

# Thailand Property

## ยอดขาย 3Q23 ชะลอตัว กัดดันจากแนวราบซบเซา

- ยอด Presales 3Q23 กลุ่มอสังหาฯ -3% q-q, -10% y-y สาเหตุจากแนวราบหดตัว ส่วนคอนโดยังมีทิศทางฟื้นตัวต่อ ส่งผลให้เป้าหมายปีนี้คาดมี Downside ราว 10-15% และจบปีมีโอกาสทรงตัวจากปี 2022
- คาดการณ์กำไร 3Q23 กลุ่มอสังหาฯ อ่อนลง q-q, y-y ต่ำกว่าที่เคยมองจากยอดขายแนวราบต่ำกว่าคาด
- คงน้ำหนักการลงทุน Neutral แนะนำ AP, ASW จากแนวโน้มกำไรแข็งแกร่งใน 2H23 และปี 2024

### ยอดขาย Presales 3Q23 ลดลง 3% q-q และ 10% y-y จากแนวราบหดตัว ส่วนคอนโดยังมีฟื้นตัว

ภาพรวมตลาดอสังหาฯ 3Q23 ไม่สดใส จากยอดขาย Presales 3Q23 ของ 12 บริษัทลดลงเป็น 7.2 หมื่นล้านบาท (-3% q-q, -10% y-y) สวนทางกับมูลค่าการเปิดโครงการใหม่ +17% q-q, +23% y-y ที่ 1.1 แสนล้านบาท โดยยอดขายแนวราบอยู่ที่ 4 หมื่นล้านบาท (-2% q-q, -18% y-y) เทียบกับโครงการเปิดใหม่ 8 หมื่นล้านบาท (+36% q-q, +14% y-y) จากการขายที่ซบเซาโดยเฉพาะเดือนก.ค.-ส.ค.ท่ามกลางความไม่แน่นอนการเมือง ส่งผลให้ลูกค้าชะลอการตัดสินใจ อีกทั้ง กัดดันจากดอกเบี้ยขาขึ้น และสถาบันการเงินเพิ่มความเข้มงวดปล่อยสินเชื่อ สะท้อน Rejection Rate ที่สูงขึ้น อย่างไรก็ดี อุปสงค์คอนโดมีทิศทางฟื้นตัวต่อเนื่อง ยอดขายคอนโดอยู่ที่ 3.15 หมื่นล้านบาท (-4% q-q, +3% y-y) โดยเปิดโครงการใหม่ 2.6 หมื่นล้านบาท (-18% q-q, +63% y-y) ยังเห็นกลุ่ม Mid-End ราคา 2-3 ล้านบาท/ยูนิต ซึ่งมี Take up rate เกณฑ์ดีเฉลี่ย 37% (เทียบกับ 2Q23 เฉลี่ย 32%) และเห็นความคืบหน้าการขายสต็อกในมือจากทั้งชาวไทยและต่างชาติโดยเฉพาะจีนและไต้หวัน

### ‘คาดยอดขาย Presales ปี 2023 ทำได้เพียงทรงตัว หลังแนวราบมีโอกาสต่ำกว่าเป้า

ยอดขาย Presales 9M23 กลุ่มฯทำได้ 2.2 แสนล้านบาท (-5% y-y) คิดเป็น 64% ของเป้าหมายปีนี้ที่ 3.4 แสนล้านบาท ซึ่งเราประเมินว่ามี Downside ราว 10-15% เป็นระดับ 3 แสนล้านบาท (+3% y-y) สาเหตุจากยอดขาย 9M23 แนวราบต่ำกว่าคาด -15% y-y อย่างไรก็ดี คอนโดดีกว่าคาด +12% y-y ขณะที่ 4Q23 คาดหวังรัฐบาลใหม่จะขับเคลื่อนเศรษฐกิจช่วยหนุน Sentiment ดีขึ้น รวมถึงการออกแคมเปญกระตุ้นยอดขาย และแผนเปิดโครงการใหม่สูงกว่า 2 แสนล้านบาท เพิ่มเกือบ 2 เท่าจาก 3Q23 และ 4Q22 แต่มองว่าบางส่วนอาจถูกเลื่อนไปปี 2024 เราคาดว่าปี 2023 จะมีเพียง ASW และ ORI ที่บรรลุเป้าหมายปีนี้ ขณะที่ LH พลิกเป้ามาสุดราว 30-40%

### ประเมินผลประกอบการกลุ่มฯ 3Q23 ชะลอตัว ก่อนฟื้นตัวใน 4Q23

เราประเมินผลประกอบการกลุ่มฯ 3Q23 อ่อนลง q-q และ y-y (จากก่อนหน้าที่ยังมองว่าดีขึ้น q-q และลดลง y-y) หลักๆ จากยอดขายแนวราบหดตัวตามยอดขาย โดยคาดว่า AP, ASW รายงานงบ 3Q23 เด่นสุด โต q-q, y-y หลังเริ่มโอนคอนโดใหม่ ส่วน LH, PSH, SPALI คาดลดลง q-q, y-y จากการพึ่งพิงยอดขายแนวราบระหว่างไตรมาส ขณะที่ทิศทางกำไร 4Q23 ของกลุ่มฯคาดฟื้นตัว q-q เป็นไตรมาสดีสุดของปีตามปัจจัยฤดูกาล รวมถึงการเร่งเปิดโครงการใหม่และมีคอนโดสร้างเสร็จมากขึ้น แต่เทียบกับ 4Q22 คาดชะลอตัวลง y-y จากฐานสูง

### คงน้ำหนักการลงทุน Neutral กลุ่มอสังหาฯ เลือก AP, ASW เป็น Top Pick

เราคงน้ำหนักการลงทุน “เท่ากับตลาด” ท่ามกลางหลายปัจจัยท้าทาย และมีความเสี่ยงตลาดปรับประมาณการลง อย่างไรก็ดี หุ่นกลุ่มอสังหาฯซื้อขายบน PE2024 ที่ 7.4x ต่ำกว่าค่าเฉลี่ย 5 ปีย้อนหลังที่ 9.1x และคาดปันผลราว 7% ต่อปี เราเลือก AP และ ASW เป็นหุ้นเด่น จากแนวโน้มการเติบโตกำไร 2H23 และปี 2024 โดย 3Q23 คาดขยายตัวทั้ง q-q, y-y และดีต่อเนื่องใน 4Q23 บวกกับมี Downside จำกัดจาก Backlog ณ สิ้น 2Q23 รองรับประมาณการยอดขายปีนี้ 80-100% ตามลำดับ อีกทั้ง จุดเด่นคือ AP มีพอร์ตยึดหยุ่นทั้งคอนโดและแนวราบบนส่วนแบ่งการตลาดที่แข็งแกร่ง ส่วน ASW เป็นผู้เล่นที่ได้ประโยชน์จากทิศทางตลาดคอนโดฟื้นตัว



**Thanyatorn Songwutti**

Fundamental Investment Analyst on Securities; License no. 101203  
thanyatorn.s@fssia.com, +66 2646 9805

## Exhibit 1: Total presales in 3Q23

| Presales     | 3Q22          | 2Q23          | 3Q23          | Change       |               | 9M22           | 9M23           | Change       | % to 2023 target |
|--------------|---------------|---------------|---------------|--------------|---------------|----------------|----------------|--------------|------------------|
|              | (THB m)       | (THB m)       | (THB m)       | (q-q %)      | (y-y %)       | (THB m)        | (THB m)        | (y-y %)      | (%)              |
| AP           | 11,924        | 12,631        | <b>11,677</b> | (7.6)        | (2.1)         | 37,455         | 35,324         | (5.7)        | 60.9             |
| ASW          | 5,122         | 3,674         | <b>4,615</b>  | 25.6         | (9.9)         | 13,104         | 11,784         | (10.1)       | 78.6             |
| BRI          | 2,843         | 2,840         | <b>3,119</b>  | 9.8          | 9.7           | 7,839          | 8,504          | 8.5          | 65.4             |
| LH           | 9,235         | 3,995         | <b>5,500</b>  | 37.7         | (40.4)        | 24,644         | 14,295         | (42.0)       | 40.8             |
| LPN          | 4,569         | 2,621         | <b>2,581</b>  | (1.5)        | (43.5)        | 9,326          | 7,988          | (14.3)       | 61.4             |
| NOBLE        | 2,542         | 4,030         | <b>2,300</b>  | (42.9)       | (9.5)         | 14,037         | 10,732         | (23.5)       | 71.5             |
| ORI          | 11,626        | 12,461        | <b>12,475</b> | 0.1          | 7.3           | 29,404         | 36,940         | 25.6         | 82.1             |
| PSH          | 2,858         | 4,650         | <b>5,120</b>  | 10.1         | 79.1          | 14,544         | 14,235         | (2.1)        | 59.3             |
| QH           | 2,355         | 1,872         | <b>2,434</b>  | 30.0         | 3.3           | 6,474          | 6,354          | (1.9)        | 70.6             |
| SC           | 5,161         | 7,328         | <b>8,434</b>  | 15.1         | 63.4          | 17,182         | 20,680         | 20.4         | 71.3             |
| SIRI         | 15,337        | 10,030        | <b>7,575</b>  | (24.5)       | (50.6)        | 28,634         | 25,694         | (10.3)       | 54.7             |
| SPALI        | 6,809         | 8,256         | <b>6,227</b>  | (24.6)       | (8.5)         | 25,025         | 23,512         | (6.0)        | 65.3             |
| <b>Total</b> | <b>80,381</b> | <b>74,388</b> | <b>72,056</b> | <b>(3.1)</b> | <b>(10.4)</b> | <b>227,668</b> | <b>216,041</b> | <b>(5.1)</b> | <b>63.7</b>      |

Sources: Company data; FSSIA's compilation

## Exhibit 2: 3Q23 presales broken down by product

|              | Low-rise presales |              |               | Condo presales |              |            |
|--------------|-------------------|--------------|---------------|----------------|--------------|------------|
|              | (THB m)           | (q-q %)      | (y-y %)       | (THB m)        | (q-q %)      | (y-y %)    |
| AP           | <b>8,499</b>      | (1.4)        | 1.7           | <b>3,178</b>   | (20.7)       | (11.0)     |
| ASW          | <b>111</b>        | 295.3        | 551.1         | <b>4,504</b>   | 23.5         | (11.8)     |
| BRI          | <b>3,119</b>      | 9.8          | 9.7           | <b>0</b>       | n/a          | n/a        |
| LH           | <b>5,300</b>      | 48.0         | (38.6)        | <b>200</b>     | (51.8)       | (67.1)     |
| LPN          | <b>498</b>        | 9.2          | (28.7)        | <b>2,083</b>   | (3.8)        | (46.2)     |
| NOBLE        | <b>500</b>        | (58.6)       | 363.0         | <b>1,800</b>   | (36.2)       | (26.0)     |
| ORI          | <b>3,119</b>      | 9.8          | 9.7           | <b>9,356</b>   | (2.8)        | 6.5        |
| PSH          | <b>3,640</b>      | (3.4)        | 34.7          | <b>1,480</b>   | 67.6         | 854.8      |
| QH           | <b>2,224</b>      | (72.5)       | 7.6           | <b>210</b>     | (29.5)       | (27.3)     |
| SC           | <b>4,295</b>      | (20.3)       | 2.7           | <b>4,139</b>   | 113.5        | 322.3      |
| SIRI         | <b>4,849</b>      | (20.4)       | (60.8)        | <b>2,726</b>   | (30.9)       | (8.3)      |
| SPALI        | <b>4,359</b>      | (12.8)       | (10.7)        | <b>1,868</b>   | (42.7)       | (3.1)      |
| <b>Total</b> | <b>40,512</b>     | <b>(2.1)</b> | <b>(18.5)</b> | <b>31,545</b>  | <b>(4.4)</b> | <b>2.8</b> |

Sources: Company data; FSSIA's compilation

## Exhibit 3: New launches in 3Q23

| New launches | 3Q22          | 2Q23          | 3Q23           | Change      |             | 9M22           | 9M23           | Change     | % to 2023 target |
|--------------|---------------|---------------|----------------|-------------|-------------|----------------|----------------|------------|------------------|
|              | (THB m)       | (THB m)       | (THB m)        | (q-q %)     | (y-y %)     | (THB m)        | (THB m)        | (y-y %)    | (%)              |
| AP           | 15,860        | 16,880        | <b>18,500</b>  | 9.6         | 16.6        | 37,240         | 39,560         | 6.2        | 51.4             |
| ASW          | 1,350         | 6,450         | <b>7,050</b>   | 9.3         | 422.2       | 9,500          | 18,910         | 99.1       | 84.0             |
| BRI          | 4,750         | 3,800         | <b>5,800</b>   | 52.6        | 22.1        | 7,750          | 10,800         | 39.4       | 48.0             |
| LH           | 14,350        | 6,130         | <b>6,280</b>   | 2.4         | (56.2)      | 25,140         | 13,775         | (45.2)     | 39.4             |
| LPN          | 2,770         | 1,875         | <b>5,660</b>   | 201.9       | 104.3       | 6,320          | 10,925         | 72.9       | 78.0             |
| NOBLE        | 0             | 0             | <b>13,500</b>  | n/a         | n/a         | 23,100         | 17,500         | (24.2)     | 75.1             |
| ORI          | 11,010        | 9,735         | <b>13,100</b>  | 34.6        | 19.0        | 29,750         | 34,495         | 15.9       | 64.4             |
| PSH          | 2,432         | 3,090         | <b>3,750</b>   | 21.4        | 54.2        | 7,169          | 8,598          | 19.9       | 36.6             |
| QH           | 3,603         | 0             | <b>2,598</b>   | n/a         | (27.9)      | 7,598          | 4,857          | (36.1)     | 45.7             |
| SC           | 9,940         | 18,600        | <b>8,900</b>   | (52.2)      | (10.5)      | 25,240         | 28,430         | 12.6       | 66.7             |
| SIRI         | 14,074        | 15,830        | <b>11,180</b>  | (29.4)      | (20.6)      | 32,882         | 29,450         | (10.4)     | 39.3             |
| SPALI        | 5,911         | 7,840         | <b>9,650</b>   | 23.1        | 63.3        | 26,621         | 22,040         | (17.2)     | 53.8             |
| <b>Total</b> | <b>86,050</b> | <b>90,230</b> | <b>105,968</b> | <b>17.4</b> | <b>23.1</b> | <b>238,310</b> | <b>239,340</b> | <b>0.4</b> | <b>54.4</b>      |

Sources: Company data; FSSIA's compilation

**Exhibit 4: New low-rise projects in 3Q23**

| New low-rise projects | 3Q22          | 2Q23          | 3Q23          | ----- Change ----- |             |
|-----------------------|---------------|---------------|---------------|--------------------|-------------|
|                       | (THB m)       | (THB m)       | (THB m)       | (q-q %)            | (y-y %)     |
| AP                    | 11,660        | 13,380        | <b>18,500</b> | 38.3               | 58.7        |
| ASW                   | 0             | 0             | <b>5,250</b>  | n/a                | n/a         |
| BRI                   | 4,750         | 3,800         | <b>5,800</b>  | 52.6               | 22.1        |
| LH                    | 14,350        | 6,130         | <b>6,280</b>  | 2.4                | (56.2)      |
| LPN                   | 520           | 0             | <b>3,560</b>  | n/a                | 584.6       |
| NOBLE                 | 0             | 0             | <b>3,600</b>  | n/a                | n/a         |
| ORI                   | 4,750         | 3,800         | <b>5,800</b>  | 52.6               | 22.1        |
| PSH                   | 1,499         | 1,648         | <b>1,410</b>  | (14.4)             | (5.9)       |
| QH                    | 3,603         | 0             | <b>2,598</b>  | n/a                | (27.9)      |
| SC                    | 9,940         | 12,600        | <b>8,900</b>  | (29.4)             | (10.5)      |
| SIRI                  | 13,347        | 14,560        | <b>9,020</b>  | (38.0)             | (32.4)      |
| SPALI                 | 5,911         | 3,240         | <b>9,650</b>  | 197.8              | 63.3        |
| <b>Total</b>          | <b>70,330</b> | <b>59,158</b> | <b>80,368</b> | <b>35.9</b>        | <b>14.3</b> |

Sources: Company data; FSSIA's compilation

**Exhibit 5: New condo projects in 3Q23**

| New condo projects | 3Q22          | 2Q23          | 3Q23          | ----- Change ----- |             |
|--------------------|---------------|---------------|---------------|--------------------|-------------|
|                    | (THB m)       | (THB m)       | (THB m)       | (q-q %)            | (y-y %)     |
| AP                 | 4,200         | 3,500         | <b>0</b>      | n/a                | n/a         |
| ASW                | 1,350         | 6,450         | <b>1,800</b>  | (72.1)             | 33.3        |
| BRI                | 0             | 0             | <b>0</b>      | n/a                | n/a         |
| LH                 | 0             | 0             | <b>0</b>      | n/a                | n/a         |
| LPN                | 2,250         | 1,875         | <b>2,100</b>  | 12.0               | (6.7)       |
| NOBLE              | 0             | 0             | <b>9,900</b>  | n/a                | n/a         |
| ORI                | 6,260         | 5,935         | <b>7,300</b>  | 23.0               | 16.6        |
| PSH                | 933           | 1,442         | <b>2,340</b>  | 62.3               | 150.8       |
| QH                 | 0             | 0             | <b>0</b>      | n/a                | n/a         |
| SC                 | 0             | 6,000         | <b>0</b>      | n/a                | n/a         |
| SIRI               | 727           | 1,270         | <b>2,160</b>  | 70.1               | 197.1       |
| SPALI              | 0             | 4,600         | <b>0</b>      | n/a                | n/a         |
| <b>Total</b>       | <b>15,720</b> | <b>31,072</b> | <b>25,600</b> | <b>(17.6)</b>      | <b>62.8</b> |

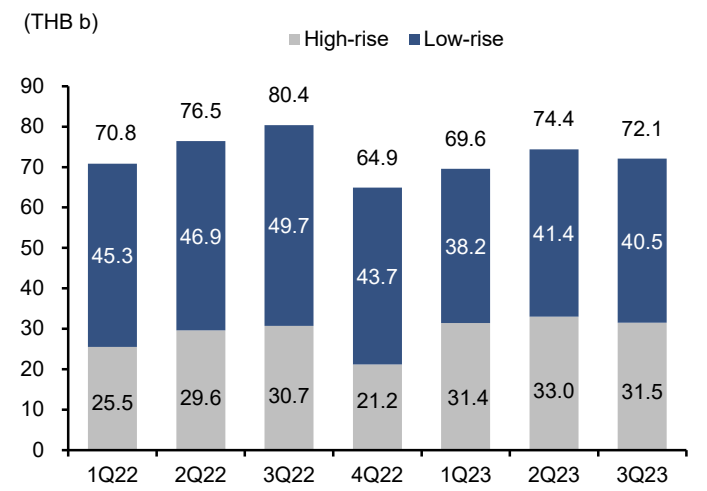
Sources: Company data; FSSIA's compilation

**Exhibit 6: New condos in 3Q23**

| Developer    | Project                              | Project value | Take-up rate |
|--------------|--------------------------------------|---------------|--------------|
|              |                                      | (THB m)       | (%)          |
| <b>ASW</b>   | Modiz Avantgarde                     | 1,800         | 100          |
| <b>LPN</b>   | EARN by LPN Amata                    | 2,100         | 9            |
| <b>NOBLE</b> | The Embassy Wireless                 | 9,900         | n/a          |
| <b>ORI</b>   | Grand Hampton Thonglor               | 4,200         | 38           |
|              | The Origin Kathu-Patong              | 1,350         | 36           |
|              | The Origin Oasis Bangsaen            | 950           | 20           |
|              | Origin Place Khon Kaen Kanlapaphruek | 800           | 55           |
| <b>PSH</b>   | Plum Condo New West                  | 2,340         | 31           |
| <b>SIRI</b>  | NIA by Sansiri                       | 1,300         | 20           |
|              | dcondo Vale, Sriracha                | 800           | 20           |
| <b>Total</b> |                                      | <b>25,540</b> | <b>37</b>    |

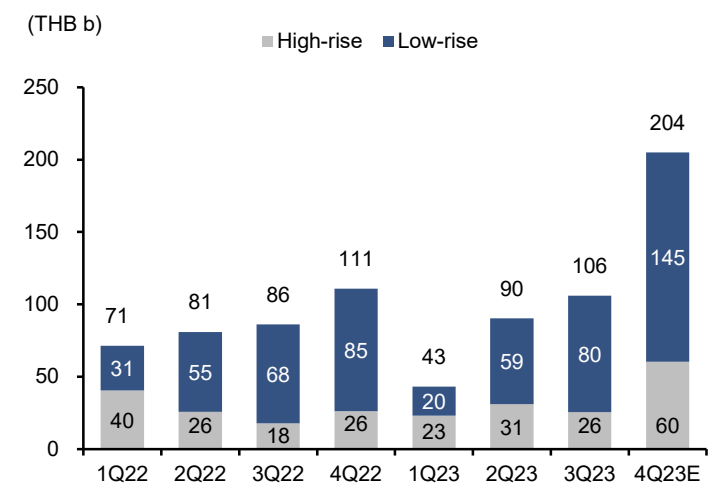
Sources: Company data; FSSIA's compilation

**Exhibit 7: Quarterly presales**



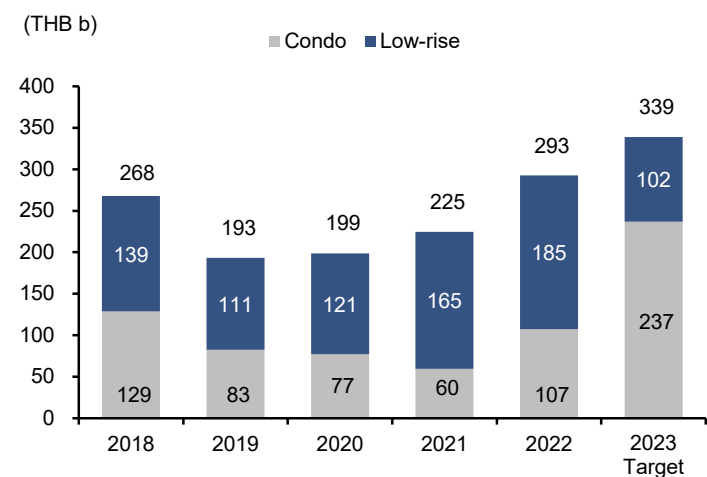
Sources: Company data; FSSIA's compilation

**Exhibit 8: Quarterly new launches**



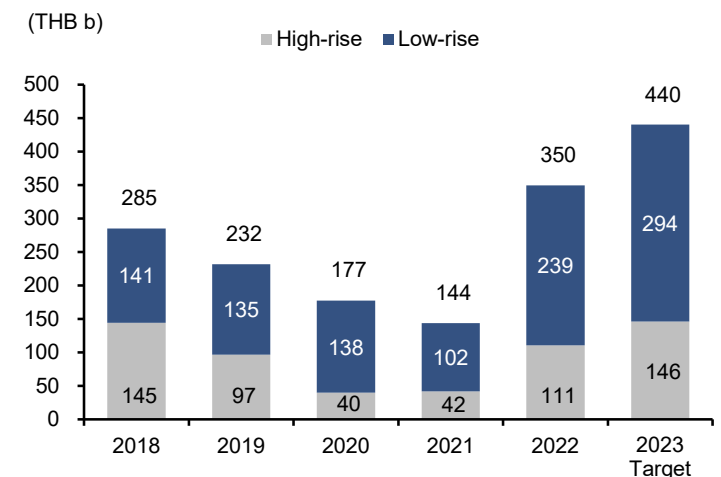
Sources: Company data; FSSIA's compilation

**Exhibit 9: Yearly presales**



Note: ASW and BRI were listed in 2021  
Sources: Company data; FSSIA's compilation

**Exhibit 10: Yearly new launches**



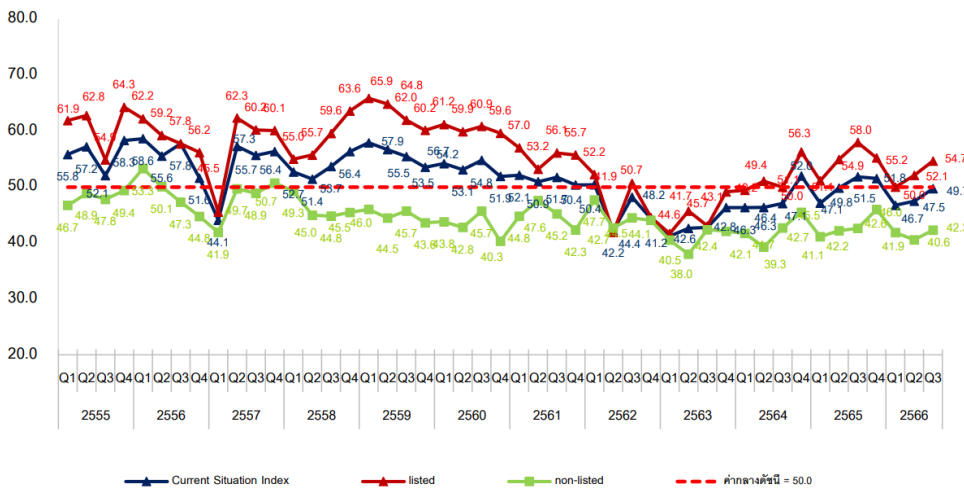
Note: ASW and BRI were listed in 2021  
Sources: Company data; FSSIA's compilation

**Exhibit 11: 3Q23E performances**

| 3Q23E performances | ----- Net profit ----- |         | ----- Core profit ----- |         |
|--------------------|------------------------|---------|-------------------------|---------|
|                    | (q-q %)                | (y-y %) | (q-q %)                 | (y-y %) |
| AP                 | +                      | +       | +                       | +       |
| ASW                | +                      | +       | +                       | +       |
| BRI                | -                      | +       | -                       | +       |
| LH                 | -                      | -       | -                       | -       |
| LPN                | 0                      | -       | 0                       | -       |
| NOBLE              | +                      | +       | +                       | 0       |
| ORI                | 0                      | +       | +                       | +       |
| PSH                | -                      | -       | -                       | -       |
| QH                 | -                      | +       | -                       | +       |
| SC                 | +                      | -       | +                       | -       |
| SIRI               | -                      | +       | +                       | +       |
| SPALI              | -                      | -       | -                       | -       |
| <b>Total</b>       | -                      | -       | -                       | -       |

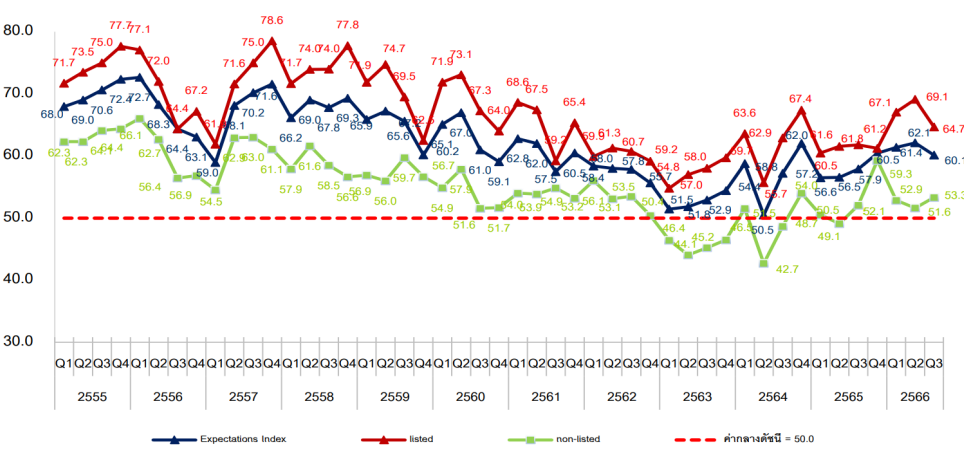
Source: FSSIA estimates

**Exhibit 12: ดัชนีความเชื่อมั่นในภาวะปัจจุบัน (Current Situation Index)**



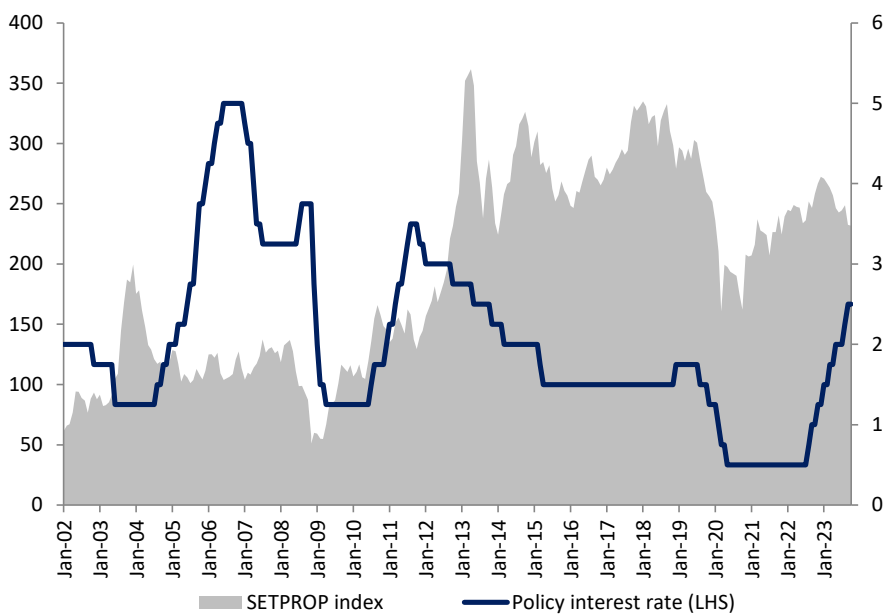
Source: REIC

**Exhibit 13: ดัชนีความเชื่อมั่นในอีก 6 เดือนข้างหน้า (Current Situation Index)**



Source: REIC

**Exhibit 14: SETPROP index and Policy interest rate**



Sources: Bloomberg; BOT; FSSIA's compilation

## Exhibit 15: Peer comparisons as of 12 October 2023

| Company           | BBG      | Rec  | Rec profit growth |          | ----- PE ----- |            | ----- DivYld ----- |            | ----- ROE ----- |             | ----- PBV ----- |            | PE         |
|-------------------|----------|------|-------------------|----------|----------------|------------|--------------------|------------|-----------------|-------------|-----------------|------------|------------|
|                   |          |      | 23E               | 24E      | 23E            | 24E        | 23E                | 24E        | 23E             | 24E         | 23E             | 24E        | 5Y-avg     |
|                   |          |      | (%)               | (%)      | (x)            | (x)        | (%)                | (%)        | (x)             | (x)         | (x)             | (x)        | (x)        |
| <b>Thailand</b>   |          |      |                   |          |                |            |                    |            |                 |             |                 |            |            |
| Assetwise         | ASW TB   | BUY  | 46.8              | 27.1     | 7.9            | 6.5        | 5.9                | 6.2        | 17.3            | 19.4        | 1.3             | 1.2        | 8.2        |
| Noble Development | NOBLE TB | HOLD | 46.2              | 81.2     | 12.0           | 6.6        | 8.0                | 8.3        | 7.1             | 12.1        | 0.8             | 0.8        | 10.9       |
| SC Asset Corp     | SC TB    | BUY  | 1.5               | 2.6      | 6.5            | 6.3        | 6.1                | 6.2        | 11.7            | 11.3        | 0.7             | 0.7        | 6.8        |
| Supalai           | SPALI TB | BUY  | (22.5)            | 4.4      | 6.1            | 5.9        | 6.5                | 6.5        | 13.1            | 12.6        | 0.8             | 0.7        | 7.0        |
| Sansiri           | SIRI TB  | BUY  | 23.0              | (5.4)    | 5.8            | 6.1        | 10.4               | 8.7        | 11.1            | 9.8         | 0.6             | 0.6        | 7.8        |
| AP Thailand       | AP TB    | BUY  | 6.8               | 2.8      | 5.9            | 5.8        | 5.9                | 6.0        | 16.2            | 15.0        | 0.9             | 0.8        | 5.8        |
| Britania          | BRI TB   | BUY  | 41.0              | 9.3      | 4.8            | 4.4        | 8.7                | 9.5        | 28.1            | 26.2        | 1.3             | 1.1        | 6.7        |
| Origin Property   | ORI TB   | BUY  | 26.6              | 11.9     | 7.6            | 6.8        | 7.2                | 7.3        | 17.5            | 18.0        | 1.3             | 1.2        | 8.1        |
| Land & Houses     | LH TB    | n/a  | (0)               | 5        | 11.5           | 10.9       | 7.5                | 7.9        | 15.4            | 15.9        | 1.7             | 1.7        | 13.0       |
| LPN Development   | LPN TB   | n/a  | (10)              | 15       | 11.0           | 9.5        | 5.1                | 5.7        | 4.6             | 5.2         | 0.5             | 0.5        | 12.3       |
| Pruksa Holding    | PSH TB   | n/a  | (11)              | 6        | 10.9           | 10.9       | 7.0                | 6.1        | 5.8             | 5.7         | 0.6             | 0.6        | 10.2       |
| Quality Houses    | QH TB    | n/a  | 4                 | 7        | 10.0           | 9.7        | 6.6                | 6.6        | 8.7             | 8.9         | 0.8             | 0.8        | 12.2       |
| <b>Average</b>    |          |      | <b>2</b>          | <b>6</b> | <b>8.3</b>     | <b>7.4</b> | <b>7.1</b>         | <b>7.1</b> | <b>13.0</b>     | <b>13.3</b> | <b>0.9</b>      | <b>0.9</b> | <b>9.1</b> |

Sources: Bloomberg; FSSIA estimates

## Public disclosures related to sustainable development evaluation of Thai listed companies

**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**" by the Thai Institute of Directors Association (Thai IOD); 2) "**AGM Checklist**" by the Thai Investors Association (TIA), a "**CAC certified member**" of the Thai Private Sector Collective Action Against Corruption (CAC); and 3) "**Sustainability Investment List (THSI)**" by the Stock Exchange of Thailand. The ratings are updated on an annual basis. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such ratings.

### CG Score by the Thai Institute of Directors Association (Thai IOD)<sup>1</sup>

The **CG Score** indicates corporate governance (CG) strength in the sustainable development of Thai listed companies. Annually, the Thai IOD, with support from the Stock Exchange of Thailand (SET), surveys and assesses the CG practices of companies and publishes the results on the [Thai IOD website](#) in a bid to promote and enhance the CG of Thai listed companies in order to promote compliance with international standards for better investment decisions. The results are from the perspective of a third party, not an evaluation of operations, as of the date appearing in the report, and may be changed after that date.

The **five underlying categories and weighting** used for the CG scoring in 2022 include the rights of shareholders and equitable treatment of shareholders (weight 25% combined), the role of stakeholders (25%), disclosure and transparency (15%), and board responsibilities (35%).

The CGR report rates CG in six categories: 5 for Excellent (score range 90-100), 4 for Very Good (score range 80-89), 3 for Good (Score range 70-79), 2 for Fair (score range 60-69), 1 for Pass (score range 60-69), and not rated (score below 50).

### Corporate Governance Report Disclaimer

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of companies listed on the Stock Exchange of Thailand and the Market of Alternative Investment disclosed to the public and able to be accessed by a general public investor at [Thai IOD website](#). The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the data appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. **FSSIA** does not confirm nor certify the accuracy of such survey result.

### AGM Checklist by the Thai Investors Association (TIA)<sup>2</sup>

The "**AGM Checklist**" quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and the extent to which information is sufficiently disclosed and the level of its transparency. All the considered factors form important elements of two out of five the CG components. Annually, the TIA, with support from the SEC, leads the project to evaluate the quality of Annual General Meetings of Shareholders (AGMs) and to rate quality of the meetings.

The **Checklist** contains the minimum requirements under law that companies must comply with, or best practices according to international CG guidance. Representatives of the TIA will attend the meetings and perform the evaluation. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating of 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.

The results are classified into four categories: 5 for Excellent (score 100), 4 for Very Good (score 90-99), 3 for Fair (score 80-89), and not rated (score below 79).

### CAC certified member by the Thai Private Sector Collective Action Against Corruption (CAC)<sup>3</sup>

A **CAC certified member** is a listed company whose Checklist satisfies the CAC Certification's criteria and is approved by the CAC Council. The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. Note that the CAC does not certify the behaviour of the employees nor whether the companies have engaged in bribery, and Certification is good for three years.

Companies deciding to become a CAC certified member **start with** by submitting a Declaration of Intent signed by the Chairman of the Board to kick off the 18-month deadline for companies to submit the CAC Checklist for Certification. The 18-month provision is for risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.

The checklist document will be reviewed by the CAC Certification Committee for adequate information and evidence. It is worth noting that the committee consists of nine professionals in business law, corporate governance, internal audit, financial audit and experienced representatives from certified members.

A passed Checklist will move on to the **CAC Council** for granting certification approvals. The CAC Council consists of twelve prominent individuals who are highly respected in professionalism and ethical achievements. Among them are former ministers, a former central bank governor, the former head of the Thai Listed Companies Association, Chairman of Anti-Corruption Organizations (Thailand), Chairman of Thai Institute of Directors, and reputable academic scholars.

### Sustainability Investment (THSI)<sup>4</sup> by the Stock Exchange of Thailand (SET)

Thailand Sustainability Investment (**THSI**) quantifies responsibility in **Environmental**, and **Social** issues, by managing business with transparency in **Governance**. The THSI serves as another choice for investors who desire to adopt a responsible investment approach, according to the SET.

Annually, the SET will announce the voluntary participation of the company candidates which pass the preemptive criteria, and whose two key crucial conditions are met, i.e. no irregular trading of the board members and executives and a free float of >15% by the number of shareholders, and combined holding must >15% of paid-up capital. Some key disqualifying criteria include a CG score of below 70%; independent directors and free float violation; executives' wrongdoing related to CG, social and environmental impacts, equity in negative territory, and earnings in the red for more than three years in the last five years. To become eligible for THSI, the candidate must pass three indicators in data declaration: **Economic** (CG, risk management, customer relation management, supply chain management, and innovation); **Environmental** (environmental management, eco-efficiency, and climate risk); **Social** (human rights, talent attraction, operational health & safety, community development, and stakeholder engagement); and the incorporation of ESG in business operations.

To be approved for THSI inclusion, verified data must be scored at a 50% minimum for each indicator, unless the company is a part of the Dow Jones Sustainability Indices<sup>5</sup> (DJSI) during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality.

Note that, from the **THSI list**, the SET further developed a sustainability **SETTHSI Index** in June 2018 from selected THSI companies whose 1) market capitalisation > 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.

Sources: [SEC](#); [Thai IOD](#); [Thai CAC](#); [SET](#); FSSIA's compilation

#### Disclaimer:

<sup>1</sup> Thai Institute of Directors Association ([Thai IOD](#)) was established in December 1999 and is a membership organisation that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

<sup>2</sup> Thai Investors Association ([TIA](#)) was established in 1983 with a mission to promote investment knowledge and to protect the investment rights of Thai investors. In 2002, the association was appointed by the Securities and Exchange Commission (SEC) to represent individual shareholders. To obtain information for evaluation, the association recruits volunteer investors to join AGMs and score the meetings. Weightings for each meeting are at a 45:45:10 ratio. They have been applied since 2017 and subject to change.

<sup>3</sup> Thai Private Sector Collective Action against Corruption ([CAC](#)) was founded in 2010 and is 100% privately funded. It is an initiative by the Thai private sector to take part in tackling corruption problems via collective action. The CAC promotes the implementation of effective anti-corruption policies in order to create a transparent business ecosystem by developing a unique certification program for large/medium/small companies to apply for and to control corruption risk systematically and efficiently. The CAC's operations are sponsored by the US-based Center for Private Enterprise (CIPE) and the UK Prosperity Fund.

<sup>4</sup> Sustainability Investment List ([THSI](#)), created by the Stock Exchange of Thailand in 2015, comprises the listed companies that conduct sustainable business operations.

<sup>5</sup> Dow Jones Sustainability Indices – [Wikipedia](#) – Launched in 1999, DJSI evaluates the sustainability performance of companies based on corporate economic, environmental, and social performance.



## 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.

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| Company              | Ticker   | Price     | Rating | Valuation & Risks   |
|----------------------|----------|-----------|--------|---|
| Assetwise            | ASW TB   | THB 8.85  | BUY    | Downside risks to our P/E-based TP include 1) weaker than expected consumer purchasing power and presales; 2) cancellation of presales; 3) customer loan rejections; 4) delays in construction; 5) slower than expected backlog realisation; 6) intense competition; and 7) rising construction costs.  |
| Noble Development    | NOBLE TB | THB 3.82  | HOLD   | Downside risks to our P/E-based TP include 1) weaker-than-expected purchasing power; 2) cancellation of presales; 3) bank loan rejections; 4) delays in construction work and transfers; and 5) fierce competition. An upside risk would be 1) a stronger-than-expected presales; and 2) a sooner-than-expected overseas buyer recovery; and 3) selling other projects to investors so that it might book extra gains from sales. |
| SC Asset Corporation | SC TB    | THB 4.10  | BUY    | Downside risks to our P/E-based TP include 1) weaker-than-expected take-up rates of new launches; 2) weak purchasing power; 3) cancellation of presales; 4) bank loan rejections; and 5) construction delays.   |
| Supalai              | SPALI TB | THB 19.90 | BUY    | Downside risks to our P/E derived TP are cost overruns; delays or poor receptions for new launches; presale cancellations; inability of homebuyers to obtain mortgage financing; and weak take-up rates and reduced pricing power from rising competition.  |
| Sansiri              | SIRI TB  | THB 1.68  | BUY    | Downside risks to our P/E-based TP include 1) weaker-than-expected take-up rates of new launches; 2) rising competition; 3) construction delays and increasing raw material prices; 4) the impact of the expiration of loan-to-value (LTV) limit easing; and 5) a high level of IBD/E.  |
| AP (Thailand)        | AP TB    | THB 11.80 | BUY    | Downside risks to our P/E-based TP include 1) rising competition in the low-rise market, such that it could hurt take-up rates; 2) weaker-than-expected take-up rates of new launches; 3) construction delays from labour shortages; 4) increasing raw material prices; and 5) the impact of the expiration of the loan-to-value (LTV) limit easing.  |
| Britania             | BRI TB   | THB 8.40  | BUY    | Downside risks to our P/E-based TP include 1) weaker-than-expected take-up rates of new launches; 2) a slower-than-expected economic recovery and weak purchasing power; 3) intense competition; 4) construction delays and labour shortages; 5) an increase in raw material costs; and 6) challenging new launches in the upcountry market.  |
| Origin Property      | ORI TB   | THB 10.30 | BUY    | Downside risks to our SoTP-based TP include 1) a slower-than-expected economic recovery; 2) weaker-than-expected presales; 3) a high cancellation rate of presales and rejections from banks; 4) delays in construction and/or a labour shortage; 5) intense competition and an increase in raw material costs; and 6) lower-than-expected performance for its subsidiaries.  |

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 12-Oct-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.