

BETAGRO BTG TB
THAILAND / FOOD & BEVERAGE**HOLD**
UNCHANGED**3Q23 results at first glance**

TARGET PRICE	THB23.00
CLOSE	THB20.20
UP/DOWNSIDE	+13.9%
TP vs CONSENSUS	-5.4%

ขาดทุน 3Q23 มากกว่าคาด**Highlights**

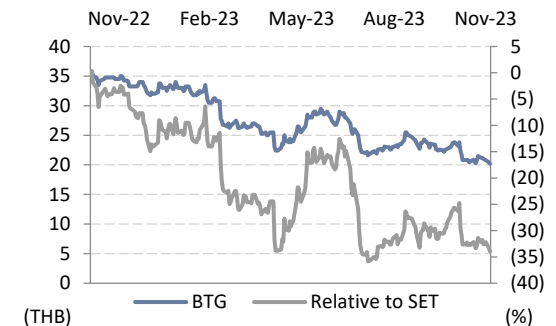
- BTG รายงานขาดทุนสุทธิ 3Q23 เท่ากับ -784 ลบ. มากกว่าคาด 10% หากไม่รวมรายการพิเศษ อาทิ Bio loss -23 ลบ., FX gain 11 ลบ. และอื่นๆ พบว่ามีผลการดำเนินงานหลักขาดทุน -770 ลบ. แยกจาก -268 ลบ. ใน 2Q23 และพลิกจากมีกำไร 2,329 ลบ. ใน 3Q22
- แม้รายได้จะเติบโต 2.1% q-q ได้ตามฤดูกาล และมาจากการเติบโตของธุรกิจอาหารสัตว์ แต่ปรับลด -8.3% y-y ด้วยผลของราคาเนื้อสัตว์ที่ปรับลดทั้งหมูไทย -14% q-q, -43% y-y ซึ่งถูกกระทบจากปัญหาหมูเถื่อน ขณะที่ไก่ไทย -16% q-q, -23% y-y และ หมูกัมพูชา -8.8% q-q, -22.7% y-y
- อัตรากำไรขั้นต้นอ่อนลงเหลือ 8.2% จาก 10.5% ใน 2Q23 และ 21.2% ใน 3Q22 เนื่องจากต้นทุนวัตถุดิบอาหารสัตว์ปรับลดช้ากว่า ส่วนหนึ่งเพราะยังมีสต็อกใช้อยู่ กอปรกับมีการนำเข้าวัตถุดิบบางส่วน และด้วยค่าเงินบาทที่อ่อนค่า จึงส่งผลให้ภาพรวมต้นทุนยังอยู่ในระดับสูง
- แม้บริษัทจะควบคุมค่าใช้จ่ายให้ลดลง -4.5% q-q, -13.2% y-y ซึ่งลดลงมากกว่ารายได้ ทำให้ SG&A to sales ปรับลงเป็น 10.8% จาก 11.6% ใน 2Q23 และ 11.4% ใน 3Q22 แต่ไม่สามารถหักล้างผลลบของราคาเนื้อสัตว์ที่ปรับลดต่ำกว่าต้นทุนการเลี้ยงได้

Outlook

- บริษัทขาดทุนสุทธิ 9M23 ที่ -742 ลบ. พลิกจากที่มีกำไร 6,142 ลบ. ใน 9M22 คิดเป็น 55% ของประมาณการทั้งปี แนวโน้ม 4Q23 น่าจะขาดทุนลดลงจาก 3Q23 ภายหลังราคาหมูไทยเริ่มกลับมาฟื้น โดยราคาเฉลี่ย 4QTD อยู่ที่ 68 บาท/กก. +8.4% q-q แต่โดยรวมคิดแล้วยังต่ำกว่าต้นทุนการเลี้ยงเล็กน้อย
- เรายังคาดขาดทุนสุทธิปี 2023 ราว -1,345 ลบ. พลิกจากกำไรนิวไฮ 7,938 ลบ. ในปี 2022 และยังคงคาดหวังราคาเนื้อสัตว์จะทยอยฟื้นตัวขึ้นเหนือต้นทุนการเลี้ยงได้ใน 1H24 ขณะที่แนวโน้มราคาวัตถุดิบปรับลดต่อเนื่อง คาดช่วยหนุนให้ปี 2024 พลิกมีกำไรอีกครั้งราว 2,621 ลบ.
- คงราคาเป้าหมายปี 2024 ที่ 23 บาท (อิง PE 17x) และแนะนำเพียงถือตามเดิมเพื่อรอการฟื้นตัวของราคาเนื้อสัตว์กลับสู่โซนที่มีกำไรอีกครั้ง

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	112,626	108,357	113,597	118,812
Net profit	7,938	(1,345)	2,621	2,817
EPS (THB)	4.11	(0.70)	1.36	1.46
vs Consensus (%)	-	nm	13.0	16.1
EBITDA	14,018	4,182	8,043	8,861
Recurring net profit	7,477	(1,275)	2,121	2,417
Core EPS (THB)	3.74	(0.64)	1.06	1.21
EPS growth (%)	416.1	nm	nm	14.0
Core P/E (x)	5.4	(31.7)	19.1	16.7
Dividend yield (%)	12.5	-	4.0	4.3
EV/EBITDA (x)	4.1	14.0	7.1	6.3
Price/book (x)	1.4	1.4	1.4	1.3
Net debt/Equity (%)	61.9	69.7	63.2	56.3
ROE (%)	33.8	(4.5)	7.5	8.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(15.1)	(12.2)	(43.5)
Relative to country (%)	(11.2)	(2.7)	(33.8)
Mkt cap (USD m)	1,083		
3m avg. daily turnover (USD m)	1.3		
Free float (%)	37		
Major shareholder	Betagro Holding Company Limited (38%)		
12m high/low (THB)	36.75/20.00		
Issued shares (m)	1,934.80		

Sources: Bloomberg consensus; FSSIA estimates

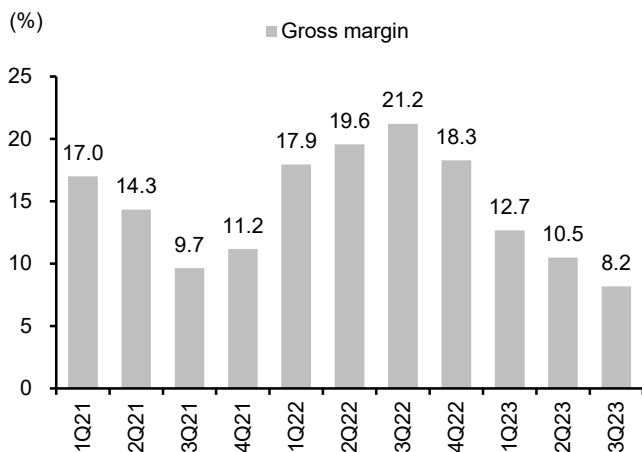
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Exhibit 1: BTG - 3Q23 results summary

	3Q22	4Q22	1Q23	2Q23	3Q23	----- Change -----		9M22	9M23	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	160,266	159,048	143,781	150,246	144,498	(3.8)	(9.8)	455,149	438,525	(3.7)
Cost of sales	136,287	141,569	128,202	133,750	128,940	(3.6)	(5.4)	390,755	390,893	0.0
Gross profit	23,979	17,479	15,579	16,496	15,558	(5.7)	(35.1)	64,394	47,632	(26.0)
SG&A	14,385	14,928	12,787	13,868	14,079	1.5	(2.1)	40,073	40,734	1.7
Operating profit	10,564	3,849	3,663	3,607	2,364	(34.5)	(77.6)	27,001	9,635	(64.3)
Interest expense	5,494	6,035	6,068	6,157	6,377	3.6	16.1	14,323	18,603	29.9
Tax expense	2,020	(698)	429	123	(115)	nm	nm	6,701	437	(93.5)
Profit (loss) sharing	2,294	2,580	(1,088)	(893)	528	nm	nm	1,165	(1,453)	nm
Biological gain (loss)	(886)	469	(41)	1,616	319	(80.2)	nm	942	1,894	101.1
Other gain (loss)	421	52	879	1,419	1,603	12.9	280.3	3,884	3,901	0.4
Reported net profit	5,108	1,812	(2,725)	(792)	(1,811)	nm	nm	12,158	(5,328)	nm
Core profit	5,572	1,290	(3,563)	(3,827)	(3,733)	nm	nm	7,332	(11,123)	nm
Key Ratios (%)						(ppt)	(ppt)			
Gross margin	15.0	11.0	10.8	11.0	10.8	(0.2)	(4.2)	14.1	10.9	(3.3)
SG&A to sales	9.0	9.4	8.9	9.2	9.7	0.5	0.8	8.8	9.3	0.5
Operating margin	6.6	2.4	2.5	2.4	1.6	(0.8)	(5.0)	5.9	2.2	(3.7)
Net margin	3.2	1.1	(1.9)	(0.5)	(1.3)	(0.7)	(4.4)	2.7	(1.2)	(3.9)
Core margin	3.5	0.8	(2.5)	(2.5)	(2.6)	(0.0)	(6.1)	1.6	(2.5)	(4.1)
Operating statistics (THB/kg)										
Broiler price-TH	47.4	42.6	39.2	43.8	36.6	(16.4)	(22.8)	43.3	39.9	(8.0)
Swine price-TH	109.8	101.3	84.7	72.5	62.7	(13.5)	(42.9)	101.6	73.3	(27.9)
Shrimp price 70 unit -TH	145.0	141.7	155.0	124.7	124.3	(0.3)	(14.3)	154.2	134.7	(12.7)
Corn price-TH	12.1	12.6	13.3	12.9	11.7	(9.3)	(3.7)	12.2	12.6	3.3
Soybean meal price-TH	23.1	23.3	24.0	23.4	21.5	(8.1)	(6.9)	22.5	23.0	1.9
Swine price-VN (VND/kg.)	62,760	52,819	50,045	55,095	57,023	3.5	(9.1)	56,985	54,054	(5.1)
Swine price-CH (RMB/kg.)	22.5	24.6	15.2	14.4	16.3	12.8	(27.8)	17.0	15.3	(10.0)

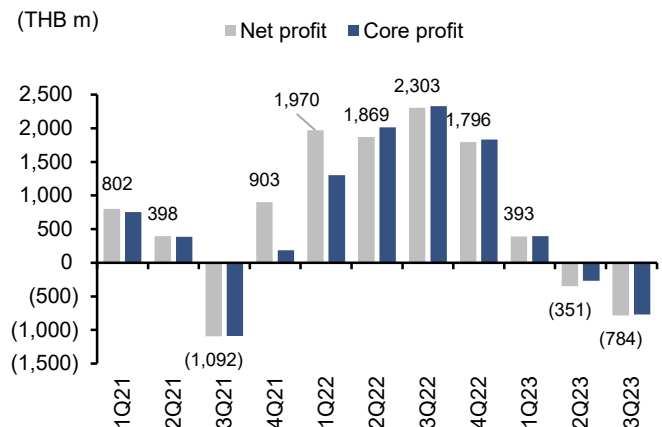
Sources: BTG; FSSIA's compilation

Exhibit 2: Quarterly gross margin



Sources: BTG; FSSIA's compilation

Exhibit 3: Quarterly profit



Sources: BTG; FSSIA's compilation

Financial Statements

Betagro

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	85,424	112,626	108,357	113,597	118,812
Cost of goods sold	(74,260)	(90,894)	(97,413)	(99,057)	(103,367)
Gross profit	11,164	21,731	10,944	14,540	15,446
Other operating income	548	637	621	682	713
Operating costs	(10,914)	(12,594)	(12,136)	(12,382)	(12,951)
Operating EBITDA	4,864	14,018	4,182	8,043	8,861
Depreciation	(4,066)	(4,243)	(4,753)	(5,203)	(5,653)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	798	9,775	(571)	2,840	3,208
Net financing costs	(577)	(619)	(594)	(601)	(562)
Associates	54	37	45	55	58
Recurring non-operating income	54	37	45	55	58
Non-recurring items	771	460	(70)	500	400
Profit before tax	1,047	9,654	(1,189)	2,794	3,104
Tax	(208)	(1,549)	(122)	(344)	(406)
Profit after tax	839	8,104	(1,311)	2,450	2,699
Minority interests	172	(167)	(34)	170	119
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,011	7,938	(1,345)	2,621	2,817
Non-recurring items & goodwill (net)	(771)	(460)	70	(500)	(400)
Recurring net profit	239	7,477	(1,275)	2,121	2,417
Per share (THB)					
Recurring EPS *	0.72	3.74	(0.64)	1.06	1.21
Reported EPS	3.06	4.11	(0.70)	1.36	1.46
DPS	24.50	2.52	0.00	0.81	0.88
Diluted shares (used to calculate per share data)	330	2,000	2,000	2,000	2,000
Growth					
Revenue (%)	6.6	31.8	(3.8)	4.8	4.6
Operating EBITDA (%)	(31.4)	188.2	(70.2)	92.3	10.2
Operating EBIT (%)	(74.9)	1,125.0	nm	nm	13.0
Recurring EPS (%)	(90.6)	416.1	nm	nm	14.0
Reported EPS (%)	(61.1)	34.4	nm	nm	7.5
Operating performance					
Gross margin inc. depreciation (%)	13.1	19.3	10.1	12.8	13.0
Gross margin exc. depreciation (%)	17.8	23.1	14.5	17.4	17.8
Operating EBITDA margin (%)	5.7	12.4	3.9	7.1	7.5
Operating EBIT margin (%)	0.9	8.7	(0.5)	2.5	2.7
Net margin (%)	0.3	6.6	(1.2)	1.9	2.0
Effective tax rate (%)	19.9	16.0	(10.2)	12.3	13.1
Dividend payout on recurring profit (%)	3,382.1	67.4	-	76.9	72.5
Interest cover (X)	1.5	15.9	(0.9)	4.8	5.8
Inventory days	65.3	60.7	60.5	62.8	62.1
Debtor days	21.6	18.4	20.1	19.5	19.6
Creditor days	24.6	23.2	24.9	26.2	25.9
Operating ROIC (%)	1.6	18.1	(1.0)	5.1	5.8
ROIC (%)	1.5	16.1	(0.9)	4.7	5.3
ROE (%)	1.5	33.8	(4.5)	7.5	8.2
ROA (%)	1.0	13.3	(1.2)	3.9	4.4
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Agro	24,795	28,403	28,766	30,098	31,495
Food and protein	54,171	75,758	71,201	74,510	77,725
International	4,881	6,236	6,004	6,242	6,428
Pet segment	1,491	2,211	2,322	2,681	3,097

Sources: Betagro; FSSIA estimates

Financial Statements

Betagro

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	239	7,477	(1,275)	2,121	2,417
Depreciation	4,066	4,243	4,753	5,203	5,653
Associates & minorities	(373)	362	(99)	(50)	(53)
Other non-cash items	(522)	91	(104)	0	0
Change in working capital	(1,047)	(1,479)	125	(707)	(960)
Cash flow from operations	2,363	10,694	3,400	6,567	7,058
Capex - maintenance	(5,511)	(5,576)	(4,560)	(4,500)	(4,500)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	4,201	1,436	300	537	381
Cash flow from investing	(1,310)	(4,140)	(4,259)	(3,963)	(4,119)
Dividends paid	(1,257)	(11,250)	0	(1,572)	(1,690)
Equity finance	4,500	16,929	0	0	0
Debt finance	8,881	(3,487)	(2,016)	(1,724)	(1,293)
Other financing cash flows	(14,586)	81	(704)	105	104
Cash flow from financing	(2,462)	2,274	(2,720)	(3,192)	(2,879)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	1,348	0	0	0	0
Net other adjustments	1,348	(3,430)	0	0	0
Movement in cash	(61)	5,398	(3,580)	(587)	59
Free cash flow to firm (FCFF)	1,630.08	7,173.00	(266.20)	3,205.04	3,500.28
Free cash flow to equity (FCFE)	(3,303.76)	(281.29)	(3,579.55)	985.27	1,749.79

Per share (THB)

FCFF per share	0.84	3.71	(0.14)	1.66	1.81
FCFE per share	(1.71)	(0.15)	(1.85)	0.51	0.90
Recurring cash flow per share	10.34	6.31	1.70	3.77	4.16

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	47,575	49,403	50,791	51,171	51,144
Less: Accumulated depreciation	(24,662)	(26,031)	(27,072)	(28,155)	(29,281)
Tangible fixed assets (net)	22,913	23,372	23,719	23,016	21,863
Intangible fixed assets (net)	955	882	882	882	882
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,452	1,346	1,347	1,347	1,347
Cash & equivalents	542	5,940	2,361	1,774	1,833
A/C receivable	6,029	6,652	6,587	6,906	7,223
Inventories	14,111	14,711	16,013	16,283	16,992
Other current assets	7,775	9,477	8,669	9,088	9,505
Current assets	28,457	36,781	33,630	34,051	35,553
Other assets	3,697	2,852	2,712	2,730	2,807
Total assets	57,475	65,234	62,289	62,025	62,451
Common equity	15,759	28,502	27,697	28,746	29,873
Minorities etc.	(237)	163	108	114	119
Total shareholders' equity	15,522	28,664	27,806	28,859	29,991
Long term debt	10,606	8,064	7,064	6,064	5,064
Other long-term liabilities	2,789	2,871	2,167	2,272	2,376
Long-term liabilities	13,395	10,934	9,231	8,336	7,440
A/C payable	8,276	9,852	10,465	10,761	11,238
Short term debt	19,984	15,615	14,680	13,956	13,663
Other current liabilities	298	168	108	114	119
Current liabilities	28,558	25,636	25,253	24,830	25,020
Total liabilities and shareholders' equity	57,475	65,234	62,289	62,025	62,451
Net working capital	19,341	20,821	20,696	21,403	22,363
Invested capital	48,360	49,274	49,356	49,377	49,261

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

Per share (THB)

Book value per share	47.75	14.77	14.36	14.90	15.48
Tangible book value per share	44.86	14.32	13.90	14.44	15.03

Financial strength

Net debt/equity (%)	193.6	61.9	69.7	63.2	56.3
Net debt/total assets (%)	52.3	27.2	31.1	29.4	27.1
Current ratio (x)	1.0	1.4	1.3	1.4	1.4
CF interest cover (x)	(4.7)	0.5	(5.0)	2.6	4.1

Valuation	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	27.9	5.4	(31.7)	19.1	16.7
Recurring P/E @ target price (x) *	31.8	6.2	(36.1)	21.7	19.0
Reported P/E (x)	6.6	4.9	(29.0)	14.9	13.8
Dividend yield (%)	121.3	12.5	-	4.0	4.3
Price/book (x)	0.4	1.4	1.4	1.4	1.3
Price/tangible book (x)	0.5	1.4	1.5	1.4	1.3
EV/EBITDA (x) **	7.5	4.1	14.0	7.1	6.3
EV/EBITDA @ target price (x) **	7.7	4.4	15.3	7.8	6.9
EV/invested capital (x)	0.8	1.2	1.2	1.2	1.1

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

Sources: Betagro; FSSIA estimates

Disclaimer for ESG scoring

ESG score	Methodology	Rating																											
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																											
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																											
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																											
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																											
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																											
Morningstar 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 border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+																	
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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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td>Leader:</td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td>Average:</td> <td>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> <td></td> <td></td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> <td></td> <td></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> </tbody> </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>																												
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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

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

Betagro (BTG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-May-2023	BUY	25.30	15-May-2023	HOLD	25.30	19-Oct-2023	HOLD	23.00

Sureeporn Teewasuwet started covering this stock from 08-May-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Betagro	BTG TB	THB 20.20	HOLD	Downside and upside risks to our PE-based TP include 1) a slower or faster-than-expected consumption recovery; 2) a potential rise or fall in meat and raw material prices; and 3) a stronger or weaker-than-expected THB against USD.

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 14-Nov-2023 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.