

PRARAM 9 HOSPITAL

THAILAND / HEALTH CARE SERVICES

PR9 TB

BUY

UNCHANGED

TARGET PRICE	THB30.00
CLOSE	THB20.50
UP/DOWNSIDE	+46.3%
PRIOR TP	THB30.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.2%

Growing profit, but declining share price

- Expect 1Q25 core profit to grow by 20% y-y to THB191m, driven by strong Middle East patient revenue.
- Expect Middle East patient revenue contribution to increase to 28-30% of total international patient revenue in 2025 (vs 8% in 2024).
- Maintain BUY with a DCF-based TP of THB30.0/shr.

Expect international patient revenue to hit a new high in 1Q25

We estimate international patient revenue to continue its strong momentum and surge by 60% y-y in 1Q25, driven by patients from the Middle East (ME). Meanwhile, Thai patient revenue should grow at a slower pace of 1-2% y-y due to economic slowdown. This should lead revenue to grow by 11% y-y. We expect the 1Q25 EBITDA margin to improve to 25% (vs 24% in 1Q24) on strong international patient revenue. Overall, we forecast 1Q25 core profit to grow by 20% y-y to THB191m.

Ample Middle East patient market size to penetrate

Middle East patient revenue has accelerated from 2-3% in 1H24 to 16% of total international patient revenue in 4Q24. This implies ME patient revenue of THB60-70m. We estimate it to jump by 4-5 times to THB280-320m in 2025, implying an ME patient revenue contribution of 28-30% (vs 8% in 2024). This should bring the international patient revenue contribution to 22% (vs 17% in 2024). We believe the growth from ME patients still has a long way to go, as the total ME market is more than THB11b as of 2024 (without Kuwaiti GOP patients of at least THB3.0b). Note that PR9 recently opened its International Center and plans to add a 20 IPD bed capacity in 2H25 to support the strong international market.

Expect core profit to grow by 15% y-y to THB816m in 2025

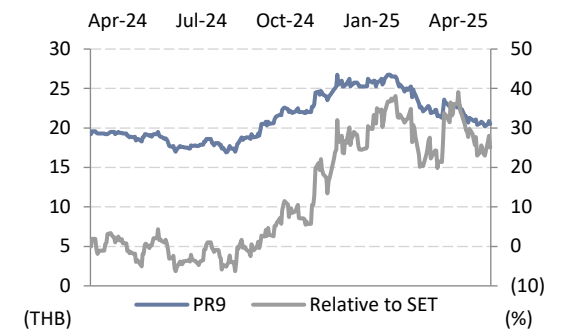
We expect revenue to grow by 9% in 2025 (slightly more conservative than management's guidance of double-digit growth). We estimate international patient revenue to grow by 40% and Thai patient revenue to grow by 3%. The EBITDA margin should improve to 25% in 2025 (vs 24% in 2024), leading core profit to grow by 15% y-y to THB816m.

Weak market presents opportunity to buy the stock

PR9's share price has fallen by 23% YTD amid concerns of higher SG&A in 4Q24, uncertainty over the ME market (i.e. Kuwaiti government's policy to cut the payment for citizens seeking treatment overseas) and the weak equity market. We believe the concerns have little weight compared to the growth potential in the international market over the next 2-3 years. Thus, we see this as an opportunity to buy the stock. PR9 is trading at an attractive valuation of 20x 2025E P/E.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	4,635	5,062	5,474	5,864
Net profit	713	816	905	1,003
EPS (THB)	0.91	1.04	1.15	1.27
vs Consensus (%)	-	0.3	0.3	3.4
EBITDA	1,114	1,271	1,427	1,561
Recurring net profit	713	816	905	1,003
Core EPS (THB)	0.91	1.04	1.15	1.27
Chg. In EPS est. (%)	-	0.0	0.0	0.1
EPS growth (%)	27.8	14.5	10.8	10.8
Core P/E (x)	22.6	19.8	17.8	16.1
Dividend yield (%)	2.0	2.5	2.8	3.1
EV/EBITDA (x)	12.5	10.8	9.3	8.1
Price/book (x)	3.0	2.7	2.5	2.3
Net debt/Equity (%)	(41.2)	(40.4)	(44.2)	(49.5)
ROE (%)	13.6	14.3	14.6	14.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.5)	(22.6)	7.3
Relative to country (%)	(8.1)	(9.0)	26.3
Mkt cap (USD m)	472		
3m avg. daily turnover (USD m)	2.5		
Free float (%)	59		
Major shareholder	Khunying Potjaman Damapong (37%)		
12m high/low (THB)	27.50/16.90		
Issued shares (m)	786.30		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

PR9 is a standalone hospital that is known as a “value-for-money” hospital. It recently upgraded its services to include tertiary care with new specialist centers. One of the top contributors is the Kidney Transplant Institute, which is the only facility to be accredited by Joint Commission International (JCI) outside the US.

The hospital is in a growth phase, with a new building opened in July 2020. The new building enables PR9 to capture new customer groups from its new specialist centers and gives it a higher IPD capacity. PR9 has the potential to increase its IPD capacity to up to 300 beds (from 204 currently).

PR9 expects to increase the revenue contribution from international patients from 17% in 2024 to more than 20% in 2025. This should improve the EBITDA margin and ROE, leading to a stock valuation re-rating, in our view.

Company profile

PR9 has been operating a private hospital since 1992.

www.praram9.com

Principal activities (revenue, 2024)

■ OPD patient revenue - 58.9 %
■ IPD patient revenue - 41.1 %

Source: Praram 9 Hospital

Major shareholders

■ Khunying Potjaman Damapong - 37.1 %
■ Thai NVDR - 5.1 %
■ Satian Pooprasert - 1.3 %
■ Others - 56.4 %

Source: Praram 9 Hospital

Catalysts

Key potential growth drivers include 1) a higher Thai patient volume from new specialist centers; 2) rising demand from medical tourists, especially patients from CLMV, China and the Middle East; and 3) the new strategy to capture Middle East patients.

Risks to our call

Downside risks to our DCF-based target price include 1) weak patient volumes following the economic slowdown; 2) regulatory risks from drug price and medical bill controls; and 3) higher-than-expected expenses from its new building.

Event calendar

Date	Event
May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
	(%)	(%)	(%)
No. of beds (no.)	224	249	249
OPD volume growth	6	3	3
OPD revenue / patient growth	4	5	4
IPD volume growth	6	3	3
IPD revenue / patient growth	4	5	4

Source: FSSIA estimates

Earnings sensitivity

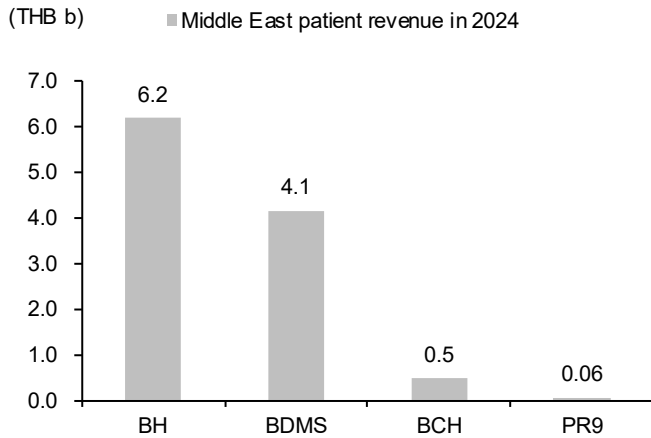
- For every 1% increase in patient volume, we project 2025 earnings to rise by 2%, and vice versa, all else being equal.
- For every 1% increase in EBITDA margin, we project 2025 earnings to rise by 6%, and vice versa, all else being equal.

Source: FSSIA estimates

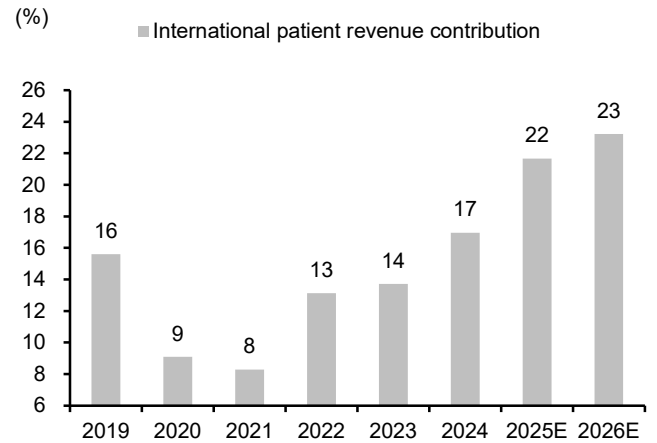
Exhibit 1: PR9 – 1Q25 results preview

FY ending Dec	1Q24	2Q24	3Q24	4Q24	1Q25E	----- Change -----		2024	2025E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	1,071	1,084	1,226	1,255	1,186	(6)	11	4,635	5,062	9
COGS (incl depreciation)	(715)	(733)	(781)	(817)	(764)	(6)	7	(3,045)	(3,283)	8
Gross profit	356	350	445	439	422	(4)	19	1,590	1,778	12
SG&A	(182)	(204)	(212)	(240)	(220)	(8)	21	(837)	(883)	5
Operating profit	175	146	233	198	202	2	16	753	895	19
Net other income	10	14	10	21	21	0	118	55	58	5
Interest income	13	12	15	15	15	0	18	55	45	
Interest expenses	(0)	(0)	(0)	(0)	0			(0)	(1)	n/a
Pretax profit	197	173	258	234	238	2	21	862	997	16
Income Tax	(38)	(34)	(50)	(28)	(48)	71	26	(149)	(181)	21
Core profit	159	139	208	207	191	(8)	20	713	816	15
Extraordinaries, GW & FX										
Reported net profit	159	139	208	207	191	(8)	20	713	816	15
Outstanding shares (m)	786	786	786	786	786	0	0	786	786	0
Pre-ex EPS (THB)	0.20	0.18	0.26	0.26	0.24	(8)	20	0.91	1.04	15
EPS (THB)	0.20	0.18	0.26	0.26	0.24	(8)	20	0.91	1.04	15
COGS excl. depreciation	(640)	(658)	(703)	(739)	(685)	(7)	7	(2,739)	(2,966)	8
Depreciation	(75)	(76)	(78)	(78)	(79)	1	6	(306)	(318)	4
EBITDA	259	236	321	298	303	2	17	1,114	1,271	14
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	33	32	36	35	36	1	2	34	35	1
SG&A/Revenue	17	19	17	19	19	(1)	2	18	17	(1)
EBITDA margin	24	22	26	23	25	2	1	24	25	1
Net profit margin	15	13	17	16	16	(0)	1	15	16	1
Operating stats	(%)	(%)	(%)	(%)	(%)					
OPD revenue growth y-y	13	10	11	6	-					
OPD volume growth y-y	9	4	5	1	-					
OPD revenue per head growth y-y	4	6	6	5	-					
IPD revenue growth y-y	11	5	21	8	-					
IPD volume growth y-y	15	(4)	7	(12)	-					
IPD revenue per head growth y-y	(4)	10	13	22	-					
Thai patient revenue growth y-y	10	5	11	(0)	2					
Inter patient revenue growth y-y	25	24	42	51	60					

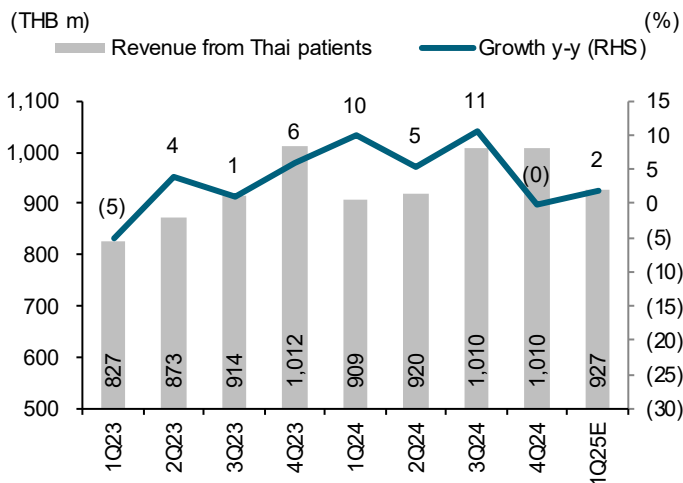
Sources: PR9; FSSIA estimates

Exhibit 2: Middle East patient revenue in 2024E

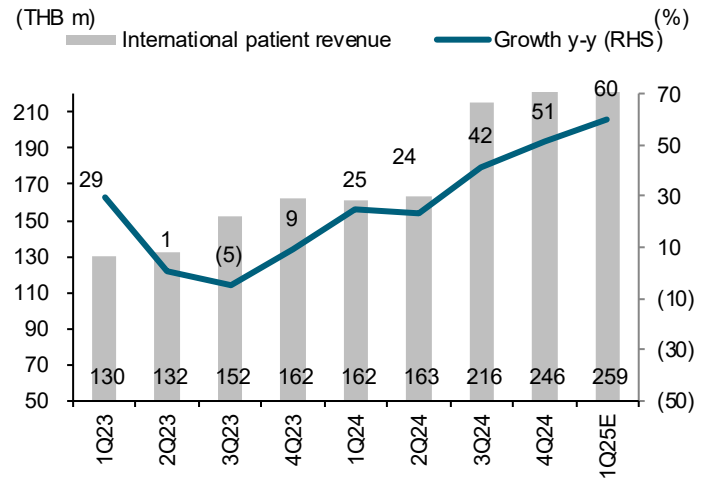
Source: FSSIA's compilation and estimates

Exhibit 3: Revenue contribution from international patients

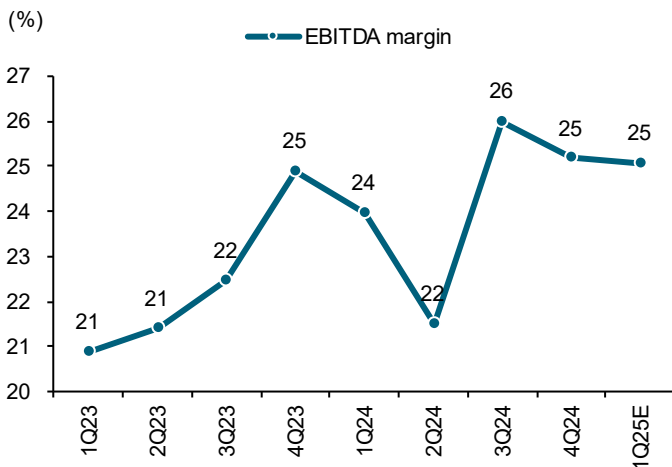
Sources: PR9; FSSIA estimates

Exhibit 4: Thai patient revenue

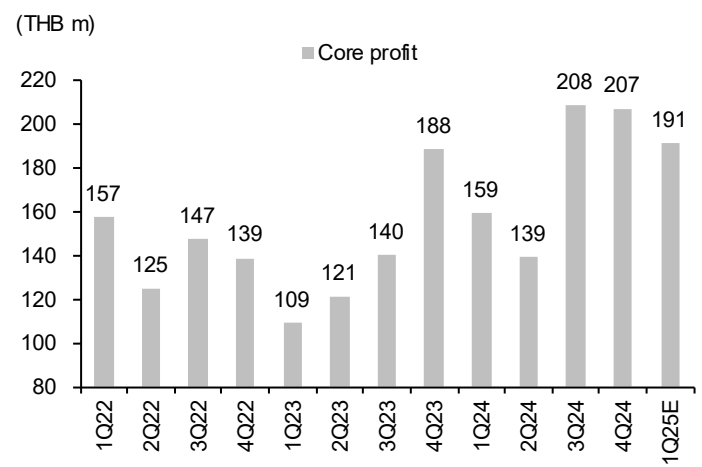
Sources: PR9; FSSIA estimates

Exhibit 5: International patient revenue

Sources: PR9; FSSIA estimates

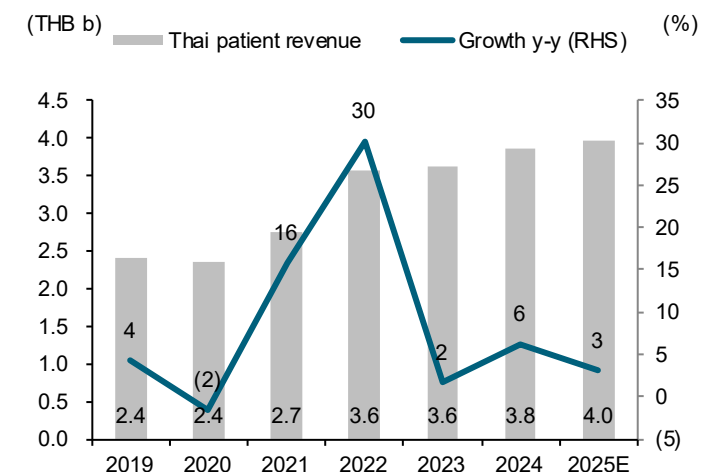
Exhibit 6: EBITDA margin

Note: 4Q24 adjusted for one-time expenses (donation of mobile medical and x-ray bus)
 Sources: PR9; FSSIA estimates

Exhibit 7: Core profit

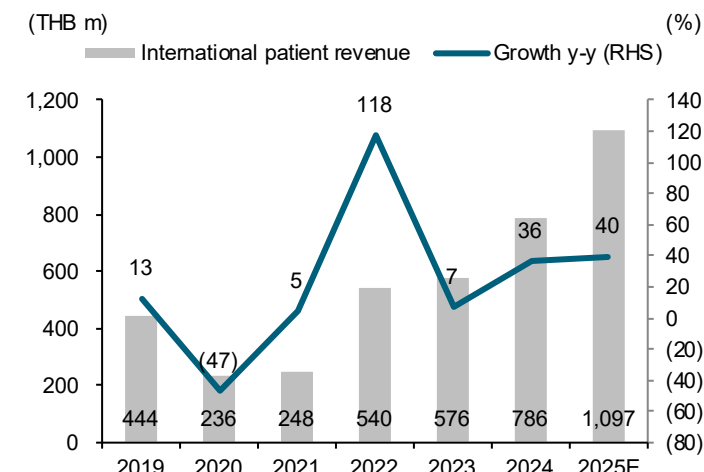
Sources: PR9; FSSIA estimates

Exhibit 8: Thai patient revenue



Sources: PR9; FSSIA estimates

Exhibit 9: International patient revenue



Sources: PR9; FSSIA estimates

Exhibit 10: DCF valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		3.5
Market risk premium		8.0	Marginal tax rate		20.0
Stock beta		0.8			
Cost of equity, Ke		9.3	Net cost of debt, Kd		2.8
Weight applied		100.0	Weight applied		0.0
WACC		9.3			
DCF valuation estimate		(THB b)	(THB/share)	Comments	
NPV		8.3	10.6	WACC 9.3%, risk-free rate 3%, risk premium 8%	
Terminal value		12.5	15.8	Terminal growth 3%	
Cash & liquid assets		2.4	3.1	At end-2025E	
Investments		0.4	0.5	At end-2025E	
Debt		(0.0)	(0.0)	At end-2025E	
Minorities		0.0	0.0	At end-2025E	
Residual ordinary equity		23.6	30.0		

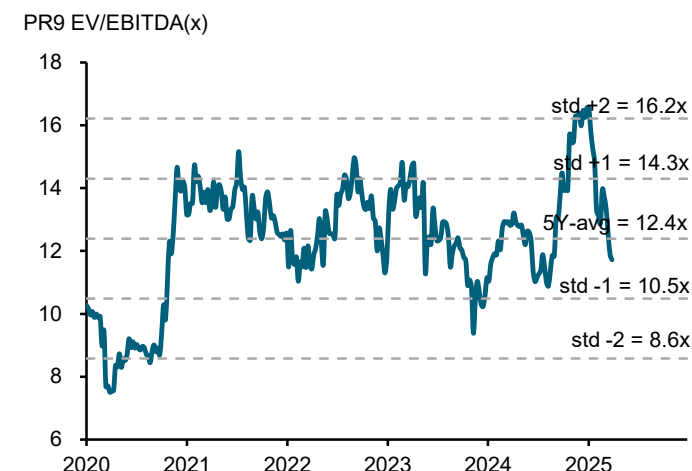
Source: FSSIA estimates

Exhibit 11: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 12: Historical EV/EBITDA band



Sources: Bloomberg; FSSIA estimates

Exhibit 13: Peer comparisons as of 2 April 2025

Company	BBG	Rec	Share price			Market Cap	PE		ROE		PBV		EV/ EBITDA	
			Current	Target	Upside		25E	26E	25E	26E	25E	26E	25E	26E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Thailand														
Bangkok Dusit Med Service	BDMS TB	BUY	22.50	36.50	62.2	10,467	20.3	18.5	17.1	17.6	3.4	3.1	12.5	11.3
Bumrungrad Hospital	BH TB	BUY	173.50	220.00	26.8	4,038	17.5	17.1	26.8	24.4	4.4	4.0	11.6	10.8
Bangkok Chain Hospital	BCH TB	BUY	14.40	20.00	38.9	1,051	22.6	20.1	11.8	12.5	2.6	2.4	11.2	9.9
Chularat Hospital	CHG TB	BUY	1.69	2.90	71.6	544	15.6	14.0	15.0	15.8	2.3	2.1	8.6	7.6
Patangsit Healthcare Group	PHG TB	BUY	13.70	21.00	53.3	120	12.6	11.0	15.1	16.0	1.8	1.7	5.9	5.2
Praram 9 Hospital	PR9 TB	BUY	20.50	30.00	46.3	472	19.8	17.8	14.3	14.6	2.7	2.5	10.8	9.3
Thonburi Healthcare Group	THG TB	HOLD	10.90	40.00	267.0	270	11.5	9.0	7.6	9.4	0.9	0.8	7.9	6.5
Ramkhamhaeng Hospital	RAM TB	BUY	18.70	44.00	135.3	657	11.4	9.9	10.0	10.8	1.1	1.0	15.1	12.9
Srivichai Vejvivat	VIH TB	BUY	7.15	14.00	95.8	135	11.8	12.8	10.4	8.9	1.2	1.1	5.8	7.2
Rajthanee Hospital	RJH TB	n/a	13.70	n/a	n/a	118	9.8	9.9	20.7	20.0	1.9	1.7	8.3	7.5
Ekachai Medical Care	EKH TB	n/a	6.40	n/a	n/a	156	15.5	14.5	11.5	11.2	2.0	1.9	9.4	9.2
Thailand average						18,029	15.3	14.0	14.6	14.7	2.2	2.0	9.7	8.9
Regional														
Ramsay Health Care	RHC AU	n/a	34.37	n/a	n/a	4,890	26.6	21.4	5.2	7.2	1.6	1.5	9.0	8.4
Ihh Healthcare Bhd	IHH SP	n/a	2.06	n/a	n/a	13,461	30.6	27.1	6.6	7.2	1.9	1.8	12.6	11.4
Ryman Healthcare	RYM NZ	n/a	2.67	n/a	n/a	1,544	44.2	22.3	0.9	2.1	0.4	0.5	34.4	33.8
Apollo Hospitals Enterprise	APHS IN	n/a	6,732	n/a	n/a	11,328	67.2	50.8	18.9	20.8	11.9	9.8	33.4	27.2
Kpj Healthcare Berhad	KPJ MK	n/a	2.64	n/a	n/a	2,597	29.8	26.2	14.6	15.3	4.3	4.0	14.2	13.2
Raffles Medical Group	RFMD SP	n/a	0.99	n/a	n/a	1,337	26.9	23.7	6.5	7.0	1.7	1.6	11.6	10.9
Mitra Keluarga Karyasehat	MIKA IJ	n/a	2,240	n/a	n/a	1,863	25.1	21.8	18.9	19.6	4.3	4.0	15.1	13.3
Aier Eye Hospital Group	300015 CH	n/a	13.26	n/a	n/a	17,017	29.3	25.3	17.8	17.7	5.0	4.4	17.7	15.7
Regional average						54,036	35.0	27.3	11.2	12.1	3.9	3.4	18.5	16.7
Overall average						72,065	23.6	19.6	13.2	13.6	2.9	2.6	13.4	12.2

Sources: Bloomberg; FSSIA estimates

Financial Statements

Praram 9 Hospital

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	4,202	4,635	5,062	5,474	5,864
Cost of goods sold	(2,820)	(3,045)	(3,283)	(3,523)	(3,753)
Gross profit	1,382	1,590	1,778	1,951	2,111
Other operating income	51	55	58	60	62
Operating costs	(774)	(837)	(883)	(927)	(976)
Operating EBITDA	958	1,114	1,271	1,427	1,561
Depreciation	(299)	(306)	(318)	(344)	(364)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	659	808	953	1,083	1,197
Net financing costs	30	54	44	47	56
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	0	0	0
Profit before tax	689	862	997	1,131	1,253
Tax	(131)	(149)	(181)	(226)	(251)
Profit after tax	558	713	816	905	1,003
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	558	713	816	905	1,003
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	558	713	816	905	1,003
Per share (THB)					
Recurring EPS *	0.71	0.91	1.04	1.15	1.27
Reported EPS	0.71	0.91	1.04	1.15	1.27
DPS	0.30	0.40	0.52	0.58	0.64
Diluted shares (used to calculate per share data)	786	786	786	786	786
Growth					
Revenue (%)	2.3	10.3	9.2	8.2	7.1
Operating EBITDA (%)	(3.4)	16.3	14.0	12.3	9.4
Operating EBIT (%)	(4.7)	22.6	17.9	13.7	10.5
Recurring EPS (%)	(1.7)	27.8	14.5	10.8	10.8
Reported EPS (%)	(1.7)	27.8	14.5	10.8	10.8
Operating performance					
Gross margin inc. depreciation (%)	32.9	34.3	35.1	35.6	36.0
Gross margin exc. depreciation (%)	40.0	40.9	41.4	41.9	42.2
Operating EBITDA margin (%)	22.8	24.0	25.1	26.1	26.6
Operating EBIT margin (%)	15.7	17.4	18.8	19.8	20.4
Net margin (%)	13.3	15.4	16.1	16.5	17.1
Effective tax rate (%)	19.0	17.3	18.2	20.0	20.0
Dividend payout on recurring profit (%)	42.3	44.1	50.0	50.0	50.0
Interest cover (X)	(22.3)	(14.9)	(21.6)	(22.9)	(21.3)
Inventory days	7.2	7.0	7.3	7.3	7.3
Debtor days	23.1	24.9	26.8	28.8	30.8
Creditor days	73.9	77.9	83.0	83.3	87.5
Operating ROIC (%)	17.6	22.2	25.0	26.1	28.9
ROIC (%)	16.1	19.7	21.8	23.0	25.5
ROE (%)	11.4	13.6	14.3	14.6	14.9
ROA (%)	9.3	10.9	11.7	12.0	12.2
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
OPD patient revenue	2,491	2,731	2,982	3,225	3,455
IPD patient revenue	1,711	1,904	2,079	2,249	2,409

Sources: Praram 9 Hospital; FSSIA estimates

Financial Statements

Praram 9 Hospital

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	558	713	816	905	1,003
Depreciation	299	306	318	344	364
Associates & minorities	-	-	-	-	-
Other non-cash items	10	(6)	0	0	0
Change in working capital	(23)	63	0	(8)	58
Cash flow from operations	844	1,076	1,134	1,240	1,425
Capex - maintenance	(326)	(251)	(658)	(387)	(356)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(100)	(128)	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(426)	(379)	(658)	(387)	(356)
Dividends paid	(234)	(351)	(315)	(408)	(452)
Equity finance	0	0	0	0	0
Debt finance	1	(4)	0	0	0
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(233)	(355)	(315)	(408)	(452)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	184	341	161	445	617
Free cash flow to firm (FCFF)	418.17	697.32	475.99	853.58	1,070.07
Free cash flow to equity (FCFE)	418.73	692.74	475.28	852.88	1,069.37
Per share (THB)					
FCFF per share	0.53	0.89	0.61	1.09	1.36
FCFE per share	0.53	0.88	0.60	1.08	1.36
Recurring cash flow per share	1.10	1.29	1.44	1.59	1.74
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	5,898	5,992	6,651	7,038	7,394
Less: Accumulated depreciation	(2,556)	(2,705)	(3,022)	(3,366)	(3,730)
Tangible fixed assets (net)	3,343	3,288	3,628	3,672	3,663
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	254	382	382	382	382
Cash & equivalents	1,901	2,243	2,404	2,849	3,466
A/C receivable	290	343	400	462	529
Inventories	48	57	62	66	70
Other current assets	12	15	16	18	19
Current assets	2,251	2,658	2,882	3,395	4,084
Other assets	62	72	72	72	72
Total assets	5,910	6,399	6,964	7,521	8,201
Common equity	5,080	5,439	5,940	6,437	6,987
Minorities etc.	0	0	0	0	0
Total shareholders' equity	5,080	5,439	5,940	6,437	6,987
Long term debt	9	5	5	5	5
Other long-term liabilities	195	202	202	202	202
Long-term liabilities	204	207	207	207	207
A/C payable	522	647	701	751	873
Short term debt	0	0	0	0	0
Other current liabilities	105	106	116	126	135
Current liabilities	626	754	817	877	1,007
Total liabilities and shareholders' equity	5,910	6,399	6,964	7,521	8,201
Net working capital	(276)	(339)	(339)	(331)	(389)
Invested capital	3,382	3,402	3,743	3,795	3,728
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	6.46	6.92	7.55	8.19	8.89
Tangible book value per share	6.46	6.92	7.55	8.19	8.89
Financial strength					
Net debt/equity (%)	(37.3)	(41.2)	(40.4)	(44.2)	(49.5)
Net debt/total assets (%)	(32.0)	(35.0)	(34.4)	(37.8)	(42.2)
Current ratio (x)	3.6	3.5	3.5	3.9	4.1
CF interest cover (x)	(13.2)	(11.8)	(9.8)	(17.0)	(18.0)
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	28.9	22.6	19.8	17.8	16.1
Recurring P/E @ target price (x) *	42.3	33.1	28.9	26.1	23.5
Reported P/E (x)	28.9	22.6	19.8	17.8	16.1
Dividend yield (%)	1.5	2.0	2.5	2.8	3.1
Price/book (x)	3.2	3.0	2.7	2.5	2.3
Price/tangible book (x)	3.2	3.0	2.7	2.5	2.3
EV/EBITDA (x) **	14.9	12.5	10.8	9.3	8.1
EV/EBITDA @ target price (x) **	22.6	19.2	16.7	14.5	12.9
EV/invested capital (x)	4.2	4.1	3.7	3.5	3.4
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Praram 9 Hospital; FSSIA estimates

Praram 9 Hospital PCL (PR9 TB)

FSSIA ESG rating


54.08 /100

Exhibit 14: 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.

Sources: FSSIA estimates

Exhibit 15: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET ESG	SET ESG Rating	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
BDMS	74.00	Y	Y	Y	5.00	4.00	--	Medium	61.06	AA	34.00	59.83	72.00	3.45	58.92
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
PR9	54.08	--	Y	Y	5.00	5.00	Certified	High	71.12	--	--	62.39	--	2.43	37.90
PRINC	18.00	--	--	--	4.00	4.00	Certified	--	--	--	--	--	--	--	--
RAM	11.75	--	--	--	3.00	--	--	High	--	--	--	--	--	--	--
THG	18.75	--	--	--	5.00	5.00	--	High	--	--	--	--	--	--	--
VIBHA	20.88	--	--	--	4.00	3.00	Declared	High	--	--	--	--	17.00	--	--

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

Exhibit 16: ESG score by Bloomberg

FY ending Dec 31	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	2.33	2.43
BESG environmental pillar score	—	2.56	2.18
BESG social pillar score	—	1.36	1.52
BESG governance pillar score	—	4.13	4.46
ESG disclosure score	—	37.90	37.90
Environmental disclosure score	—	11.78	11.78
Social disclosure score	—	20.68	20.68
Governance disclosure score	—	81.10	81.10
Environmental			
Emissions reduction initiatives	No	Yes	Yes
Climate change policy	No	Yes	Yes
Climate change opportunities discussed	No	No	No
Risks of climate change discussed	No	No	No
GHG scope 1	—	0	0
GHG scope 2 location-based	—	4	6
GHG Scope 3	—	0	5
Carbon per unit of production	—	—	—
Biodiversity policy	No	No	No
Energy efficiency policy	No	Yes	Yes
Total energy consumption	—	7	13
Renewable energy use	—	—	—
Electricity used	—	—	—
Fuel used - natural gas	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 17: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No
Waste reduction policy	No	Yes	Yes
Hazardous waste	—	—	—
Total waste	—	—	—
Waste recycled	—	—	—
Waste sent to landfills	—	—	—
Environmental supply chain management	No	No	No
Water policy	No	Yes	Yes
Water consumption	—	60	151
Social			
Human rights policy	Yes	Yes	Yes
Policy against child labor	No	Yes	Yes
Quality assurance and recall policy	No	Yes	Yes
Consumer data protection policy	No	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes
Gender pay gap breakout	No	No	No
Pct women in workforce	—	—	—
Pct disabled in workforce	—	—	—
Business ethics policy	No	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes
Health and safety policy	No	Yes	Yes
Lost time incident rate - employees	—	—	—
Total recordable incident rate - employees	—	1	0
Training policy	Yes	Yes	Yes
Fair remuneration policy	No	No	No
Number of employees – CSR	2,083	1,987	2,011
Employee turnover pct	—	11	13
Total hours spent by firm - employee training	14,566	13,462	66,852
Social supply chain management	No	No	No
Governance			
Board size	10	10	9
No. of independent directors (ID)	4	7	6
No. of women on board	2	2	2
No. of non-executive directors on board	7	7	6
Company conducts board evaluations	Yes	Yes	Yes
No. of board meetings for the year	7	7	7
Board meeting attendance pct	97	100	89
Board duration (years)	3	3	3
Director share ownership guidelines	No	No	No
Age of the youngest director	56	56	57
Age of the oldest director	72	73	74
No. of executives / company managers	7	5	5
No. of female executives	2	0	0
Executive share ownership guidelines	No	No	No
Size of audit committee	3	3	3
No. of ID on audit committee	3	3	3
Audit committee meetings	4	4	4
Audit meeting attendance %	100	100	100
Size of compensation committee	3	3	3
No. of ID on compensation committee	3	2	3
No. of compensation committee meetings	2	2	2
Compensation meeting attendance %	83	100	100
Size of nomination committee	3	3	3
No. of nomination committee meetings	2	2	2
Nomination meeting attendance %	83	100	100
Sustainability governance			
Verification type	No	No	No

Sources: Bloomberg; 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.																				
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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CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																			
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

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

Source: FSSIA's compilation

GENERAL DISCLAIMER

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Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Praram 9 Hospital	PR9 TB	THB 20.50	BUY	Downside risks to our DCF-based target price include 1) weak patient volumes following the economic slowdown; 2) regulatory risks from drug price and medical bill controls; and 3) higher-than-expected expenses from its new building.
Bangkok Dusit Medical Services	BDMS TB	THB 22.50	BUY	Downside risks to our DCF-based target price include 1) a slowdown in international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) higher-than-expected capex and opex for CoE projects.
Bumrungrad Hospital	BH TB	THB 173.50	BUY	Downside risks to our DCF-based target price include 1) a slowdown in international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) higher medical fee discount promotions, leading to a weaker EBITDA margin.
Bangkok Chain Hospital	BCH TB	THB 14.40	BUY	Downside risks to our DCF-based target price include 1) a slowdown in international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) SSO provision expenses following a limited SSO budget.
Chularat Hospital	CHG TB	THB 1.69	BUY	Downside risks to our DCF-based target price include 1) a slowdown in Thai patient volume due to economic concerns; 2) regulatory risks from drug price and medical bill controls; and 3) SSO provision expenses following limited budgets from the SSO.
Patangsit Healthcare Group	PHG TB	THB 13.70	BUY	Downside risks to our DCF-based target price include 1) a slowdown in Thai patient volume due to economic slowdown; 2) regulatory risks from drug price and medical bill controls; and 3) SSO provision expenses following limited budgets from the SSO.
Thonburi Healthcare Group	THG TB	THB 10.90	HOLD	Upside risks to our DCF-based target price include 1) a new Covid wave from a new variant; and 2) big-lot sales of Jin Wellbeing County units. Downside risks include 1) regulatory risks from drug prices and medical bill controls; and 2) a slowdown in international patients due to economic concerns.
Ramkhamhaeng Hospital	RAM TB	THB 18.70	BUY	Downside risks to our DCF-based target price include 1) weak patient volumes following the economic slowdown; 2) regulatory risks from drug price and medical bill controls; and 3) losses from its subsidiary companies.
Srivichaivejvivat	VIH TB	THB 7.15	BUY	Downside risks to our DCF-based target price include 1) a slowdown in Thai patient volume due to economic slowdown; 2) regulatory risks from drug price and medical bill controls; and 3) SSO provision expenses following limited budgets from the SSO.

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 02-Apr-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.