

Thailand Property

Flat 2023 presales led by condos

- The aggregate 4Q23 presales recovered (+13% q-q, +24% y-y), driven by condos, which accelerated in line with new launches, while low-rises extended their loss. The aggregate 2023 presales ended at THB310b (+1.5% y-y), lower than the target by 14%.
- We expect the aggregate 4Q23 profit to be unexciting. In particular, it should be flat q-q and decrease y-y due to the high base of low-rises in 4Q22 and higher SG&A expenses.
- We have lowered our rating to underweight due to several challenges and a potentially low single-digit profit growth rate.

4Q23 presales accelerated by 13% q-q and 24% y-y, supported by new condo launches

The aggregate 4Q23 presales of 12 property companies under our coverage recovered to THB81b (+13% q-q, +24% y-y), driven by condo presales of THB41b (+36% q-q, +96% y-y). It accounted for 51% of 4Q23 presales, up from 44% of 9M23 presales due to new condo launches of nearly all property developers (except BRI, QH, and LPN) of 22 projects with a combined value of THB66b (+320% q-q, +153% y-y). They have a solid average take-up rate of 38% (vs 32% in 1Q23). However, low-rises continued to extend their loss. It decreased by 4% q-q and 9% y-y to THB40b. Meanwhile, new low-rise launches amounted to THB100b (+38% q-q, +24% y-y), lower than its target by 23% after demand recovered slower than expected amid high-interest rates, financial institutions' tighter credit underwriting in the mid-to-low segment, and increased cancellation, especially in the high-end market. Among them, AP reported the highest presales, which hit a new high.

2023 presales end flat as condo recovery helps ease low-rise contraction

The aggregate 2023 presales were close to 2022 of THB300b (+1.5% y-y), lower than the target by 14% due to weaker-than-expected low-rises of THB160b (-13% y-y). It reflected a lower take-up rate of 10-15% from 25-30% in 2022. However, condo presales of THB140b helped offset it. It jumped by 27% y-y, in line with accelerated new launches, which recorded an average take-up rate of 34%. By project value, the aggregate new launches amounted to THB400b (+13% y-y), lower than planned by 10%, with only ASW and ORI achieving their sales growth target.

4Q23 profit should be unexciting due to sluggish low-rise presales and higher SG&A

We expect the aggregate 4Q23 profit to be flat q-q and decrease y-y due to a high base and higher SG&A expenses in line with their substantial new launches and employee bonuses. However, it should miss our previous estimate for a q-q recovery due to weaker-than-expected 4Q23 low-rise presales. It could result in a downside for our 2023 estimates. Of all, LH should post the most outstanding net profit (+q-q, +y-y) due to an extra gain from sales of hotels to a REIT. Also, we anticipate 2H23 DPS, implying an average dividend yield of 5%, except for AP and ASW, which pay their dividend annually.

Cut rating to Underweight; Maintain AP as top pick

We have decreased our rating to underweight to reflect 2024 challenges. On the revenue side, they include economic uncertainty, tight credit underwriting, and increased competition, all of which would pressure the absorption rate to decrease. On the cost side, they comprise a minimum wage hike and a negative sentiment in the bond market. We are waiting for them to disclose their business plan, which should be cautious. In particular, we anticipate lower value of new launches and a focus on sales of inventory aggressively launched in the past two years. We expect a lackluster earnings performance in 2024, with an aggregate profit growth of 4% y-y (vs -4% y-y in 2023E and an anticipated increase of 20% y-y for the SET). However, they have a potential upside risk from the government's property stimulus, which remains unclear. Among them, we have AP as our top pick due to its high market share and profit, with a strong balance sheet. Also, we expect a 2023 dividend yield of 5%. Based on historical data in the past three years, they recorded an average gain of 15% from now until its XD in early May.



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Exhibit 1: Total presales in 4Q23 and 2023

Presales	4Q22	3Q23	4Q23	Change		2022	2023	Change	miss (-) /beat (+) vs company target
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
AP	12,960	11,677	16,067	37.6	24.0	50,415	51,391	1.9	-11%
ASW	1,069	3,862	4,702	21.8	339.9	14,173	16,486	16.3	10%
BRI	3,205	3,111	4,065	30.7	26.8	11,045	12,561	13.7	-3%
LH	5,563	5,572	8,646	55.2	55.4	30,207	23,013	(23.8)	-34%
LPN	1,624	2,581	1,978	(23.4)	21.8	10,950	9,966	(9.0)	-23%
NOBLE	137	2,300	4,268	85.6	3,015.5	14,174	15,000	5.8	-35%
ORI	11,628	12,472	10,328	(17.2)	(11.2)	41,032	47,265	15.2	5%
PSH	2,469	5,120	5,000	(2.3)	102.5	17,014	19,235	13.1	-20%
QH	1,734	2,434	1,200	(50.7)	(30.8)	8,208	7,554	(8.0)	-16%
SC	7,286	8,434	7,270	(13.8)	(0.2)	24,468	27,950	14.2	-4%
SIRI	9,807	7,581	11,889	56.8	21.2	38,502	37,588	(2.4)	-20%
SPALI	7,408	6,227	5,352	(14.1)	(27.8)	32,433	28,864	(11.0)	-20%
Total	64,890	71,371	80,765	13.2	24.5	292,621	296,873	1.5	-14%

Sources: Company data; FSSIA's compilation

Exhibit 2: Low-rise presales in 4Q23 and 2023

Presales	4Q22	3Q23	4Q23	Change		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
AP	10,049	8,499	8,190	(3.6)	(18.5)	38,975	33,483	(14.1)
ASW	107	77	371	380.3	247.1	355	1,326	273.7
BRI	3,205	3,111	4,065	30.7	26.8	11,045	12,561	13.7
LH	5,282	5,388	3,360	(37.6)	(36.4)	27,964	16,814	(39.9)
LPN	517	498	380	(23.7)	(26.5)	2,516	1,851	(26.4)
NOBLE	100	1,200	770	(35.8)	670.0	283	3,200	1,028.8
ORI	3,239	3,111	4,065	30.7	25.5	11,079	12,561	13.4
PSH	2,954	3,640	3,640	0.0	23.2	15,460	14,520	(6.1)
QH	1,609	2,224	1,100	(50.5)	(31.6)	7,383	6,657	(9.8)
SC	5,648	4,295	4,360	1.5	(22.8)	19,688	17,300	(12.1)
SIRI	6,201	4,849	5,596	15.4	(9.8)	28,445	21,109	(25.8)
SPALI	4,787	4,359	3,861	(11.4)	(19.4)	22,054	19,628	(11.0)
Total	43,698	41,251	39,758	(3.6)	(9.0)	185,247	161,009	(13.1)

Sources: Company data; FSSIA's compilation

Exhibit 3: Condo presales in 4Q23 and 2023

Presales	4Q22	3Q23	4Q23	Change		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
AP	2,911	3,178	7,877	147.9	170.6	11,440	17,908	56.5
ASW	962	3,785	4,331	14.4	350.2	13,818	15,160	9.7
BRI	0	0	0	n/a	n/a	0	0	n/a
LH	281	184	5,286	2,772.8	1,781.1	2,243	6,199	176.4
LPN	1,107	2,083	1,598	(23.3)	44.4	8,434	8,115	(3.8)
NOBLE	37	1,100	3,498	218.0	9,354.6	13,891	11,800	(15.0)
ORI	8,390	9,361	6,263	(33.1)	(25.3)	29,953	34,704	15.9
PSH	(485)	1,480	1,360	(8.1)	(380.4)	1,554	4,715	203.4
QH	125	210	100	(52.4)	(20.0)	825	897	8.7
SC	1,638	4,139	2,910	(29.7)	77.6	4,780	10,650	122.8
SIRI	3,606	2,732	6,293	130.3	74.5	10,057	16,479	63.9
SPALI	2,621	1,868	1,491	(20.2)	(43.1)	10,379	9,236	(11.0)
Total	21,193	30,120	41,008	36.1	93.5	107,374	135,863	26.5

Sources: Company data; FSSIA's compilation

Exhibit 4: New launches in 4Q23 and 2023

New launches	4Q22	3Q23	4Q23	Change		2022	2023	Change	miss (-) /beat (+)
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	vs company target
AP	26,360	18,500	36,440	97.0	38.2	63,600	76,000	19.5	-1%
ASW	1,200	2,850	15,100	429.8	1,158.3	10,700	29,810	178.6	32%
BRI	4,250	5,800	6,050	4.3	42.4	12,000	16,850	40.4	-25%
LH	7,320	6,280	29,685	372.7	305.5	32,460	43,460	33.9	24%
LPN	4,380	5,510	1,150	(79.1)	(73.7)	10,700	11,725	9.6	-16%
NOBLE	8,450	3,600	11,300	213.9	33.7	31,550	18,900	(40.1)	-19%
ORI	11,250	13,200	11,040	(16.4)	(1.9)	41,000	45,900	12.0	-14%
PSH	7,760	3,750	5,530	47.5	(28.7)	14,929	14,128	(5.4)	-40%
QH	0	2,598	3,406	31.1	n/a	7,598	8,263	8.8	-22%
SC	18,960	8,870	8,290	(6.5)	(56.3)	44,200	36,690	(17.0)	-13%
SIRI	10,180	11,180	35,700	219.3	250.7	43,000	65,150	51.5	-13%
SPALI	10,779	9,630	7,620	(20.9)	(29.3)	37,800	29,640	(21.6)	-28%
Total	110,889	91,768	171,311	86.7	54.5	349,537	396,516	13.4	-10%

Sources: Company data; FSSIA's compilation

Exhibit 5: New low-rise projects in 4Q23 and 2023

Presales	4Q22	3Q23	4Q23	Change		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
AP	23,660	18,500	29,140	57.5	23.2	54,100	65,200	20.5
ASW	0	1,050	4,200	300.0	n/a	0	5,250	n/a
BRI	4,250	5,800	6,050	4.3	42.4	12,000	16,850	40.4
LH	7,320	6,280	14,685	133.8	100.6	32,460	28,460	(12.3)
LPN	1,350	3,410	1,150	(66.3)	(14.8)	1,870	7,750	314.4
NOBLE	3,800	3,600	1,800	(50.0)	(52.6)	5,700	7,000	22.8
ORI	4,250	5,800	6,050	4.3	42.4	12,000	16,850	40.4
PSH	6,300	1,410	1,830	29.8	(71.0)	11,426	5,094	(55.4)
QH	0	2,598	3,406	31.1	n/a	7,598	8,263	8.8
SC	16,160	8,870	6,690	(24.6)	(58.6)	37,400	29,090	(22.2)
SIRI	6,953	9,020	23,300	158.3	235.1	33,368	46,880	40.5
SPALI	9,979	9,630	6,726	(30.2)	(32.6)	32,400	23,416	(27.7)
Total	84,022	75,968	105,027	38.3	25.0	240,322	260,103	8.2

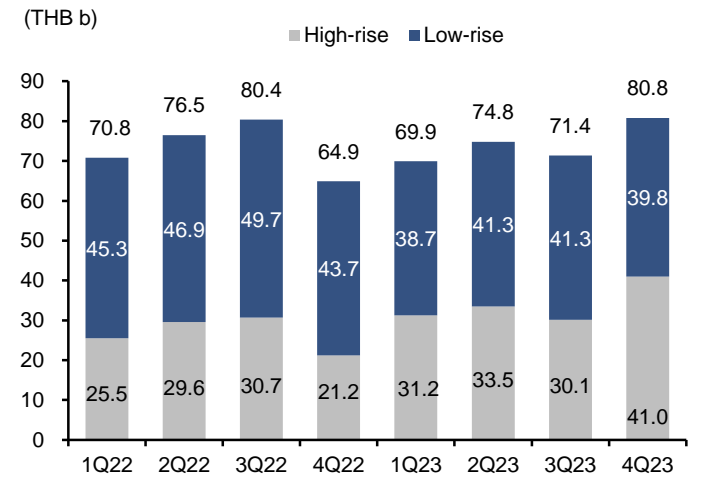
Sources: Company data; FSSIA's compilation

Exhibit 6: New condo projects in 4Q23 and 2023

Presales	4Q22	3Q23	4Q23	Change		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
AP	2,700	0	7,300	n/a	170.4	9,500	10,800	13.7
ASW	520	1,800	10,900	505.6	1,996.2	10,020	24,560	145.1
BRI	0	0	0	n/a	n/a	0	0	n/a
LH	0	0	15,000	n/a	n/a	0	15,000	n/a
LPN	3,030	2,100	0	n/a	n/a	8,830	3,975	(55.0)
NOBLE	4,650	0	9,500	n/a	104.3	25,850	11,900	(54.0)
ORI	7,000	7,400	4,990	(32.6)	(28.7)	29,000	29,050	0.2
PSH	1,460	2,340	3,700	58.1	153.4	3,503	9,034	157.9
QH	0	0	0	n/a	n/a	0	0	n/a
SC	2,800	0	1,600	n/a	(42.9)	6,800	7,600	11.8
SIRI	3,227	2,160	12,400	474.1	284.3	9,694	18,270	88.5
SPALI	800	0	894	n/a	11.8	5,000	6,224	24.5
Total	26,187	15,800	66,284	224.6	95.8	108,197	136,413	26.1

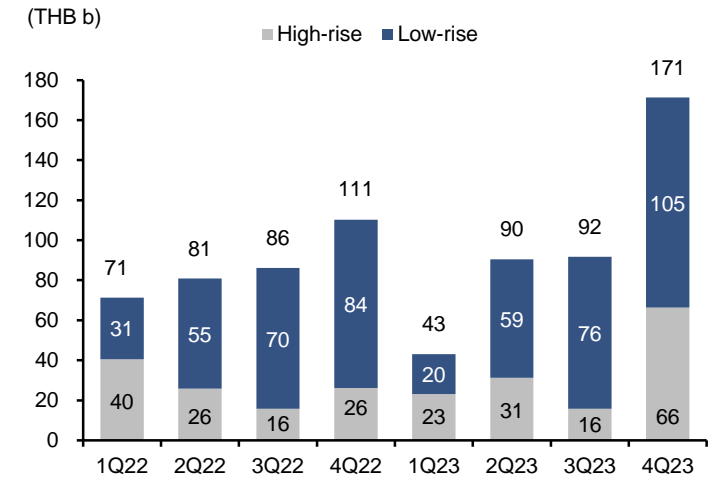
Sources: Company data; FSSIA's compilation

Exhibit 7: Quarterly presales



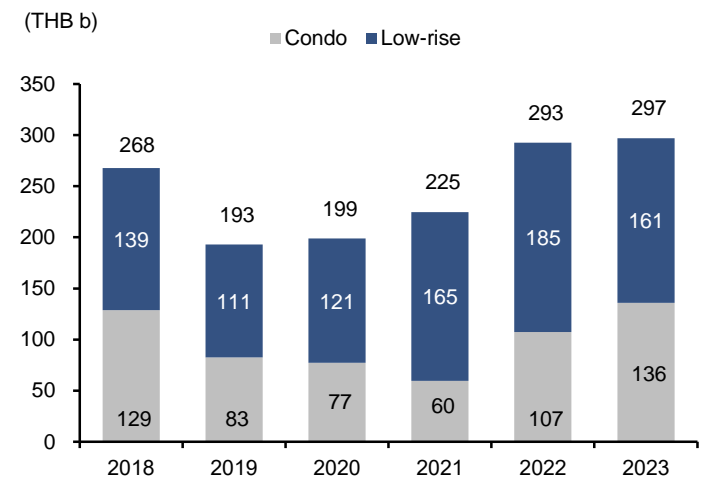
Sources: Company data; FSSIA's compilation

Exhibit 8: Quarterly new launches



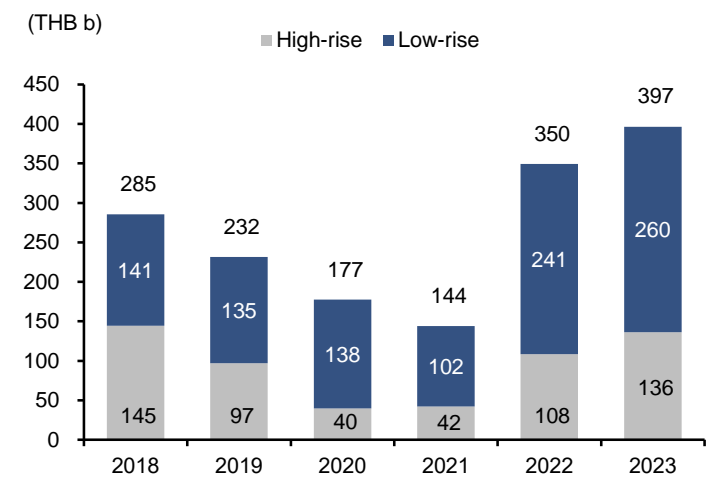
Sources: Company data; FSSIA's compilation

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: 4Q23E performances

4Q23E performances	----- Net profit -----		----- Core profit -----	
	(q-q %)	(y-y %)	(q-q %)	(y-y %)
AP	-	+	-	+
ASW	+	-	+	0
BRI	0	0	+	+
LH	+	+	+	-
LPN	-	+	-	+
NOBLE	-	-	-	-
ORI	-	-	+	-
PSH	-	-	-	-
QH	-	-	-	-
SC	+	-	+	-
SIRI	-	-	-	-
SPALI	+	-	+	-
Total	0	-	0	-

Source: FSSIA estimates

Exhibit 12: 2H23E dividend

	2H23E DPS (THB/share)	Dividend Yield (%)
AP*	0.70	6.1%
ASW*	0.52	6.2%
BRI	0.60	7.0%
LH	0.35	4.4%
LPN	0.12	3.0%
NOBLE	0.28	7.2%
ORI	0.56	6.5%
PSH	0.65	5.3%
QH	0.09	4.1%
SC	0.17	5.2%
SIRI	0.07	4.2%
SPALI	0.60	3.1%
Average		5.2%

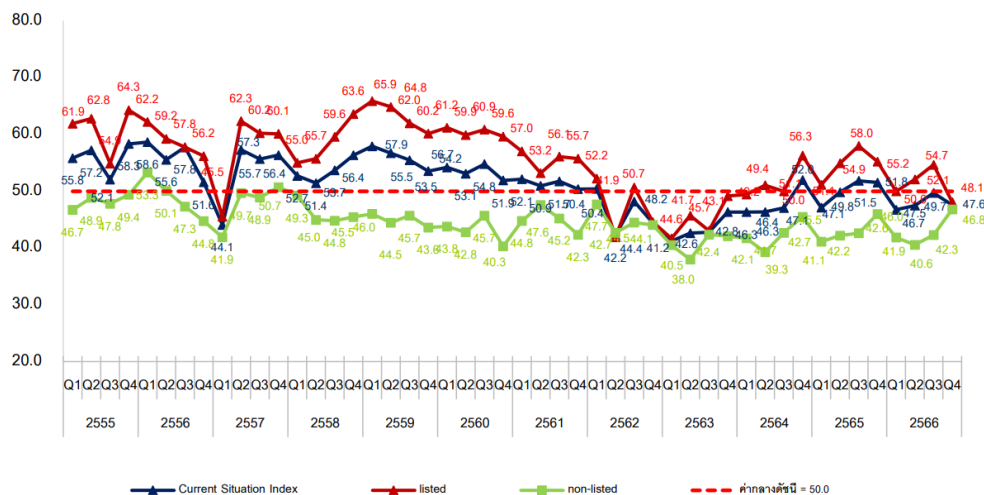
*Note: AP and ASW paid annually
Source: FSSIA estimates

Exhibit 13: D/E and IBD/E at end-3Q23

	D/E		IBD/E	
	2022 (x)	3Q23 (x)	2022 (x)	3Q23 (x)
AP	0.9	1.1	0.6	0.8
ASW	1.6	2.2	1.3	1.7
BRI	1.6	2.5	1.2	1.9
LH	1.4	1.7	1.0	1.3
LPN	1.0	1.2	0.9	1.0
NOBLE	2.8	2.9	2.1	2.3
ORI	1.4	2.0	1.0	1.5
PSH	0.5	0.6	0.2	0.3
QH	0.6	0.5	0.4	0.4
SC	1.6	1.8	1.3	1.5
SIRI	1.9	2.1	1.7	1.6
SPALI	0.7	0.7	0.5	0.5
Average	1.3	1.6	1.0	1.2

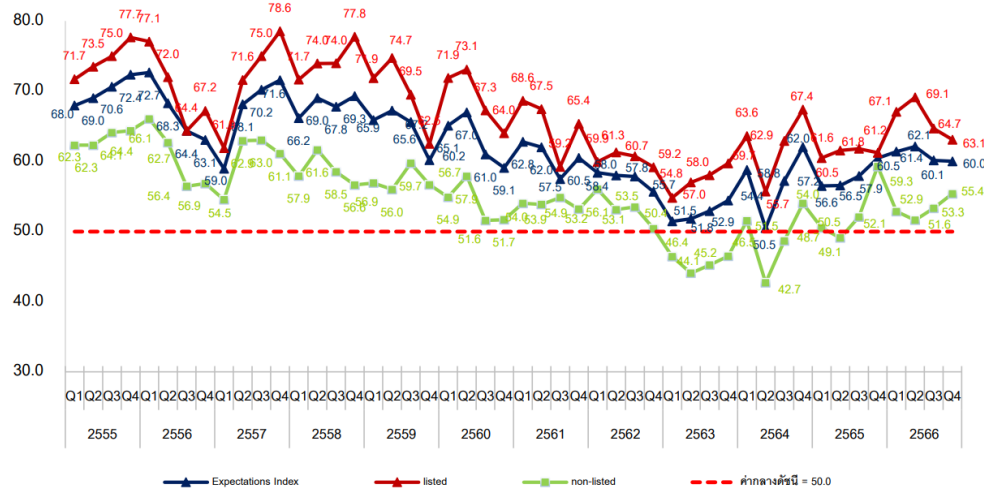
Note: Bond covenant = IBD/E lower than 2.5x
Sources: Company data; FSSIA's compilation

Exhibit 14: Current Situation Index



Source: REIC

Exhibit 15: Expectations Index



Source: REIC

Exhibit 16: Peer comparisons as of 16 Jan 2024

Company	BBG	Rec	Rec profit growth		PE		DivYld		ROE		PBV		PE 5Y-avg
			23E	24E	23E	24E	23E	24E	23E	24E	23E	24E	
			(%)	(%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)	(x)
Thailand													
Assetwise	ASW TB	BUY	16.4	45.2	9.4	6.7	6.2	6.2	13.8	18.1	1.2	1.2	8.9
Noble Development	NOBLE TB	REDUCE	141.8	(4.5)	7.4	7.7	9.2	6.5	11.6	10.4	0.8	0.8	11.0
SC Asset Corp	SC TB	BUY	(8.7)	5.8	5.8	5.5	7.5	7.5	10.6	10.5	0.6	0.6	5.9
Supalai	SPALI TB	BUY	(22.5)	4.4	6.0	5.7	6.7	6.7	13.1	12.6	0.8	0.7	6.6
Sansiri	SIRI TB	HOLD	23.0	(5.4)	6.1	6.5	9.8	8.2	11.1	9.8	0.7	0.6	6.8
AP Thailand	AP TB	BUY	6.8	2.8	5.8	5.6	6.1	6.2	16.2	15.0	0.9	0.8	5.4
Britania	BRI TB	BUY	26.3	1.9	5.5	5.4	8.4	8.4	25.2	22.4	1.3	1.1	7.0
Origin Property	ORI TB	BUY	(3.9)	14.6	8.4	7.3	8.2	8.2	13.5	14.6	1.1	1.0	8.4
Land & Houses	LH TB	n/a	(12)	5	12.6	12.0	7.2	7.2	14.0	14.2	1.7	1.7	13.1
LPN Development	LPN TB	n/a	(16)	12	11.3	10.0	5.1	5.5	4.2	4.6	0.5	0.5	11.1
Pruksa Holding	PSH TB	n/a	(19)	2	11.7	11.8	7.1	6.6	5.4	5.0	0.6	0.6	8.9
Quality Houses	QH TB	n/a	5	4	9.6	9.2	6.7	6.8	8.7	8.8	0.8	0.8	10.6
Average			(4)	4	8.3	7.8	7.4	7.0	12.3	12.2	0.9	0.9	8.6

Sources: Bloomberg; FSSIA estimates

Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (50-59), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainability	The Sustainability's ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.																				
		<table border="1"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
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ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.																					
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

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

Source: FSSIA's compilation

GENERAL DISCLAIMER

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Company	Ticker	Price	Rating	Valuation & Risks
Assetwise	ASW TB	THB 8.35	BUY	Downside risks to our P/E-based TP include 1) slower backlog realization than planned and a delay in new condo transfers, 2) lower new project launches than planned, 3) a lower-than-expected take-up rate of new projects, 4) a slowdown in the economy and purchasing power, 5) a construction delay and fierce competition, and 6) a higher rejection and cancellation rate.
Noble Development	NOBLE TB	THB 3.88	REDUCE	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 3.30	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 19.40	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 1.78	HOLD	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 11.50	BUY	Downside risks to our P/E-based TP include 1) a higher-than-expected slowdown in the low-rise market; 2) lower-than-expected new launches and take-up rates; 3) a slow economic recovery; 4) an impact from the interest rate uptrend on purchasing power; 5) a higher rejection rate and customer cancellation; 6) construction delay and labor shortages; and 7) fierce competition.
Britania	BRI TB	THB 8.60	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 8.60	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 16-Jan-2024 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.