

BRITANIA BRI TB

THAILAND / PROPERTY DEVELOPMENT

HOLD

FROM BUY

TARGET PRICE	THB7.20
CLOSE	THB6.95
UP/DOWNSIDE	+3.6%
PRIOR TP	THB10.40
CHANGE IN TP	-30.8%
TP vs CONSENSUS	-31.1%

แผนปี 2024 เชิงระมัดระวัง ทิศทางการไ้ไม่สดใส

- ประกาศแผนธุรกิจปี 2024 ระมัดระวัง เน้นควบคุมค่าใช้จ่ายและเร่งระบายสต็อก
- ปรับคาดการณ์กำไรปกติปี 2024-2025 ลง 38% ต่อปีเป็น -22% y-y ในปี 2024 และทยอยฟื้น +5% y-y ในปี 2025 โดย 1Q24 คาดดีขึ้น q-q จากฐานต่ำ แต่ลดลง y-y
- ปรับราคาเหมาะสมลงเป็น 7.20 บาท แนะนำเพียงถือรับปันผล 2H23 Yield 8.7%

กำไร 4Q23 อ่อนแอ ลดลง -76% q-q, -75% y-y

กำไรสุทธิ 4Q23 หดตัวเหลือ 101 ล้านบาท (-76% q-q, -75% y-y) จากรายได้บริหารโครงการ JV ลดลงมีนัยเป็น 51 ล้านบาท (-91% q-q, -78% y-y) ตามการเซ็น JV ใหม่ น้อยลงเหลือ 1 แห่ง อีกทั้ง ขณะที่ยอดโอนอยู่ที่ 1 พันล้านบาท (-5% q-q, -27% y-y) การเน้นทำการตลาดและโปรโมชันเพื่อกระตุ้นการโอน ส่งผลให้ SG&A เพิ่มขึ้น และอัตรากำไรขั้นต้นอสังหาริมทรัพย์เป็น 30% จาก 31-32% ใน 3Q23 และ 4Q22 จบปี 2023 กำไรสุทธิ 1.2 พันล้านบาท (-19% y-y) และกำไรปกติ 1.1 พันล้านบาท (+3% y-y)

แผนปี 2024 เชิงระมัดระวัง เน้นเปิดตัวใหม่ในต่างจังหวัดผ่าน JV

แผนธุรกิจปี 2024 เชิงระมัดระวัง เปิดโครงการใหม่ 20 แห่ง มูลค่ารวม 1.7 หมื่นล้านบาท (เทียบกับปี 2023 12 แห่ง มูลค่ารวม 1.68 หมื่นล้านบาท) สัดส่วนหลักอยู่ในกลุ่ม Mid-end และรุกตลาดต่างจังหวัดมากขึ้นเป็น 12 โครงการ ครอบคลุม 6 จังหวัด ผ่าน JV กับ Landlord ซึ่งเซ็นสัญญาในปี 2023 โดยโครงการใหม่แบ่งเป็นโครงการ BRI 4 แห่ง และ JV 16 แห่ง ขณะที่ตั้งเป้าหมาย Presales ที่ 1.3 หมื่นล้านบาท (+3% y-y) ส่วนเป้าหมายโอนรวม 8 พันล้านบาท (+54% y-y) แบ่งเป็น BRI 7 พันล้านบาท (+64% y-y) และ JV 1 พันล้านบาท (+8% y-y) โดยสิ้นปี 2023 IBD/E สูงขึ้นเป็น 2.1x จาก 1x ในปี 2022 ทำให้บริษัทใช้กลยุทธ์เน้นควบคุมค่าใช้จ่ายและเร่งระบายสต็อกเป็นหลัก

ปรับลดประมาณการเป็นปี 2024 หดตัว 23% ก่อนทยอยฟื้น +5% ในปี 2025

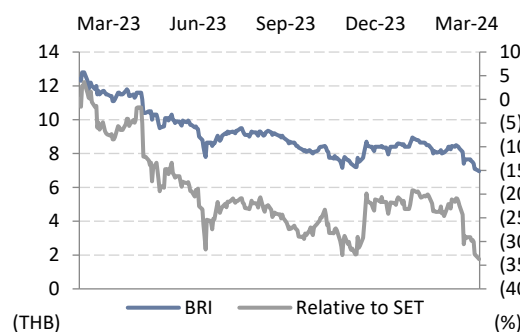
เราปรับประมาณการกำไรปกติปี 2024-2025 ลง 38% เป็น 836 ล้านบาท (-23% y-y) และ 879 ล้านบาท (+5% y-y) สะท้อนมูลค่าโครงการใหม่น้อยกว่าคาด, อุปสงค์ที่ชะลอตัว รวมถึงอัตรายกเลิกและปฏิเสธสินเชื่อสูง อีกทั้ง ปรับลดรายได้บริหารโครงการ JV ตามจำนวนโครงการเซ็นใหม่ลดลง (เทียบกับฐานสูงปี 2023 28 แห่ง) โดยปี 2024 คาดยอดโอน 4.8 พันล้านบาท (+13% y-y) ต่ำกว่าเป้าหมายที่ 7 พันล้านบาท โดยการเปิดตัวกระจุกตัว 4Q24 กว่า 50% ของทั้งหมด ซึ่งรับรู้รายได้ไม่มาก ทำให้ฝั่งการขายโครงการเดิมที่อยู่ระหว่างพัฒนา 3.1 หมื่นล้านบาท ขณะที่คาดอัตรากำไรขั้นต้นอสังหาริมทรัพย์ปรับลดเป็น 30% จาก 31.8% ในปี 2023 จากการทำโปรโมชันและแข่งขันสูง

ปรับลดราคาเหมาะสมเป็น 7.20 บาท แนะนำถือรับปันผล

เราปรับราคาเหมาะสมลงเป็น 7.20 บาท (อิง PER 7.3x หรือค่าเฉลี่ย -1.5SD) ราคาหุ้นมี Upside จำกัด บวกกับทิศทางผลประกอบการปีหน้าหดตัว โดยระยะสั้น 1Q24 คาดฟื้นตัว q-q จากฐานต่ำ แต่ลดลง y-y อย่างไรก็ดี จ่ายเงินปันผลงวด 2H23 ที่ 0.6030 บาท/หุ้น Yield 8.7% ขึ้น XD 30 เม.ย. และจ่าย 16 พ.ค. จึงปรับลดคำแนะนำเป็น ถือ

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	5,712	5,013	4,828	4,892
Net profit	1,195	836	879	935
EPS (THB)	1.40	0.98	1.03	1.10
vs Consensus (%)	-	(36.0)	(30.6)	(24.1)
EBITDA	2,043	1,039	997	1,002
Recurring net profit	1,081	836	879	935
Core EPS (THB)	1.27	0.98	1.03	1.10
Chg. In EPS est. (%)	nm	(38.3)	(38.4)	nm
EPS growth (%)	2.7	(22.7)	5.2	6.4
Core P/E (x)	5.5	7.1	6.7	6.3
Dividend yield (%)	10.3	7.1	7.4	7.9
EV/EBITDA (x)	8.3	15.5	16.0	16.2
Price/book (x)	1.1	1.0	1.0	0.9
Net debt/Equity (%)	206.9	176.3	161.4	154.1
ROE (%)	21.2	15.0	14.7	14.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(15.8)	(17.3)	(44.0)
Relative to country (%)	(14.2)	(15.8)	(33.7)
Mkt cap (USD m)	166		
3m avg. daily turnover (USD m)	0.4		
Free float (%)	27		
Major shareholder	Origin Property (70%)		
12m high/low (THB)	13.10/6.80		
Issued shares (m)	852.81		

Sources: Bloomberg consensus; FSSIA estimates


Thanyatorn Songwutti

 Fundamental Investment Analyst on Securities; License no. 101203
 thanyatorn.s@fssia.com, +66 2646 9963

Investment thesis

บริษัทตั้งเป้าปี 2023 เติงระมัดระวัง โดยมีแผนเปิดโครงการใหม่ 20 โครงการ มูลค่ารวม 1.7 หมื่นล้านบาท (เทียบกับปี 2023 12 แห่ง มูลค่ารวม 1.68 หมื่นล้านบาท) โดยรุกขยายในตลาดต่างจังหวัดมีศักยภาพใหม่ อาทิ ชลบุรี ระยอง นครราชสีมา อุบลราชธานี อุดรธานี และขอนแก่น ผ่านการพัฒนาาร่วมทุนกับเจ้าของที่ดิน ขณะที่ตั้งเป้ายอด Presales ที่ 1.3 หมื่นล้านบาท (+3% y-y) และยอดโอนรวม +54% y-y เป็น 8 พันล้านบาท โดยสัดส่วนหลักมาจากโครงการที่เปิดตัวในช่วงปีก่อนหน้า อย่างไรก็ตาม เรามองว่าเป้าดังกล่าวท้าทายจากสภาพตลาดที่ไม่เอื้ออำนวย อุปสงค์ชะลอลง การแข่งขันสูง รวมถึงความเข้มงวดของการปล่อยสินเชื่อ

Company profile

BRI ก่อตั้งโดย ORI ในปี 2016 โดยประกอบธุรกิจพัฒนาอสังหาริมทรัพย์ประเภทที่อยู่อาศัยแนวราบในประเทศไทย ปัจจุบันมีการพัฒนาโครงการที่ตั้งอยู่ในกรุงเทพฯ ปริมณฑล รวมทั้งทำเลที่มีการขยายตัวของนิคมอุตสาหกรรมต่างๆ ทั่วประเทศ เช่น จังหวัดที่มีศักยภาพในบริเวณภาคตะวันออก ทั้งนี้ โครงการของบริษัทฯ แบ่งออกเป็น 4 แปรนด์หลัก ตามกลุ่มลูกค้าเป้าหมายและรูปแบบของโครงการ ดังนี้ Brighton (ราคา 2.5-4 ล้านบาท/ยูนิต), Britania (ราคา 4-8 ล้านบาท/ยูนิต), Grand Britania (ราคา 8-20 ล้านบาท/ยูนิต) และ Belgravia (ราคา 20-50 ล้านบาท/ยูนิต)

www.britania.co.th

Principal activities (revenue, 2023)

■ Transfer revenue - 74.8 %

■ Project management - 25.2 %

Source: Britania

Major shareholders

■ Origin Property - 70.4 %

■ Others - 29.6 %

Source: Britania

Catalysts

ปัจจัยหนุนต่อการเติบโตคือ 1) การเปิดโครงการใหม่ และความคืบหน้าการขายโครงการเดิม 2) ความสำเร็จของการขยายในตลาดต่างจังหวัด 3) การเซ็นสัญญาร่วมทุนพัฒนาโครงการ JV ใหม่ ซึ่งจะทำให้มีการรับรู้รายได้การบริหารโครงการ รวมถึงกรณีที่ร่วมทุนกับ Partner อาจมีบันทึกกำไรพิเศษ Share premium

Risks to our call

ความเสี่ยงต่อประมาณการ 1) อัตราการขายโครงการต่ำกว่าคาด และตลาดแนวราบหดตัวมากกว่าคาด 2) การเปิดโครงการใหม่น้อยกว่าแผนหรือล่าช้ากว่าแผน 3) การร่วมทุนโครงการ JV น้อยกว่าคาด 4) เศรษฐกิจและกำลังซื้อชะลอตัว รวมถึงการแข่งขันรุนแรง 5) อัตราการปฏิเสธสินเชื่อจากธนาคารและยอดยกเลิกจากลูกค้าสูงขึ้น 6) การก่อสร้างล่าช้าและขาดแคลนแรงงาน

Event calendar

Date	Event
May 2024	1Q24 results announcement

Key assumptions

	2024E	2025E	2026E
Transfer revenue (THB m)	4,813	4,628	4,692
Project management (THB m)	200	200	200
Property GPM (%)	30.1	30.2	30.2
GPM (%)	32.9	33.1	33.1
SG&A to revenue (%)	13.3	13.7	13.8

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in transfers, we estimate 2024 net profit to rise by 5%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2024 net profit to rise by 2%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to revenue, we estimate 2024 net profit to fall by 2%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: BRI - 4Q23 results summary

	4Q22	1Q23	2Q23	3Q23	4Q23	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	1,641	1,464	1,544	1,625	1,079	(33.6)	(34.3)
Cost of sales	954	744	715	739	719	(2.8)	(24.7)
Gross profit	687	721	829	886	360	(59.3)	(47.6)
SG&A	183	174	187	195	246	26.1	34.3
Operating profit	504	547	642	691	114	(83.5)	(77.3)
Interest expense	4	3	5	10	3	(74.6)	(30.4)
Tax expense	115	112	132	161	30	(81.6)	(74.3)
Equity income from JV	(73)	(116)	(167)	(216)	5	na	na
Reported net profit	411	329	348	417	101	(75.9)	(75.5)
Core profit	316	328	344	308	101	(67.4)	(68.2)
Key ratios (%)						(ppt)	(ppt)
Property gross margin	32.4	32.8	32.7	31.4	30.1	(1.3)	(2.3)
Gross margin	41.9	49.2	53.7	54.5	33.4	(21.1)	(8.5)
SG&A / Sales	11.2	11.9	12.1	12.0	22.8	10.8	11.6
Operating margin	30.7	37.4	41.6	42.5	10.6	(31.9)	(20.1)
Net margin	25.0	22.4	22.5	25.7	9.3	(16.4)	(15.7)
Norm margin	19.3	22.4	22.3	19.0	9.3	(9.6)	(9.9)
Revenue breakdown							
Residential	1,411	1,107	1,062	1,077	1,028	(4.6)	(27.1)
Project management	231	358	482	548	51	(90.7)	(77.9)

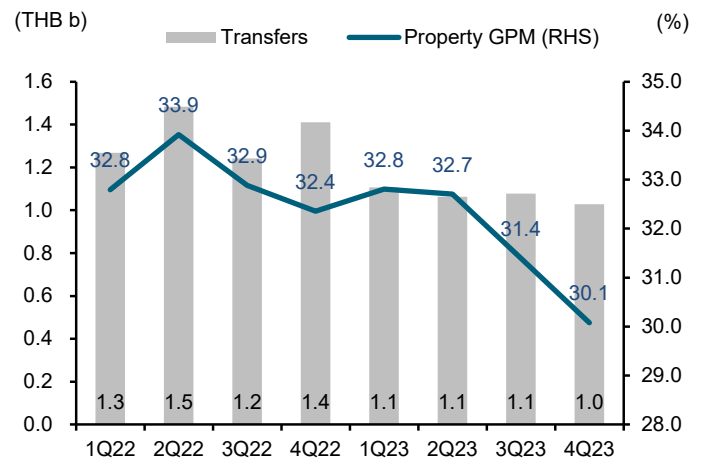
Sources: BRI; FSSIA's compilations

Exhibit 2: Quarterly revenue breakdown



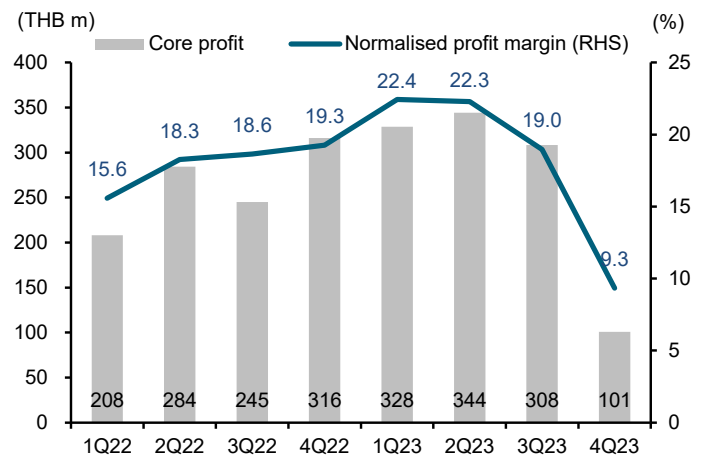
Sources: BRI; FSSIA's compilations

Exhibit 3: Quarterly transfers and property GPM



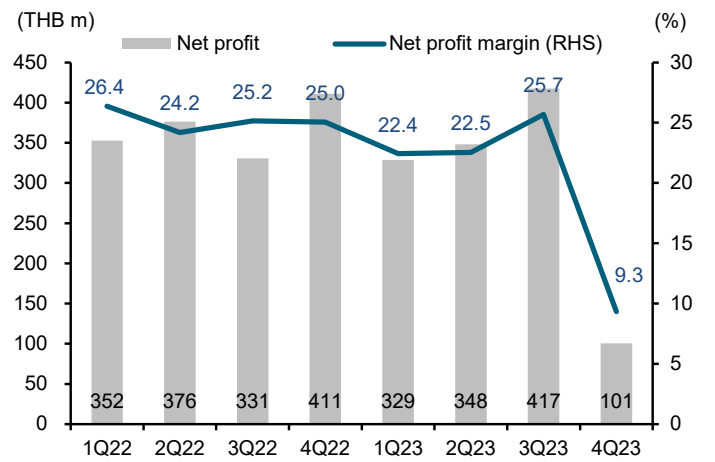
Sources: BRI; FSSIA's compilations

Exhibit 4: Quarterly core profit and normalised profit margin



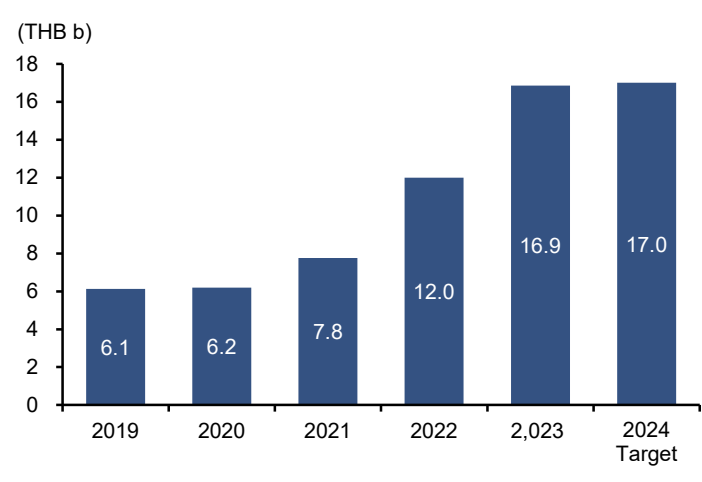
Sources: BRI; FSSIA's compilations

Exhibit 5: Quarterly net profit and net profit margin



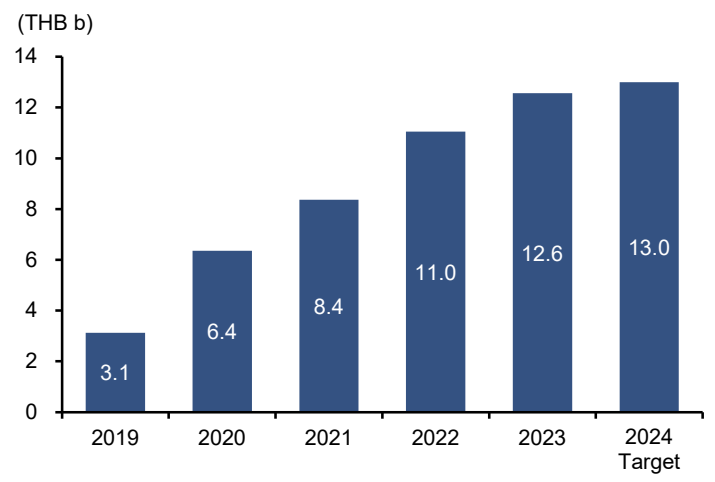
Sources: BRI; FSSIA's compilations

Exhibit 6: Yearly new launches



Sources: BRI; FSSIA's compilations

Exhibit 7: Yearly presales



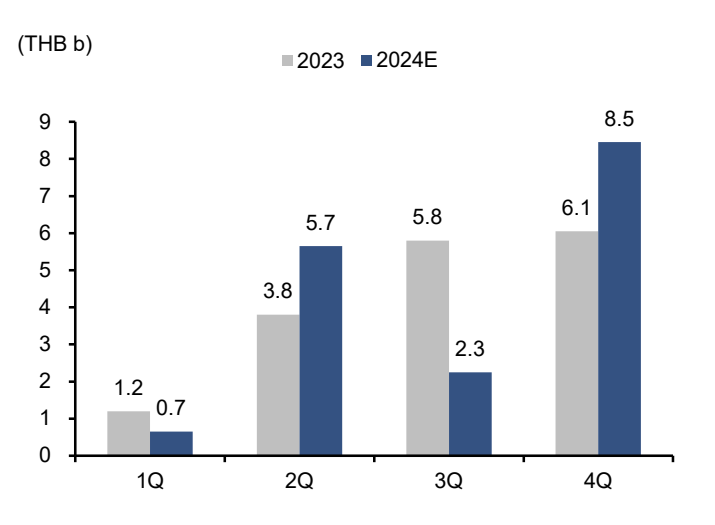
Sources: BRI; FSSIA's compilations

Exhibit 8: New projects in 2024



Source: BRI

Exhibit 9: Quarterly new launches



Sources: BRI; FSSIA's compilation

Exhibit 10: New projects in 1H24

No.	Project	Total units (Units)	Total value (THB m)
1	Dusit Suites Residence Khao Yai	19	350
2	Belgravia Putthamonthon Sai 3	66	2,100
3	Belgravia Ratchaphurek-Nakorn In	35	1,300
4	Grand Britania Rama 9-Motorway	128	1,550
5	Grand Britania Rayong	41	400
6	Britania Ratchaphruek 345	111	650
7	Britania Westgate	133	1,000
Total			7,350

Sources: BRI; FSSIA's compilation

Exhibit 11: Transfer plan in 2024



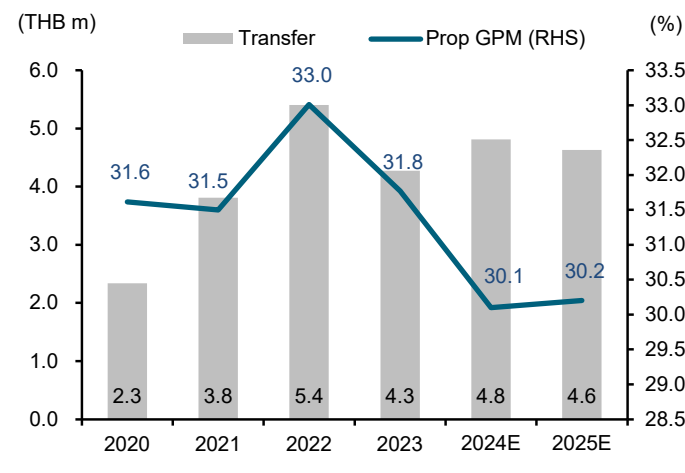
Source: BRI

Exhibit 12: Key assumptions for BRI

	Actual	Current		Previous		Change	
	2023 (THB m)	2024E (THB m)	2025E (THB m)	2024E (THB m)	2025E (THB m)	2024E (%)	2025E (%)
Revenue (THB m)	5,712	5,013	4,828	7,125	7,809	(30)	(38)
- Transfers	4,274	4,813	4,628	6,125	6,809	(21)	(32)
- Management fee	1,438	200	200	1,000	1,000	(80)	(80)
Property gross margin (%)	31.8	30.1	30.2	31.2	31.2	(1.1)	(1.0)
Gross margin (%)	48.9	32.9	33.1	40.9	40.0	(8.0)	(6.9)
SG&A (THB m)	802	669	661	882	957	(24)	(31)
SG&A to revenue (%)	14.0	13.3	13.7	12.4	12.3	1.0	1.4
Interest expense (THB m)	21	33	31	60	72	(46)	(57)
Share of profit/loss from JV (THB m)	(494)	42	119	(247)	(281)	na	na
Core profit (THB m)	1,081	836	879	1,356	1,427	(38)	(38)
Net profit (THB m)	1,195	836	879	1,356	1,427	(38)	(38)

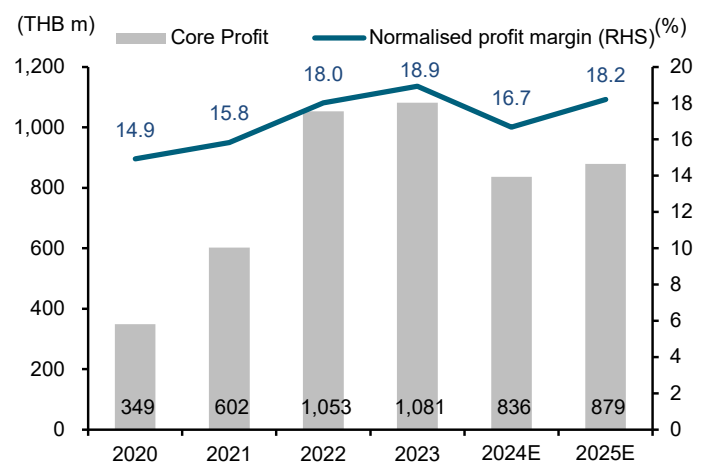
Source: FSSIA estimates

Exhibit 13: Yearly transfers and property GPM



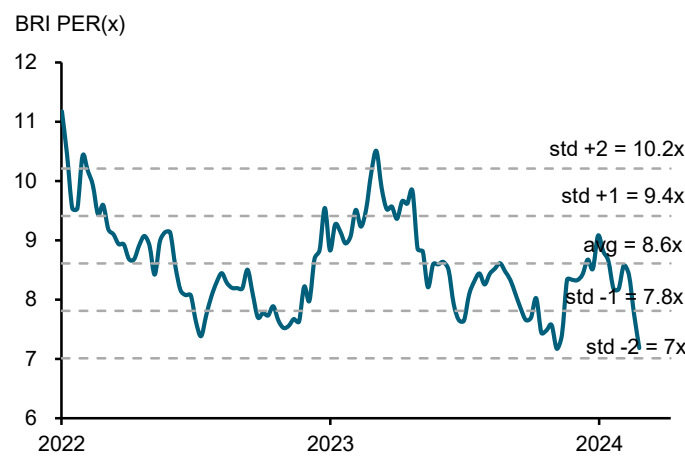
Sources: BRI; FSSIA estimates

Exhibit 14: Yearly core profit and normalised profit margin



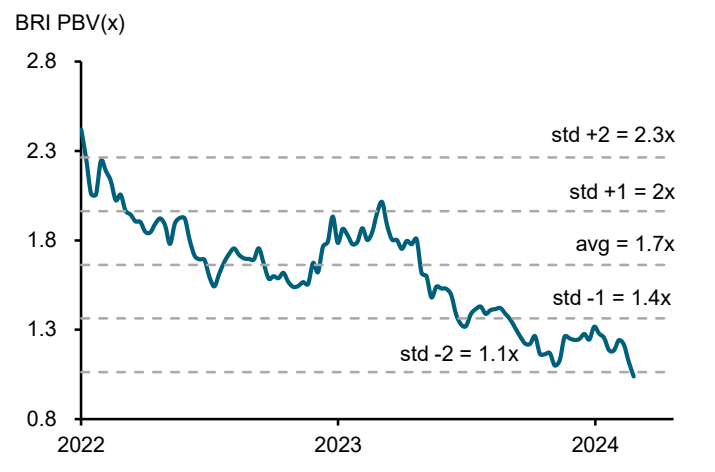
Sources: BRI; FSSIA estimates

Exhibit 15: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 16: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Britania

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	5,848	5,712	5,013	4,828	4,892
Cost of goods sold	(3,620)	(2,916)	(3,364)	(3,230)	(3,275)
Gross profit	2,228	2,796	1,649	1,598	1,617
Other operating income	30	37	45	45	45
Operating costs	(660)	(802)	(669)	(661)	(677)
Operating EBITDA	1,607	2,043	1,039	997	1,002
Depreciation	(9)	(12)	(15)	(16)	(17)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,598	2,031	1,024	981	984
Net financing costs	(10)	(21)	(33)	(31)	(31)
Associates	(135)	(494)	42	119	173
Recurring non-operating income	(135)	(494)	42	119	173
Non-recurring items	417	113	0	0	0
Profit before tax	1,871	1,629	1,034	1,069	1,126
Tax	(400)	(434)	(198)	(190)	(191)
Profit after tax	1,471	1,195	836	879	935
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,471	1,195	836	879	935
Non-recurring items & goodwill (net)	(417)	(113)	0	0	0
Recurring net profit	1,053	1,081	836	879	935
Per share (THB)					
Recurring EPS *	1.24	1.27	0.98	1.03	1.10
Reported EPS	1.72	1.40	0.98	1.03	1.10
DPS	0.72	0.72	0.49	0.52	0.55
Diluted shares (used to calculate per share data)	853	853	853	853	853
Growth					
Revenue (%)	53.6	(2.3)	(12.2)	(3.7)	1.3
Operating EBITDA (%)	108.9	27.1	(49.1)	(4.0)	0.4
Operating EBIT (%)	109.6	27.1	(49.6)	(4.2)	0.3
Recurring EPS (%)	74.8	2.7	(22.7)	5.2	6.4
Reported EPS (%)	144.0	(18.8)	(30.0)	5.2	6.4
Operating performance					
Gross margin inc. depreciation (%)	38.1	48.9	32.9	33.1	33.1
Gross margin exc. depreciation (%)	38.2	49.2	33.2	33.4	33.4
Operating EBITDA margin (%)	27.5	35.8	20.7	20.7	20.5
Operating EBIT margin (%)	27.3	35.6	20.4	20.3	20.1
Net margin (%)	18.0	18.9	16.7	18.2	19.1
Effective tax rate (%)	21.4	26.7	19.2	17.8	16.9
Dividend payout on recurring profit (%)	58.4	56.6	50.0	50.0	50.0
Interest cover (X)	147.2	74.6	32.7	35.3	36.8
Inventory days	856.6	1,523.2	1,636.0	1,699.3	1,732.4
Debtor days	24.4	78.2	116.0	107.1	104.3
Creditor days	144.8	232.4	234.7	241.2	235.0
Operating ROIC (%)	16.3	13.8	5.7	5.5	5.4
ROIC (%)	13.8	9.3	5.3	5.5	5.6
ROE (%)	25.5	21.2	15.0	14.7	14.5
ROA (%)	9.7	6.7	4.4	4.6	4.7

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Transfer revenue	5,404	4,274	4,813	4,628	4,692
Project management	444	1,438	200	200	200

Sources: Britania; FSSIA estimates

Financial Statements

Britania

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	1,053	1,081	836	879	935
Depreciation	9	12	15	16	17
Associates & minorities	-	-	-	-	-
Other non-cash items	-	-	-	-	-
Change in working capital	(1,749)	(5,590)	703	(176)	(606)
Cash flow from operations	(687)	(4,497)	1,554	719	347
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,077)	(943)	(233)	(134)	(147)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(1,077)	(943)	(233)	(134)	(147)
Dividends paid	(307)	(612)	(418)	(440)	(468)
Equity finance	7	5	0	0	0
Debt finance	1,686	5,391	(940)	7	207
Other financing cash flows	-	-	-	-	-
Cash flow from financing	1,385	4,784	(1,358)	(433)	(260)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	724	9	0	0	0
Net other adjustments	724	9	0	0	0
Movement in cash	345	(647)	(37)	153	(60)
Free cash flow to firm (FCFF)	(1,753.72)	(5,418.71)	1,353.46	616.70	231.38
Free cash flow to equity (FCFE)	646.32	(39.80)	380.75	592.16	407.21
Per share (THB)					
FCFF per share	(2.06)	(6.35)	1.59	0.72	0.27
FCFE per share	0.76	(0.05)	0.45	0.69	0.48
Recurring cash flow per share	1.25	1.28	1.00	1.05	1.12
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	43	101	111	119	128
Less: Accumulated depreciation	(7)	(11)	(19)	(30)	(43)
Tangible fixed assets (net)	36	91	92	89	85
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	388	462	462	462	462
Invest. in associates & subsidiaries	730	1,009	1,211	1,332	1,465
Cash & equivalents	984	337	300	453	393
A/C receivable	704	1,743	1,444	1,388	1,408
Inventories	9,047	15,193	14,829	15,099	15,824
Other current assets	863	968	1,049	1,031	1,037
Current assets	11,599	18,242	17,622	17,971	18,661
Other assets	90	104	125	131	138
Total assets	12,843	19,908	19,512	19,986	20,811
Common equity	4,863	5,347	5,765	6,204	6,672
Minorities etc.	0	0	0	0	0
Total shareholders' equity	4,863	5,347	5,765	6,204	6,672
Long term debt	2,196	4,372	4,099	4,265	4,512
Other long-term liabilities	7	13	14	14	14
Long-term liabilities	2,204	4,385	4,113	4,279	4,526
A/C payable	1,558	2,141	2,166	2,083	2,111
Short term debt	3,814	7,028	6,362	6,202	6,163
Other current liabilities	404	1,006	1,107	1,218	1,340
Current liabilities	5,776	10,176	9,634	9,502	9,614
Total liabilities and shareholders' equity	12,843	19,908	19,512	19,986	20,811
Net working capital	8,653	14,757	14,049	14,218	14,818
Invested capital	9,897	16,423	15,939	16,232	16,968
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	5.70	6.27	6.76	7.27	7.82
Tangible book value per share	5.70	6.27	6.76	7.27	7.82
Financial strength					
Net debt/equity (%)	103.3	206.9	176.3	161.4	154.1
Net debt/total assets (%)	39.1	55.6	52.1	50.1	49.4
Current ratio (x)	2.0	1.8	1.8	1.9	1.9
CF interest cover (x)	174.3	44.8	19.8	24.3	18.6
Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	5.6	5.5	7.1	6.7	6.3
Recurring P/E @ target price (x) *	5.8	5.7	7.3	7.0	6.6
Reported P/E (x)	4.0	5.0	7.1	6.7	6.3
Dividend yield (%)	10.4	10.3	7.1	7.4	7.9
Price/book (x)	1.2	1.1	1.0	1.0	0.9
Price/tangible book (x)	1.2	1.1	1.0	1.0	0.9
EV/EBITDA (x) **	6.8	8.3	15.5	16.0	16.2
EV/EBITDA @ target price (x) **	6.9	8.4	15.7	16.2	16.4
EV/invested capital (x)	1.1	1.0	1.0	1.0	1.0
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Britania; 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><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
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																			
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

Thanyatorn Songwutti 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.

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Britania (BRI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Mar-2023	BUY	14.00	06-Nov-2023	BUY	10.40	-	-	-

Thanyatorn Songwutti started covering this stock from 16-Mar-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Britania	BRI TB	THB 6.95	HOLD	Downside risks to our P/E-based TP include 1) lower-than-expected presales and higher contraction in the low-rise market than expected, 2) lower or slower new launches than planned, 3) lower-than-expected JV projects, 4) an economic slowdown, lower purchasing power, and fierce competition, 5) higher rejection and cancellation rates, and 6) construction delay and labor shortages.

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 05-Mar-2024 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.