EQUITY RESEARCH - COMPANY REPORT

AP (THAILAND) AP TB

## Expect q-q profit growth in 1Q23

- 1Q23 presales slow, but momentum should rise in 2Q23 onwards.
- Expect 1Q23 net profit to increase 25% q-q but fall 17% y-y due to the high base in 1Q22.
- Retain BUY call and TP of THB14, based on 7x 2023E P/E. We expect 2023 profit to hit a four-year record high.

### Soft 1Q23 presales due to fewer new projects

Although 1Q23 presales dipped 15% q-q and y-y to THB11b, we believe AP's presales is still at a healthy level, and that the drop in presales is due to fewer new projects. Only four new low-rise projects worth THB4.2b, with 28% sold on average, were available this quarter (vs THB26b in 4Q22 and THB9b in 1Q22). Of the total, 74% was from lowrise projects and 26% from condos. Low-rise presales decreased to THB8.2b (-19% q-q, -24% y-y) due to fewer new projects. Meanwhile, condo presales amounted to THB2.8b, down 2% q-q but up 32% y-y, supported by inventory sales improvement. 1Q23 presales represent 19% of the company's full-year target of THB58b (+15% y-y).

#### Expect 1Q23 profit to increase q-q but drop y-y

We anticipate a 1Q23 net profit of THB1.4b (+25% q-q, -17% y-y). The yy decline is due to the high base in 1Q22 when transfers hit a record high. However, 1Q23 performance should increase q-q as transfers continue to be realised from its backlog, mainly from low-rise projects. Moreover, AP has started to realise two new condos: Aspire Rattanathibet-Weston (THB1.6b, 29% sold) and Rhythm Charoenkrung Pavillion (JV) (THB4.7b, 71% sold). We assume 1Q23 transfers worth THB9.2b (+7% q-q, -13% y-y), comprising 95% low-rise and 5% condo transfers. Property gross margin should rise to 35% (vs 33.7% in 4Q22), the highest in 10 years, driven by low-rise projects launched in 2022.

#### Numerous new projects in 2Q23 onwards

Assuming in-line results, 1Q23 earnings would account for 23% of our 2023E profit. We expect to see healthy earnings in 2Q23 and stronger momentum h-h in 2H23, led by the realisation of its 1Q23E low-rise backlog of THB14b, plus two new condos in 3Q23. Furthermore, AP plans to launch numerous low-rise projects worth THB19b in 2Q23 and THB42b in 2H23 (vs THB4.2b in 1Q23).

#### Maintain target price and BUY recommendation

We maintain our 2023 net profit forecast of THB6.3b (+7% y-y) - a fouryear record high – and our TP of THB14. Short-term, the stock might be supported by a DPS of THB0.65 for its 2H22 performance, implying a dividend yield of 5.2%. The XD date is on 9 May 2023.



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TARGET PRICE	THB14.00
CLOSE	THB12.60
UP/DOWNSIDE	+11.1%
PRIOR TP	THB14.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-2.9%

## **KEY STOCK DATA**

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	38,539	42,223	43,979	45,724
Net profit	5,877	6,274	6,450	6,568
EPS (THB)	1.87	1.99	2.05	2.09
vs Consensus (%)	-	1.6	-	0.0
EBITDA	6,107	6,627	6,894	7,178
Core net profit	5,874	6,274	6,450	6,568
Core EPS (THB)	1.87	1.99	2.05	2.09
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	29.3	6.8	2.8	1.8
Core P/E (x)	6.7	6.3	6.1	6.0
Dividend yield (%)	5.2	5.5	5.6	5.7
EV/EBITDA (x)	10.0	8.8	8.5	7.9
Price/book (x)	1.1	1.0	0.9	0.8
Net debt/Equity (%)	58.5	46.4	41.5	34.8
ROE (%)	17.0	16.2	15.0	13.9



3,145.90

Sources: Bloomberg consensus; FSSIA estimates

Issued shares (m)

PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

#### **Investment thesis**

Management has revealed an aggressive 2023 business plan that targets 1) 58 new project launches worth THB77.0b (+21% y-y) comprising 85% low-rise and 15% condos; 2) presales of THB58.0b (+15% y-y), split 78:22 between low-rise and condo projects; and 3) transfer revenue (including 100% JV) of THB56.3b. In particular, AP will focus more on the luxury market. It will also expand to five new provinces by launching five low-rise projects.

AP's strengths are its flexible and well-diversified portfolio. It covers both low-rise and condo projects in every market segment, both in Bangkok and in provinces with high potential growth.

#### **Company profile**

Founded by Mr Anuphong Assavabhokhin and Mr Pichet Vipavasuphakorn in 1991, AP was listed in 2000 after being merged with PCM Precast Floors Plc, which was founded by Land & Houses Plc (LH). AP has no cross shareholdings with LH.

AP operates a property development business offering single-detached house (SDH), townhouse, duplex, home, and condominium projects, in residential areas in metropolitan Bangkok and the provinces.

www.apthai.com

#### Catalysts

Key potential growth drivers include:

- 1) The success of new launches in the low-rise segment;
- 2) Higher-than-expected take-up rates for new condominiums;
- 3) The potential for provincial projects.

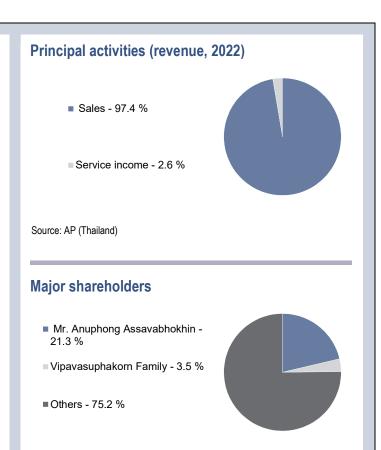
#### Risks to our call

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.

#### **Event calendar**

 Date
 Event

 9 May 2023
 1Q23 results annoucement



Source: AP (Thailand)

#### **Key assumptions**

	2023E	2024E	2025E
Transfer revenue (THB m)	41,107	42,841	44,563
Service income (THB m)	1,116	1,138	1,161
Property GPM (%)	32.9	32.9	32.9
GPM (%)	34.1	34.1	34.1
SG&A to sales (%)	18.8	18.8	18.8

Source: FSSIA estimates

#### Earnings sensitivity

- For every 5% increase in transfers, we estimate 2023 net profit to rise by 3.7%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2023 net profit to rise by 2.7%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2023 net profit to fall by 2.7%, and vice versa, all else being equal.

Source: FSSIA estimates

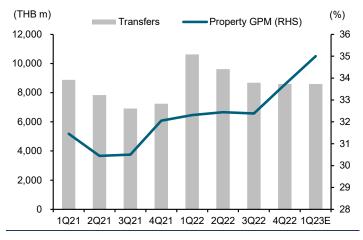


#### Exhibit 1: 1Q23 results preview

	1Q22	2Q22	3Q22	4Q22	1Q23E	Change	9
	(THB m)	(q-q%)	(y-y%)				
Total revenue	10,849	9,862	8,982	8,846	9,450	7	(13)
Gross profit	3,616	3,313	3,046	3,090	3,410	10	(6)
SG&A	(1,709)	(1,715)	(1,805)	(2,020)	(1,852)	n/a	n/a
Operating profit	1,907	1,598	1,241	1,070	1,558	46	(18)
Other income	9	18	122	14	10	(31)	8
Interest expense	(28)	(14)	(18)	(45)	(40)	n/a	n/a
Profit before tax	1,883	1,508	1,345	1,134	1,528	35	(19)
Тах	(400)	(312)	(251)	(267)	(321)	n/a	n/a
Associates	247	378	324	284	234	(17)	(5)
Reported net profit	1,730	1,574	1,419	1,155	1,441	25	(17)
Normailised profit	1,730	1,574	1,419	1,151	1,441	25	(17)
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Property gross margin	32.3	32.4	32.4	33.7	35.0	1.3	2.7
Gross margin	33.3	33.6	33.9	34.9	36.1	1.2	2.8
Operating margin	17.6	16.2	13.8	12.1	16.5	4.4	(1.1)
Net profit margin	15.9	16.0	15.8	13.1	15.3	2.2	(0.7)
Normalised profit margin	15.9	16.0	15.8	13.0	15.3	2.2	(0.7)
Operating statistics	(THB m)	(q-q%)	( <b>y-y%</b> )				
Property transfers	10,621	9,620	8,689	8,592	9,200	7	(13)
Low-rise	9,768	9,139	8,384	8,314	8,740	5	(11)
High-rise	853	481	305	278	460	65	(46)
Presales	12,959	12,572	11,924	12,960	11,016	(15)	(15)
Low-rise	10,798	9,774	8,354	10,049	8,172	(19)	(24)
High-rise	2,161	2,798	3,570	2,911	2,844	(2)	32

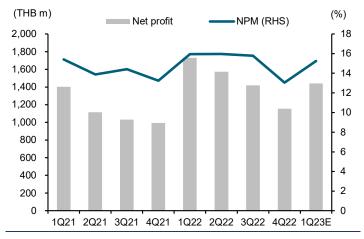
Sources: AP; FSSIA estimates

#### Exhibit 2: Quarterly transfers and property GPM



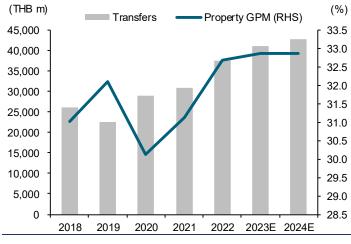
Sources: AP; FSSIA estimates

#### Exhibit 3: Quarterly net profit and NPM



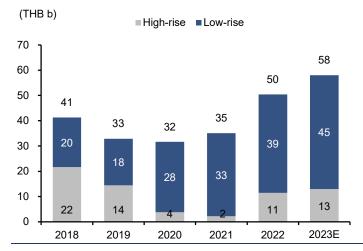
Sources: AP; FSSIA estimates





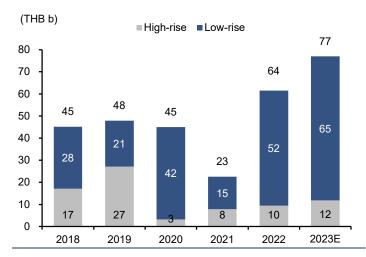
Sources: AP; FSSIA estimates

#### Exhibit 6: Yearly presales and 2023 target



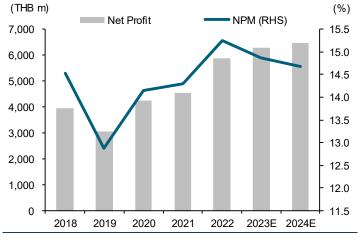
Sources: AP; FSSIA's compilation

#### Exhibit 8: Yearly planned new launches



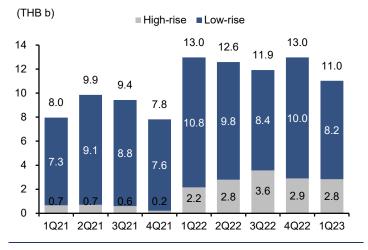
Sources: AP; FSSIA's compilation

#### Exhibit 5: Yearly net profit and NPM



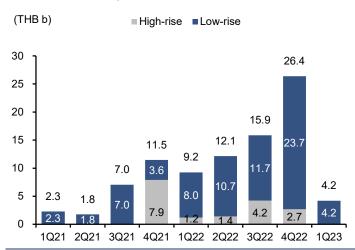
Sources: AP; FSSIA estimates

## Exhibit 7: Quarterly presales



Sources: AP; FSSIA's compilation

#### Exhibit 9: Quarterly new launches

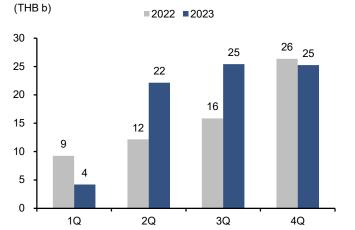


Sources: AP; FSSIA's compilation

#### Exhibit 10: New projects in 1Q23



#### Exhibit 11: New launch plans by quarter



Source: AP

## Exhibit 12: New condos in 2023



Source: AP

#### Exhibit 13: Historical P/E band



Exhibit 14: Historical P/BV band

Sources: AP; FSSIA's compilation



Sources: Bloomberg; FSSIA estimates

Sources: Bloomberg; FSSIA estimates

## Exhibit 15: Peer comparisons as of 28 April 2023

Company	BBG	Rec	Market	3Y EPS	PE		DivYl	d	RO	E	PBV	
			Сар	CAGR	23E	24E	23E	24E	23E	24E	23E	24E
			(USD m)	(%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Thailand												
Assetwise	ASW TB	BUY	198	18	6.6	6.3	6.8	7.1	17.6	17.5	1.1	1.1
Noble Development	NOBLE TB	BUY	197	59	6.3	5.9	9.5	10.2	17.3	17.3	1.1	1.0
SC Asset Corp	SC TB	BUY	542	2	6.9	6.7	5.8	5.9	11.7	11.3	0.8	0.7
Supalai	SPALI TB	BUY	1,213	(5)	5.8	5.6	6.8	6.9	14.7	13.9	0.8	0.7
Sansiri	SIRI TB	BUY	882	(0)	7.2	7.1	7.2	7.3	10.1	9.7	0.7	0.7
AP Thailand	AP TB	BUY	1,161	4	6.3	6.1	5.5	5.6	16.2	15.0	1.0	0.9
Britania	BRI TB	BUY	290	20	6.7	6.1	6.3	6.9	28.1	26.2	1.7	1.5
Origin Property	ORI TB	BUY	860	13	8.7	7.8	6.3	6.4	17.5	18.0	1.5	1.3
Land & Houses	LH TB	n/a	3,432	9	13.0	12.3	6.5	6.9	17.0	17.4	2.2	2.1
LPN Development	LPN TB	n/a	195	30	11.5	10.3	5.1	5.7	4.9	5.5	0.5	0.5
Pruksa Holding	PSH TB	n/a	795	6	9.7	9.7	7.4	7.5	6.3	6.2	0.6	0.6
Quality Houses	QH TB	n/a	741	16	10.3	9.4	6.3	6.7	8.8	9.1	0.9	0.8
Average			10,506	7	8.3	7.8	6.6	6.9	14.2	13.9	1.1	1.0

Sources: Bloomberg; FSSIA estimates



## **Financial Statements**

AP (Thailand)

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	31,794	38,539	42,223	43,979	45,724
Cost of goods sold	(21,204)	(25,184)	(27,658)	(28,817)	(29,950)
Gross profit	10,590	13,355	14,565	15,162	15,774
Other operating income	0	0	0	0	0
Operating costs	(5,828)	(7,248)	(7,938)	(8,268)	(8,596)
Operating EBITDA	4,763	6,107	6,627	6,894	7,178
Depreciation	(279)	(291)	(168)	(185)	(202)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	4,484	5,816	6,458	6,709	6,976
Net financing costs	(248)	(99)	(115)	(136)	(128)
Associates	999	1,233	1,151	1,130	1,024
Recurring non-operating income	1,175	1,385	1,211	1,208	1,106
Non-recurring items	0	4	0	0	0
Profit before tax	5,411	7,106	7,555	7,780	7,954
Tax	(869)	(1,230)	(1,281)	(1,330)	(1,386)
Profit after tax	4,542	5,876	6,274	6,450	6,568
Minority interests	0	1	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	4,542	5,877	6,274	6,450	6,568
Non-recurring items & goodwill (net)	0	(4)	0	0	0
Recurring net profit	4,542	5,874	6,274	6,450	6,568
Per share (THB)					
Recurring EPS *	1.44	1.87	1.99	2.05	2.09
Reported EPS	1.44	1.87	1.99	2.05	2.09
DPS	0.50	0.65	0.70	0.71	0.72
Diluted shares (used to calculate per share data)	3,146	3,146	3,146	3,146	3,146
Growth					
Revenue (%)	6.4	21.2	9.6	4.2	4.0
Operating EBITDA (%)	34.6	28.2	8.5	4.0	4.1
Operating EBIT (%)	37.1	29.7	11.0	3.9	4.0
Recurring EPS (%)	7.5	29.3	6.8	2.8	1.8
Reported EPS (%)	7.5	29.4	6.7	2.8	1.8
Operating performance					
Gross margin inc. depreciation (%)	32.4	33.9	34.1	34.1	34.1
Gross margin of key business (%)	31.1	32.7	32.9	32.9	32.9
Operating EBITDA margin (%)	15.0	15.8	15.7	15.7	15.7
Operating EBIT margin (%)	14.1	15.1	15.3	15.3	15.3
Net margin (%)	14.3	15.2	14.9	14.7	14.4
Effective tax rate (%)	19.7	20.2	20.0	20.0	20.0
Dividend payout on recurring profit (%)	34.6	34.8	35.0	34.5	34.5
Interest cover (X)	22.8	72.7	66.9	58.2	63.2
Inventory days	804.9	743.8	724.4	714.3	725.9
Debtor days	1.1	1.1	1.2	1.4	1.4
Creditor days	36.8	41.0	41.4	39.6	39.7
Operating ROIC (%)	8.3	9.7	10.2	10.3	10.1
ROIC (%)	8.8	10.3	10.3	10.2	9.8
ROE (%)	14.7	17.0	16.2	15.0	13.9
ROA (%)	8.0	9.3	9.2	9.1	8.8
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)	2021	2022	2023E	2024E	2025E
Sales	30,879	37,522	41,107	42,841	44,563
		1,017			

Sources: AP (Thailand); FSSIA estimates

#### **Financial Statements** AP (Thailand)

scarting protection         4.42         6.874         6.274         0.400         6.888           socializes at minorilien         279         231         108         169         6.288           socializes at minorilien         0	AP (Thailand)					
279         291         188         1165         202           bits non-scalts lems         0         4         0         0         0           bits non-scalts lems         0         4         0         0         0           bits non-scalts lems         0.00         0         0.00         0.00         0.00           bits non-scalts lems         0.01         0.00 </td <td>Cash Flow (THB m) Year Ending Dec</td> <td>2021</td> <td>2022</td> <td>2023E</td> <td>2024E</td> <td>2025E</td>	Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
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bits non-centimes         0         4         0         0         0           bits flow form operations         3,775         (417)         6,535         3,092         4,455           bits flow form operations         3,775         (417)         (1,105)         (1,052)         (1,068)           opper - namiferance         0         0         0         0         0         0           owned paid         (1,328)         (1,722)         (2,164)         (1,263)	Depreciation	279	291	168	185	202
name in vorting capital         (1.046)         (6.585)         93         (3.644)         (2.647)           space - main free from sentence         0		-	-	-	-	-
ash flow from operations         9.75         (417)         6.58         3.092         4.585           appex - minimestment         (941)         (179)         (1.805)         (662)           ast opalations & disposits         -         -         -         -           her investments (ref)         -         -         -         -           is flow from investments (ref)         (1.300)         (1.572)         (2.100)         (2.225)           is flow from investments         (2.122)         (1.910)         0         0         0           is flow from investments         (2.122)         (1.910)         0		-				-
apper - maintenamics         0         0         0         0         0         0           at aquisitors & disposals         - <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
ai acquisitions & disposais ais acquisitions & disposais ther investment (net) abs flow from investing withen insert form (net) (1,382) (1,382) the financing (2,122) (1,372) (2,128) (1,572) (2,128) (1,572) (2,128) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (2,196) (1,572) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111) (4,111) (2,209) (4,111)	apex - maintenance		. ,		-	
Inter Investing         Image	apex - new investment	(941)	(179)	(1,805)	(592)	(606)
sha flow from investing widena paid widena paid wi	let acquisitions & disposals	-	-	-	-	-
widends paid         (1.32)         (1.77)         (2.19)         (2.22)         (2.49)           bet finance         (2.12)         1.749         (1.15)         17         (3.20)           bet finance gash flows         0         (1)         0         0         0         0           bet adjustments         0         0         0         0         0         0         0           bet adjustments         0         0         0         0         0         0         0           overment in cash         (R70)         (R49)         4.847.51         2.815.51         2.482.51		- (0.44)	- (170)	-	-	-
μip finance         0         0         0         0         0         0         0           ber financing cash flows         0         (1)         0         0         0           ber financing         (3.504)         175         (4.113)         (2.209)         (3.598)           p-recurring cash flows         -         -         -         -         -         -           ber digistments         0	-	. ,	. ,		. ,	• •
Interfinancing cash flows         0         (1)         0         0         0         0           set flow from financing cash flows         -	quity finance		,			
she flow from financing         (3,504)         17e         (4,111)         (2,209)         (3,504)           her adjustments         0         0         0         0         0         0           ther adjustments         0         0         0         0         0         0           cerash flow from (FCF)         3088,77         (491 - 91)         4,447,51         2,237,78         3,588,07           se cash flow for oquity (FCFE)         711,53         1,152,31         2,815,93         2,516,51         2,426,51           se cash flow for oquity (FCFE)         711,53         1,952         2,024         2022         2024         2024         2024         2,024         3,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03         1,03	ebt finance	(2,122)	1,749	(1,915)	17	(1,332)
on-recurring cash flows         -        -         -         -	ther financing cash flows					
bite adjustments         0         0         0         0         0         0         0         0           owner in cash         0         0         0         0         0         0         0           owner in cash         0         0         0         0         0         0         0           owner in cash         0	ash flow from financing	(3,504)	176	(4,111)	(2,209)	(3,598)
ct other adjustments         0	•	-	-	-	-	-
ovement is cash         (470)         (420)         620         291         160           ee cash flow for equity (FCFE)         711.53         1,152.31         2,815.93         2,516.51         2,426.31           er cash flow for equity (FCFE)         711.53         1,152.31         2,815.93         2,516.51         2,426.31           er cash flow for equity (FCFE)         711.53         1,152.31         2,815.93         2,516.51         2,426.31           PF for share         0.23         0.37         0.00         0.040         0.72           print cash flow per share         1.53         1.960         2,022         2,022         2,022         2,022         2,022         2,022         2,022         2,022         2,022         2,022         2,022         2,023         3,037         1,050         1,527         1,539         1,539         1,539         1,539         1,539         1,539         1,527         1,539         1,527         1,539         1,527         1,539         1,527         1,528         1,431         1,366         1,374         1,359         1,517         1,529         1,516         1,527         1,52,61         1,527         1,52,61         1,527         1,52,61         1,527         1,52,61         1,527 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
ee cash how to fim (PCFF)         3.08.77         (44) 1.91         4.847 51         2.237 76         3.888.07           or share (THE)         1.152 31         2.251 53         2.251 53         2.251 53         2.251 53         2.242 531           or share (THE)	-					
r share (THB)         Unit           2FF per share         0.98         (0.16)         1.54         0.84         1.24           2FF per share         0.23         0.37         0.90         0.80         0.77           scuring cash flow per share         1.53         1.96         2.05         2.11         2.15           migble fixed assets (gross)         1.841         1.904         1.455         1.527         1.589           migble fixed assets (gross)         1.841         1.904         1.455         1.527         1.589           migble fixed assets (gross)         1.841         1.904         1.455         1.227         1.589           migble fixed assets (gross)         1.641         1.662         1.614         1.286         1.241           migble fixed assets (gross)         0	ee cash flow to firm (FCFF)	. ,	. ,			
DFP per share         0.88         (0.16)         1.54         0.84         1.24           PEF per share         0.23         0.076         2.05         2.11         2.15           shines Sheet (THB m) Year Ending Dec         2021         2022         2023E         2024E         2025E           shines Sheet (THB m) Year Ending Dec         2021         1.659         1.559         1.559         1.559         1.559         1.559         1.559         1.527         1.599         1.911         1.689         1.689         1.699         1.699         1.699         1.689         1.839         1.341         1.904         1.455         1.577         1.599         1.527         1.599         1.521         1.243         1.341         1.396         1.843         1.386         1.844         1.869         1.789         1.526         1.243         1.341         1.396         1.843         1.396         1.843         1.844         1.869         1.799         1.839         1.843         1.849         1.799         1.828         1.826         1.866         1.849         1.799         1.839         1.843         1.859         1.841         1.841         1.841         1.841         1.841         1.841         1.841         1.841	ee cash flow to equity (FCFE)	711.53	1,152.31	2,815.93	2,516.51	2,426.31
DFP per share         0.88         (0.16)         1.54         0.84         1.24           PEF per share         0.23         0.076         2.05         2.11         2.15           shines Sheet (THB m) Year Ending Dec         2021         2022         2023E         2024E         2025E           shines Sheet (THB m) Year Ending Dec         2021         1.659         1.559         1.559         1.559         1.559         1.559         1.559         1.527         1.599         1.911         1.689         1.689         1.699         1.699         1.699         1.689         1.839         1.341         1.904         1.455         1.577         1.599         1.527         1.599         1.521         1.243         1.341         1.396         1.843         1.386         1.844         1.869         1.789         1.526         1.243         1.341         1.396         1.843         1.396         1.843         1.844         1.869         1.799         1.839         1.843         1.849         1.799         1.828         1.826         1.866         1.849         1.799         1.839         1.843         1.859         1.841         1.841         1.841         1.841         1.841         1.841         1.841         1.841	er share (THB)					
DFE per share         0.23         0.37         0.90         0.80         0.77           scurring cash flow per share         1.53         1.96         2.025         2.11         2.15           indices Shat (THB m) Year Ending Dec         2021         2021         1.068         1.527         1.599           indices Shat (THB m) Year Ending Dec         2021         (201)         1.685         1.527         1.599           indices Shat (THB m) Year Ending Dec         1.681         1.904         1.455         1.527         1.599           indices Shat (THB m) Year Ending Dec         2021         (201)         1.168         1.941         1.396           indices Shat (THB m) Year Ending Dec         1.641         1.904         1.455         1.527         1.529           indices Shat (THB m) Year Ending Dec         2.670         2.661         2.727         2.561         2.742         2.661         2.770         2.561         2.727         2.561         5.745         1.528         1.789         1.600         1.829         1.739         1.500         1.773         1.550         1.744         7.731         1.539         1.600         1.633         1.643         1.643         1.759         1.641         1.739         1.600         1.773 </td <td>CFF per share</td> <td>0.98</td> <td>(0.16)</td> <td>1.54</td> <td>0.84</td> <td>1.24</td>	CFF per share	0.98	(0.16)	1.54	0.84	1.24
scarring cash flow per share         1.53         1.96         2.05         2.11         2.15           indine Shoet (THB m) Yaar Ending Dec         2021         2022         2024E         2022E           ingible fixed assets (gross)         1.841         1.904         1.455         1.527         1.599           ingible fixed assets (net)         1.652         1.644         1.266         1.441         1.306           ong-term financial assets         0         0         0         0         0         0         0         0         1.650         2.270         2.661         2.726         2.661         2.726         2.661         2.726         2.661         2.728         4.085         6.0855         6.2,760         66.568         60.855         66.760         66.568         60.855         62.760         66.568         66.568         66.568         7.437         7.731         1.833         1.600         1.630         4.337         7.771         1.443         1.505         9.564         8.919           piterm debt         15.04         15.284         15.805         9.564         8.919         1.914         1.930         3.317         3.317         3.317         3.317         3.3131         1.168         1.2.98	CFE per share	0.23	0.37		0.80	0.77
Insplie fixed assets (gross)         1.841         1.904         1.455         1.527         1.599           sis: Accumulated depreciation         (279)         (291)         (168)         (185)         (202)           tangible fixed assets (not)         0<	ecurring cash flow per share	1.53	1.96	2.05	2.11	2.15
sin: Accumulated depreciation         (279)         (291)         (168)         (125)         (202)           ingible fixed assets (net)         0	alance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Inglibe fixed assets (net)         1,562         1,614         1,286         1,341         1,386           tangible fixed assets (net)         0	angible fixed assets (gross)	1,841	1,904	1,455	1,527	1,599
tangible fixed assets         0         0         0         0         0         0         0         0         0         1           ung-term financial assets         0         0         0         0         0         1         0         0         1         0         0         1         0         0         1         0         0         0         1         0         0         0         1         0         0         0         0         1         1         0         0         0         0         1         0 </td <td>ess: Accumulated depreciation</td> <td>(279)</td> <td>(291)</td> <td>(168)</td> <td>(185)</td> <td>(202)</td>	ess: Accumulated depreciation	(279)	(291)	(168)	(185)	(202)
ingrem financial assets         0         0         0         0         0         1           vest. in associates & subsidiaries         6,645         6,481         8,445         8,796         9,145           si & equivalents         2,070         1,650         2,270         2,561         2,725           C receivable         118         104         169         176         183           uentories         47,379         55,261         54,527         58,265         62,760         65,569           ther assets         1,230         1,474         1,539         1,609         141         35,391         1,600         141         35,391         1,600         141,333         1,609         1,933         1,609         141         35,391         1,600         49,334         1,77,713         momon equity         32,422         36,728         40,806         45,031         49,334         1,939         1,603         49,334         1,939         1,603         49,334         1,939         1,603         49,334         1,930         4,813         1,936         4,813         1,936         4,813         1,930         4,813         1,930         4,813         1,930         4,813         1,930         4,813	angible fixed assets (net)		1,614	1,286	-	-
event in associates & subsidiaries         6,645         6,481         8,445         8,796         9,145           sh & equivalentis         2,070         1,650         2,270         2,561         2,722           C receivable         118         104         169         176         183           c receivable         118         104         169         176         183           ventories         47,379         55,261         54,527         58,284         60,855           her current assets         1,260         1,243         1,478         1,539         1,600           tata assets         0,200         1,624         15,826         46,855         49,353           inorities etc.         (18)         (19)         (10)         (11)         (11)         (11)         (11)         (11)	,					
sh & equivalents         2.070         1.650         2.270         2.561         2.722           C raceivable         118         104         169         1.76         1.83           ventories         47.379         55.261         54.527         58.265         62.760         65.568           her current assets         1.280         1.243         1.478         1.539         1.600           stal assets         1.250         1.243         1.478         1.539         1.600           stal assets         0.600         68.227         69.863         74.437         77.731           symmon equity         32.442         36.747         40.825         45.060         49.333           incities etc.         (18)         (19)         (19)         (19)         (19)           stal shareholders' equity         32.423         36.728         40.806         45.031         49.334           ing term debt         15.024         15.284         15.805         9.564         8.919           iher orgeterm liabilities         15.46         15.999         16.418         10.202         9.523           ing term tiabilities         3.837         4.487         4.143         10.976         1.663	•		-			-
C receivable       118       104       169       176       183         ventories       47,379       55,261       54,527       58,264       60,855         iher current assets       50,953       58,889       56,565       62,760       65,893         iher assets       50,953       58,889       56,565       62,760       64,827         iher assets       60,409       66,227       69,663       74,437       77,731         ommon equity       32,442       36,747       40,825       45,050       49,363         inorities etc.       (18)       (19)       (19)       (19)       (19)         ytal shareholders' equity       32,423       36,728       40,806       45,031       49,334         ing term debt       15,024       15,264       15,805       9,564       8,919         ing term liabilities       523       675       612       638       6633         ong-term liabilities       3,637       4,487       4,174       4,360       4,572         trem debt       6,532       7,841       5,640       19,204       18,815         tal working capital       42,796       49,540       49,150       55,55,288       55,028						
ventories         47,379         55,261         54,527         58,264         60,855           her current assets         1,386         1,874         1,689         1,759         1,829           urrent assets         1,250         1,243         1,476         1,539         1,600           stal assets         60,409         68,227         69,663         74,437         77,731           ammon equity         32,442         36,747         40,625         45,050         49,353           inortites etc.         (18)         (19)         (10)         (19)         (10)         (10)         (10)         (10)         (10)         (10)         (10)         (10)         (10)         (10)         (10)         (11)         (11)         (11)         (11)         (11)         (11)         (11)         (11)         (11)         (11)         (11)						
urrent assets         50.953         58,869         58,665         62,760         65,893           her assets         1,230         1,243         1,478         1,539         1,600           tal assets         60,409         62,227         69,863         74,437         77,71           ammon equity         32,442         36,747         40,825         45,050         49,333           inorities etc.         (18)         (19)         (19)         (19)         (19)           tal shareholders' equity         32,422         36,728         40,806         45,031         49,334           ing term liabilities         523         675         612         638         663           ong-term liabilities         523         675         6141         61,022         9,582           C payable         2,449         3,211         3,061         3,190         3,317           ont term debt         6,352         7,841         5,463         44,37         7,77,71           tal liabilities and shareholders' equity         60,409         69,227         69,863         64,335         65,028           ort term debt         6,337         2,243         15,698         64,335         67,77,731      t	ventories					
ther assets         1,250         1,243         1,478         1,539         1,600           tal assets         60,009         68,227         69,863         74,437         77,731           nomon equity         32,442         36,747         40,825         45,050         49,333           inorities etc.         (18)         (19)         (19)         (19)         (19)           tal astroholders' equity         32,423         36,728         40,806         45,031         49,334           tal astroholders' equity         32,423         36,728         40,806         45,031         49,334           tori term liabilities         523         675         612         638         663           comporter liabilities         3,637         4,487         4,174         4,350         4,523           trem tiabilities         12,439         15,539         12,640         19,024         16,815           tal induktion capital         42,796         49,540         49,150         52,658         55,028           tat induktion capital         52,753         58,87         60,358         64,33         3,55           tat induktor sets fw)         32,0         31,11.68         12,98         14,32         15,69 </td <td>ther current assets</td> <td>1,386</td> <td>1,874</td> <td>1,689</td> <td>1,759</td> <td>1,829</td>	ther current assets	1,386	1,874	1,689	1,759	1,829
stal assets         60,409         68,227         69,863         74,437         77,731           ommon equity         32,442         36,747         40,825         45,050         49,353           inorities etc.         (18)         (19)         (19)         (19)         (19)           stal shareholders' equity         32,423         36,728         40,806         45,031         49,334           ing tern det         15,024         15,284         15,805         9,564         8,919           iher long-tern liabilities         523         675         612         638         663           ong tern liabilities         15,546         15,959         16,418         10,202         9,582           C payable         2,449         3,637         4,487         4,174         4,350         4,523           urrent liabilities and shareholders' equity         60,409         68,227         69,663         74,437         77,731           at working capital         52,253         58,878         60,358         64,335         67,170           ned set capital         52,253         58,878         60,358         44,33         15,69           angible book value per share         10,31         11,68         12,98	urrent assets			-	-	-
ammon equity         32,442         36,747         40,825         45,050         49,353           inorities etc.         (18)         (19)         (19)         (19)         (19)           tal shareholders' equity         32,423         36,728         40,0805         45,031         49,334           ing term debt         15,024         15,284         15,805         9,564         8,919           iner ing-term liabilities         523         675         612         638         663           ong-term liabilities         5,354         45,593         16,418         10,202         9,562           C payable         2,449         3,211         3,061         3,190         3,317           nort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities and shareholders' equity         60,409         68,227         69,863         74,437         77,771           tat working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           nclue convertibles and preferred stock which is being treated as debt         11,168         12,29 <td></td> <td></td> <td></td> <td>,</td> <td>,</td> <td></td>				,	,	
inorities etc.         (18)         (19)         (19)         (19)         (19)         (19)         (19)           total shareholders' equity         32,423         36,728         40,806         45,031         49,334           up term debt         15,024         15,224         15,805         9,564         8,919           ther long-term liabilities         523         675         612         638         663           ong-term liabilities         2,449         3,211         3,061         3,100         3,317           tort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities and shareholders' equity         60,0409         68,227         69,863         74,437         77,731           at working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,876         60,355         74,437         77,731           at debt/total assets         11,68         12,98         14,32         15,69           ancidat strength         11,68         12,98         14,32         15,69           ancidat strength         32,0         31,5         27,1         25,1					-	
stal shareholders' equity         32,423         36,728         40,806         45,031         49,334           ong term debt         15,024         15,208         15,805         9,564         8,919           iner debt         15,223         675         612         638         663           ong-term liabilities         2,449         3,211         3,061         3,190         3,317           Ort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities and shareholders' equity         60,409         68,227         69,663         74,437         77,713           at working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           neldes errore tribles and preferred stock which is being treated as debt         9,583         44,333         35,52           ser share (THB)						
her long-term liabilities         523         675         612         638         663           ong-term liabilities         15,546         15,599         16,418         10,202         9,582           C payable         2,449         3,211         3,061         3,190         3,317           nort term diabilities         3,637         4,487         4,174         4,350         4,523           urrent liabilities and shareholders' equity         60,409         68,227         69,863         74,437         77,711           et working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,355         64,335         67,170           neludes convertibles and preferred stock which is being treated as debt         11.68         12.98         14.32         15.69           songlighe book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength         20.2         31.5         27.71         25.1         22.1           at debt/total assets (%)         32.0         31.5         27.71         25.1         22.1           et debt/total assets (%)         7.7         14.4         <	otal shareholders' equity					
Insp.tern         15,546         15,959         16,418         10,202         9,582           C payable         2,449         3,211         3,061         3,190         3,317           nort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities         3,637         4,487         4,174         4,350         4,525           urrent liabilities         12,439         15,539         12,640         19,204         18,815           total liabilities         12,439         69,540         49,150         52,658         55,028           vested capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           nancial strength         11.68         12.98         14.32         15,699           angible book value per share         10.31         11.68         12.98         14.32         15,69           anacial strength         32.0         31.5         27.1         25.1         22.1           at debt/equity (%)         59.5         58.5         46.4         41.5         34.8           et debt/	ong term debt	15,024	15,284	15,805	9,564	8,919
C payable         2,449         3,211         3,061         3,190         3,317           nort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities         3,637         4,487         4,174         4,350         4,523           ther current liabilities         12,439         15,539         12,640         19,204         18,815           that liabilities and shareholders' equity         60,409         68,227         69,863         74,437         77,731           et working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           neldudes convertibles and preferred stock which is being treated as debt	ther long-term liabilities					
nort term debt         6,352         7,841         5,405         11,663         10,976           ther current liabilities         3,637         4,487         4,174         4,350         4,523           urrent liabilities and shareholders' equity         60,409         66,227         69,863         74,437         77,731           at liabilities and shareholders' equity         60,409         66,227         69,863         74,437         77,731           at working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           netudes convertibles and preferred stock which is being treated as debt          11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         23.9         24.1	-				-	
ther current liabilities         3,637         4,487         4,174         4,350         4,523           urrent liabilities         12,439         15,539         12,640         19,204         18,815           otal liabilities and shareholders' equity         60,409         68,227         69,863         74,437         77,731           te working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           ncludes convertibles and preferred stock which is being treated as debt         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           anacial strength         4         13.8         4.64         3.3         3.55           F interest cover (x)         7.7         14.4         13.8         4.6         3.3         3.55           F interest cover (x)         7.7         14.4         41.3         23.9         24.7           aluation         2021         2022         2023E         2024E         2025E           securring P/E (x) *         8.7 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
urrent liabilities         12,439         15,539         12,640         19,204         18,815           tat liabilities and shareholders' equity         60,409         68,227         69,863         74,437         77,731           et working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           neludes convertibles and preferred stock which is being treated as debt         11.68         12.98         14.32         15.69           pok value per share         10.31         11.68         12.98         14.32         15.69           pangible book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength         1         11.68         12.98         14.32         15.69           narcial strength         32.0         31.5         27.1         25.1         22.1           aurent ratio (x)         4.1         3.8         4.6         3.3         3.5           et debt/total assets (%)         32.0         7.7         14.4         41.3         23.9         24.7           eturent ratio (x)         7.7         7.5 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td></td<>						
bala         bit bilities and shareholders' equity         60,409         68,227         69,863         74,437         77,731           et working capital         42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           ncludes convertibles and preferred stock which is being treated as debt         52,658         55,028         64,335         67,170           prestare (THB)         52,658         14,32         15,69         14,32         15,69           nancial strength         10.31         11,68         12.98         14,32         15,69           nancial strength         14 debt/dotal assets (%)         32,0         31,5         27,1         25,1         22,1           at debt/total assets (%)         32,0         31,5         27,1         25,1         22,1         20,21         2022         2023E         2024E         2025E           ecurring P/E (x) *         8,7         6,7         6,3         6,1         6,0         6,0           et debt/total assets (%)         32,0         32,7         7,5         7,0         6,8         6,7           et debt/total assets (%)         32,0 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
42,796         49,540         49,150         52,658         55,028           vested capital         52,253         58,878         60,358         64,335         67,170           ncludes convertibles and preferred stock which is being treated as debt           52,253         58,878         60,358         64,335         67,170           er share (THB)           11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength           59.5         58.5         46.4         41.5         34.8           et debt/equity (%)         32.0         31.5         27.1         25.1         22.1           at debt/total assets (%)         32.0         31.5         27.1         25.1         22.1           at debt/total assets (%)         32.0         31.5         27.1         25.1         22.1           atuation         2021         2022         2023E         2024E         2025E           ecurring P/E (x) *         8.7         6.7         6.3         6.1         6.0           oridend yield (%)         4.0         5.2	otal liabilities and shareholders' equity				-	
ncludes convertibles and preferred stock which is being treated as debt         er share (THB)         bok value per share       10.31       11.68       12.98       14.32       15.69         angible book value per share       10.31       11.68       12.98       14.32       15.69         nancial strength       10.31       11.68       12.98       14.32       15.69         nancial strength       10.31       11.68       12.98       14.32       15.69         narcial strength       10.31       31.5       27.1       25.1       22.1         at debt/total assets (%)       32.0       31.5       27.1       25.1       22.1         urrent ratio (x)       4.1       3.8       4.6       3.3       3.5         F interest cover (x)       7.7       14.4       41.3       23.9       24.7         aluation       2021       2022       2023E       2024E       2025E         ecurring P/E (x) *       8.7       6.7       6.3       6.1       6.0         acurring P/E (x) to the stress of th	et working capital	42,796	49,540	49,150	52,658	
Par share (THB)         Dok value per share         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength          11.68         12.98         14.32         15.69           et debt/equity (%)         59.5         58.5         46.4         41.5         34.8           et debt/total assets (%)         32.0         31.5         27.1         25.1         22.1           interrest cover (x)         4.1         3.8         4.6         3.3         3.5           interest cover (x)         7.7         14.4         41.3         23.9         24.7           aluation         2021         2022         2023E         2024E         2025E           accurring P/E (x) *         8.7         6.7         6.3         6.1         6.0           aported P/E (x)         8.7         6.7         6.3         6.1         6.0           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)			58,878	60,358	64,335	67,170
book value per share         10.31         11.68         12.98         14.32         15.69           angible book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength	ncludes convertibles and preferred stock which is being	treated as debt				
angible book value per share         10.31         11.68         12.98         14.32         15.69           nancial strength		10.01	11.00	40.00	11.00	4= 0-
nancial strength           at debt/equity (%)         59.5         58.5         46.4         41.5         34.8           at debt/total assets (%)         32.0         31.5         27.1         25.1         22.1           aurrent ratio (x)         4.1         3.8         4.6         3.3         3.5           F interest cover (x)         7.7         14.4         41.3         23.9         24.7           aluation         2021         2022         2023E         2024E         2025E           acurring P/E (x) *         8.7         6.7         6.3         6.1         6.0           acurring P/E @ target price (x) *         9.7         7.5         7.0         6.8         6.7           aported P/E (x)         8.7         6.7         6.3         6.1         6.0           vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           //EBITDA @ t	•					
tet debt/equity (%)       59.5       58.5       46.4       41.5       34.8         tet debt/total assets (%)       32.0       31.5       27.1       25.1       22.1         urrent ratio (x)       4.1       3.8       4.6       3.3       3.5         F interest cover (x)       7.7       14.4       41.3       23.9       24.7         aluation       2021       2022       2023E       2024E       2025E         ecurring P/E (x) *       8.7       6.7       6.3       6.1       6.0         ecurring P/E @ target price (x) *       9.7       7.5       7.0       6.8       6.7         eported P/E (x)       8.7       6.7       6.3       6.1       6.0         vidend yield (%)       4.0       5.2       5.5       5.6       5.7         ice/book (x)       1.2       1.1       1.0       0.9       0.8         ice/tangible book (x)       1.2       1.1       1.0       0.9       0.8         //EBITDA @ target price (x) **       13.3       10.7       9.5       9.1       8.5	<b>o i</b>	10.01	11.00	12.90	14.32	15.09
at debt/total assets (%)       32.0       31.5       27.1       25.1       22.1         aurrent ratio (x)       4.1       3.8       4.6       3.3       3.5         F interest cover (x)       7.7       14.4       41.3       23.9       24.7         aluation       2021       2022       2023E       2024E       2025E         acurring P/E (x) *       8.7       6.7       6.3       6.1       6.0         acurring P/E @ target price (x) *       9.7       7.5       7.0       6.8       6.7         aported P/E (x)       8.7       6.7       6.3       6.1       6.0         vidend yield (%)       4.0       5.2       5.5       5.6       5.7         ice/tangible book (x)       1.2       1.1       1.0       0.9       0.8         ice/tangible book (x)       1.2       1.1       1.0       0.9       0.8         //EBITDA (x) **       12.4       10.0       8.8       8.5       7.9         //EBITDA @ target price (x) **       13.3       10.7       9.5       9.1       8.5	5	59.5	58.5	46.4	41.5	34.8
urrent ratio (x)       4.1       3.8       4.6       3.3       3.5         F interest cover (x)       7.7       14.4       41.3       23.9       24.7         aluation       2021       2022       2023E       2024E       2025E         acurring P/E (x) *       8.7       6.7       6.3       6.1       6.0         acurring P/E @ target price (x) *       9.7       7.5       7.0       6.8       6.7         aported P/E (x)       8.7       6.7       6.3       6.1       6.0         vidend yield (%)       4.0       5.2       5.5       5.6       5.7         ice/book (x)       1.2       1.1       1.0       0.9       0.8         ice/tangible book (x)       1.2       1.1       1.0       0.9       0.8         v/EBITDA (x) **       12.4       10.0       8.8       8.5       7.9         v/EBITDA @ target price (x) **       13.3       10.7       9.5       9.1       8.5						
aluation         2021         2022         2023E         2024E         2025E           accurring P/E (x) *         8.7         6.7         6.3         6.1         6.0           accurring P/E @ target price (x) *         9.7         7.5         7.0         6.8         6.7           apported P/E (x)         8.7         6.7         6.3         6.1         6.0           vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5						
Backwing P/E (x) *         8.7         6.7         6.3         6.1         6.0           accurring P/E @ target price (x) *         9.7         7.5         7.0         6.8         6.7           aported P/E (x)         8.7         6.7         6.3         6.1         6.0           vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/book (x)         1.2         1.1         1.0         0.9         0.8           v/EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	- interest cover (x)	7.7	14.4	41.3	23.9	24.7
P/E @ target price (x) *         9.7         7.5         7.0         6.8         6.7           aported P/E (x)         8.7         6.7         6.3         6.1         6.0           vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           //EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	luation	2021	2022	2023E	2024E	2025E
Bar P/E (x)         8.7         6.7         6.3         6.1         6.0           vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           //EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	P(E   x)	8.7	6.7	6.3	6.1	6.0
vidend yield (%)         4.0         5.2         5.5         5.6         5.7           ice/book (x)         1.2         1.1         1.0         0.9         0.8           ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           //EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	curring P/E (X)	9.7				
ice/book (x)       1.2       1.1       1.0       0.9       0.8         ice/tangible book (x)       1.2       1.1       1.0       0.9       0.8         //EBITDA (x) **       12.4       10.0       8.8       8.5       7.9         //EBITDA @ target price (x) **       13.3       10.7       9.5       9.1       8.5	ecurring P/E @ target price (x) *			6.3	6.1	6.0
ice/tangible book (x)         1.2         1.1         1.0         0.9         0.8           //EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	ecurring P/E @ target price (x) * eported P/E (x)	8.7			<u> </u>	_
//EBITDA (x) **         12.4         10.0         8.8         8.5         7.9           //EBITDA @ target price (x) **         13.3         10.7         9.5         9.1         8.5	ecurring P/E @ target price (x) * eported P/E (x) vidend yield (%)	8.7 4.0	5.2	5.5		
//EBITDA@ target price (x) ** 13.3 10.7 9.5 9.1 8.5	ecurring P/E @ target price (x) * eported P/E (x) vidend yield (%) ice/book (x)	8.7 4.0 1.2	5.2 1.1	5.5 1.0	0.9	0.8
	ecurring P/E @ target price (x) * eported P/E (x) ividend yield (%) rice/book (x) rice/tangible book (x)	8.7 4.0 1.2 1.2	5.2 1.1 1.1	5.5 1.0 1.0	0.9 0.9	0.8 0.8
	ecurring P/E (x) ecurring P/E @ target price (x) * eported P/E (x) ividend yield (%) rice/book (x) rice/tangible book (x) V/EBITDA (x) ** V/EBITDA @ target price (x) **	8.7 4.0 1.2 1.2 12.4	5.2 1.1 1.1 10.0	5.5 1.0 1.0 8.8	0.9 0.9 8.5	0.8 0.8 7.9

Sources: AP (Thailand); 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 <u>Thai IOD website</u> 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).

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

The "<u>AGM Checklist</u>" 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 <u>Checklist</u> 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 <u>CAC certified member</u> 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 <u>start with</u> 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 <u>CAC Council</u> 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 (<u>THSI</u>) quantifies responsibility in <u>Environmental</u>, and <u>Social</u> issues, by managing business with transparency in <u>Governance</u>. 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 >150 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 <u>THSI list</u>, the SET further developed a sustainability <u>SETTHSI Index</u> 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>&</sup>lt;sup>5</sup> Dow Jones Sustainability Indices – <u>Wikipedia</u> – Launched in 1999, DJSI evaluates the sustainability performance of companies based on corporate economic, environmental, and social performance.



<sup>&</sup>lt;sup>1</sup> Thai Institute of Directors Association (<u>Thai IOD</u>) 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>&</sup>lt;sup>2</sup> Thai Investors Association (<u>TIA</u>) 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>&</sup>lt;sup>3</sup> Thai Private Sector Collective Action against Corruption (<u>CAC</u>) 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>&</sup>lt;sup>4</sup> Sustainability Investment List (<u>THSI</u>), created by the Stock Exchange of Thailand in 2015, comprises the listed companies that conduct sustainable business operations.

#### **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
AP (Thailand)	AP TB	THB 12.60	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.
Assetwise	ASW TB	THB 7.90	BUY	Downside risks to our P/E-based TP include 1) weaker than expected consumer purchasing power; 2) cancellation of presales; 3) customer loan rejections; 4) delays in construction; 5) intense competition; and 6) rising construction costs.
Noble Development	NOBLE TB	THB 4.90	BUY	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.
SC Asset Corporation	SC TB	THB 4.34	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 21.20	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 1.90	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.
Britania	BRI TB	THB 11.60	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 11.80	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

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 28-Apr-2023 unless otherwise stated.

#### **RECOMMENDATION STRUCTURE**

#### Stock ratings

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