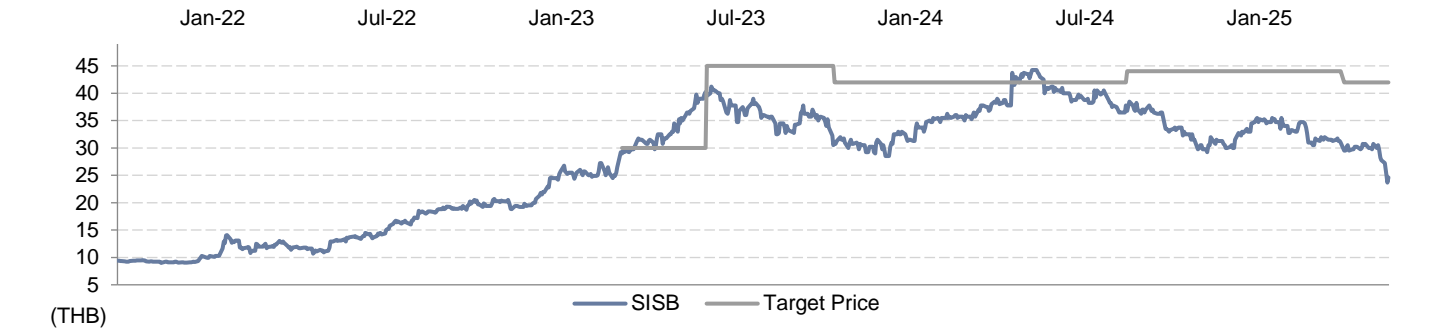
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

SISB (SISB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
27-Mar-2023	BUY	30.00	26-Sep-2023	BUY	42.00	04-Jun-2024	BUY	44.00
08-Jun-2023	BUY	45.00	25-Mar-2024	HOLD	42.00	06-Dec-2024	BUY	42.00

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 24.60	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 16-Jan-2025 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.