

# ASSETWISE ASW TB

## THAILAND / PROPERTY DEVELOPMENT

# BUY

UNCHANGED

## Robust 2Q24 presales and profit outlook

- 2Q24 presales were impressive, increasing 8% y-y due to the positive response of two new campus condos and sales of existing projects but tumbling 29% q-q due to a high base in 1Q24.
- Maintain our 2Q24 profit estimate for significant q-q and y-y increases due to transfers of three new condos.
- Retain our 2024E core profit growth of 37% y-y and a BUY call at our TP of THB9.50.

TARGET PRICE	THB9.50
CLOSE	THB7.60
UP/DOWNSIDE	+25.0%
PRIOR TP	THB9.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+0.0%

### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	6,770	8,484	10,294	11,909
Net profit	1,092	1,121	1,326	1,452
EPS (THB)	1.21	1.19	1.41	1.55
vs Consensus (%)	-	-	-	-
EBITDA	1,423	1,579	2,068	2,449
Recurring net profit	818	1,121	1,326	1,452
Core EPS (THB)	0.91	1.19	1.41	1.55
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	13.2	31.1	18.4	9.5
Core P/E (x)	8.4	6.4	5.4	4.9
Dividend yield (%)	3.3	6.8	7.4	8.1
EV/EBITDA (x)	13.5	9.7	7.5	6.2
Price/book (x)	1.0	1.0	0.9	0.8
Net debt/Equity (%)	154.1	89.1	82.9	71.6
ROE (%)	13.4	16.2	17.4	17.1

### Impressive 2Q24 presales support 1H24 to 60% of 2024 target

The 2Q24 presales were strong at THB4.5b, comprising 87% condos and 13% low-rises. It increased by 8% y-y, supported by the favorable response of new campus condos and sales of existing projects. However, it plunged 29% q-q in line with the value of new projects, down from 1Q24 when ASW introduced a sizable condo in Phuket. It drove 1H24 presales to THB10.7b (+35% y-y), securing 60% of the 2024 target of THB17.8b (+8% y-y). Since ASW plans to debut new projects amounting to THB12b in 2H24, it should achieve its 2024 presales target without difficulty, in our view.

### Solid demand for existing and new campus condos

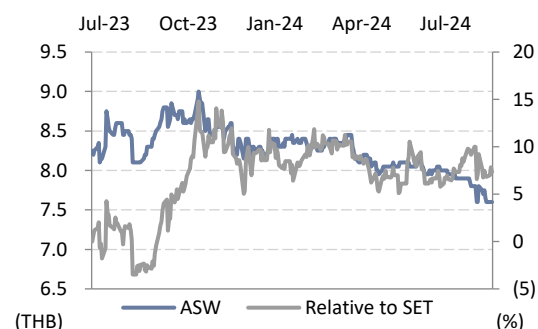
Campus condos saw rising demand during the start of a new academic year from investors who buy to let and parents. It reflected the success of the Kave brand, which expanded in two new locations, including 1) Kave Luminous Bangmod (THB1.2b, 516 units, THB87,000/SQM., close to KMUTT, a high 88% take-up rate), and 2) Kave Genesis Nakhon Pathom (THB1.2b, 579 units, THB80,000/SQM., close to Silpakorn University (Nakhon Pathom campus), a 30% take-up rate). During the quarter, ASW completed new condos, such as Kave Town Island, which reported THB700m additional presales, driving its take-up rate to 98% (from 75% in 1Q24). Besides location, ASW also has strength in its sizable common area with multiple functions that answer to the lifestyle of its prospects.

### 2Q24 profit should grow q-q and y-y, better than peers

We expect the 2Q24 net profit to jump q-q and y-y. Preliminary, we anticipate it at THB400-500m, significantly up from THB256m in 1Q24 and THB157m in 2Q23, supported by expected transfers of THB2b (+23% q-q, +72% y-y) due to transfers of three new condos with a combined value of THB5.2b and an average take-up rate of 95%. The highlights were a sizable project, i.e., Kave Town Island, The Title Halo 1 in Phuket, and Kave Universe Bangsaen. Moreover, ASW should book an extra gain from one new JV project.

### Retain our profit estimate and BUY call at our TP of THB9.50

We reaffirm our 2024E core profit of THB1.1b (+37% y-y), excluding two potential JV projects and extra gains of THB100-200m. We maintain our BUY call at our TP of THB9.50. ASW has a catalyst from a 2Q24 q-q and y-y profit growth projection, beating the property sector's y-y weakness. Trading on a 6.4x 2024PE, it offers an expected 6.8% annual dividend yield.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.8)	(5.6)	(7.3)
Relative to country (%)	0.0	0.3	7.9
Mkt cap (USD m)	186		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	0		
Major shareholder	Vipapong Family (71%)		
12m high/low (THB)	9.10/7.50		
Issued shares (m)	856.12		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

Besides project developments in Bangkok and its vicinity and the EEC, ASW also pressed ahead to diversify locations and target customers of its portfolio. At the end of 2022, it partnered with a local property developer to develop a luxury pool villa in Phuket. In 3Q23, ASW also announced its investment in a 67.61% stake in TITLE. It develops leisure condos in Phuket and has strength in its land bank, which can develop up to THB14b in project value. Also, it has extensive experience and a solid agent network, which would help contribute to a rapid expansion and drive growth potential from 2024 onwards.

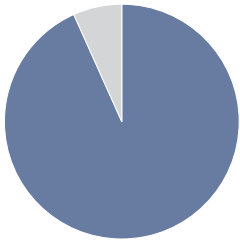
Company profile

Established in 2005, ASW develops mainly property projects for sale. They comprise high-rise (i.e., low-rise and high-rise condos) and low-rise (i.e., detached houses, townhomes, and home offices). Also, it operates property-related service businesses, such as property for rent, real estate agency, and intermediary for international payments. ASW's strengths lie in its project design that answers customer needs, complete facilities, and useful functions.

[www.assetwise.co.th](http://www.assetwise.co.th)

Principal activities (revenue, 2023)

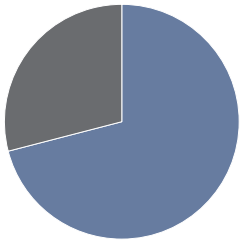
- Project sales - 93.3 %
- Rental and services - 6.7 %



Source: Assetwise

Major shareholders

- Vipanpong Family - 71.0 %
- Others - 29.0 %



Source: Assetwise

Catalysts

Key potential growth drivers include 1) success in new project launches and inventory sales progress and 2) the business expansion plan, including its acquisition of TITLE shares to penetrate the property market in Phuket, its significantly higher new project launches in prime locations in Bangkok and new provinces, and its partnership in new JV projects, which could result in an extra gain from share premium.

Risks to our call

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.

Event calendar

Date	Event
August 2024	2Q24 results announcement

Key assumptions

	2024E	2025E	2026E
Project sales (THB m)	8,094	9,904	11,519
Rental and services income (THB m)	390	390	390
Property GPM (%)	38.6	38.6	38.5
GPM (%)	38.9	39.3	39.2
SG&A to sales (%)	23.1	21.2	20.4

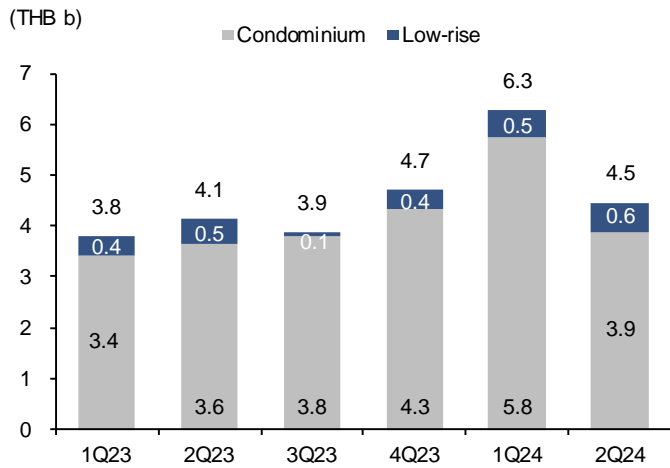
Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in transfers, we estimate 2024 net profit to rise by 7%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2024 net profit to rise by 2.6%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to sales, we estimate 2024 net profit to fall by 3.1%, and vice versa, all else being equal.

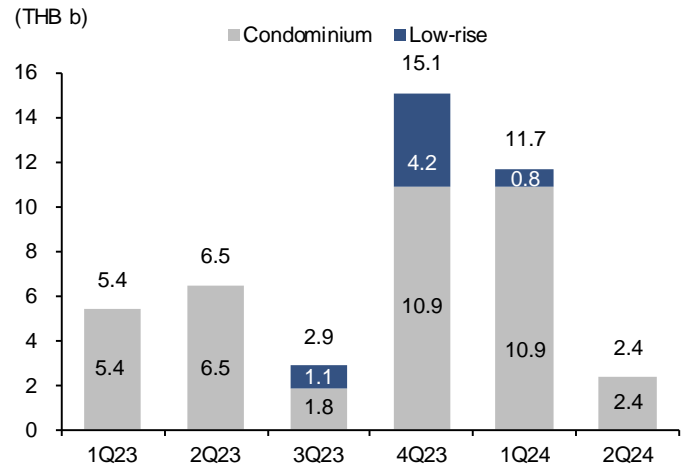
Source: FSSIA estimates

Exhibit 1: Quarterly presales



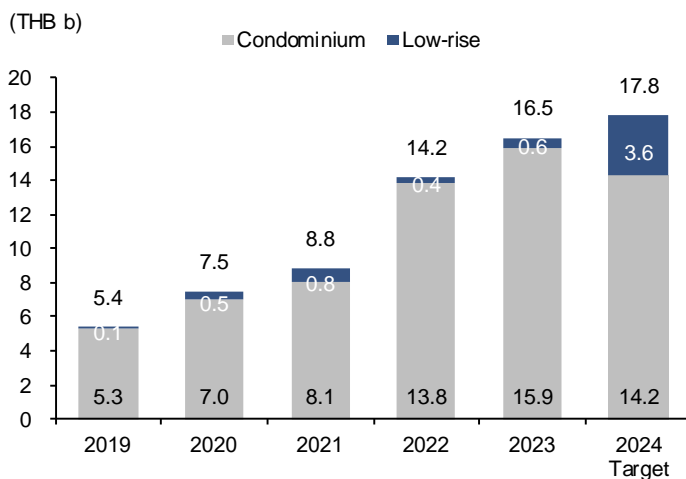
Sources: ASW; FSSIA's compilation

Exhibit 2: Quarterly new launches



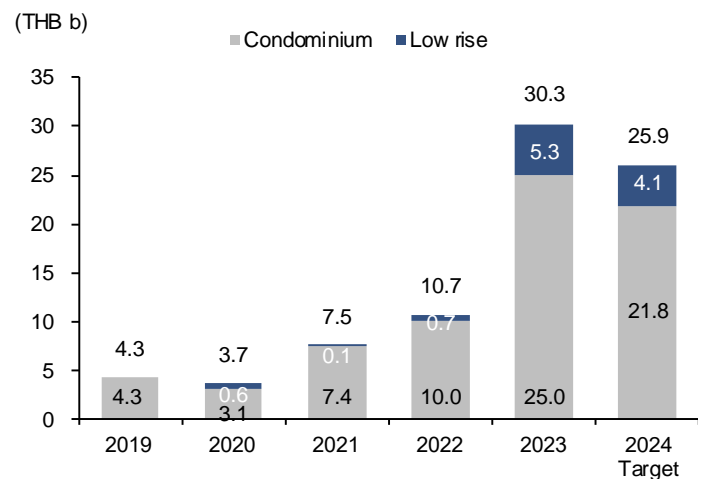
Sources: ASW; FSSIA's compilation

Exhibit 3: Yearly presales



Sources: ASW; FSSIA's compilation

Exhibit 4: Yearly new launches



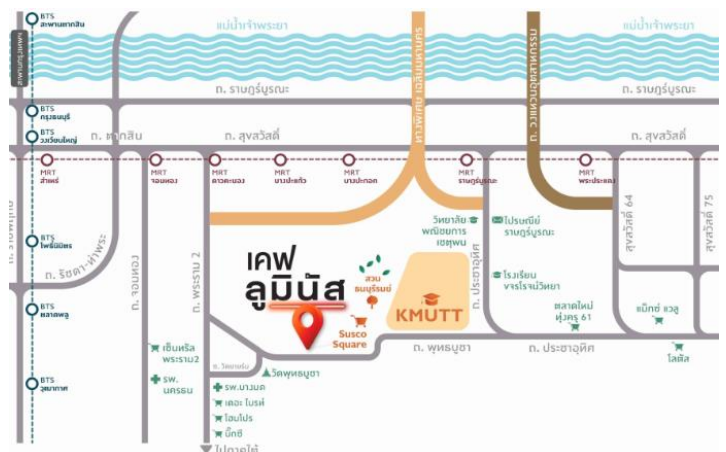
Sources: ASW; FSSIA's compilation

Exhibit 5: Kave Luminous Bangmod



Source: ASW

Exhibit 6: Kave Luminous Bangmod location



Source: ASW

Exhibit 7: Kave Genesis Nakhon Pathom



Source: ASW

Exhibit 8: Kave Genesis Nakhon Pathom



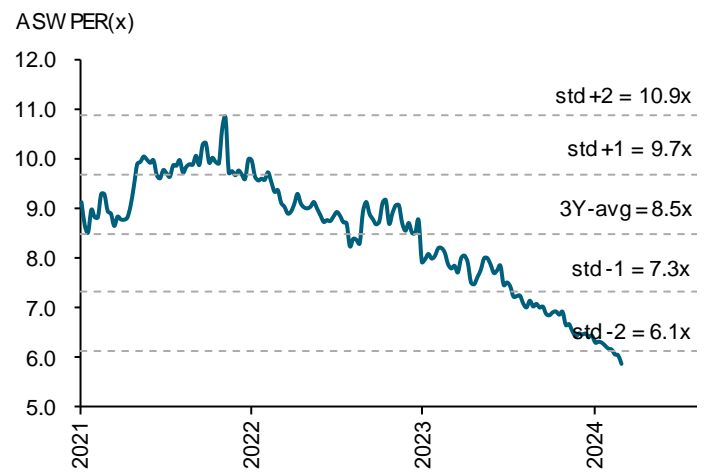
Source: ASW

Exhibit 9: Value of expected transfers by condo project in 2024

Transfer	Project	Value (THB m)	% Sold (%)
1Q24	Atmoz Kanaal Rangsit	1,650	52
	Kave Seed Kaset (JV)	1,350	71
2Q24	The Title Halo 1	1,530	91
	Kave Universe	520	81
	Kave Town Island	3,200	98
3Q24	Kave Pop Salaya	500	47
4Q24	Kave Embryo Rangsit	800	68

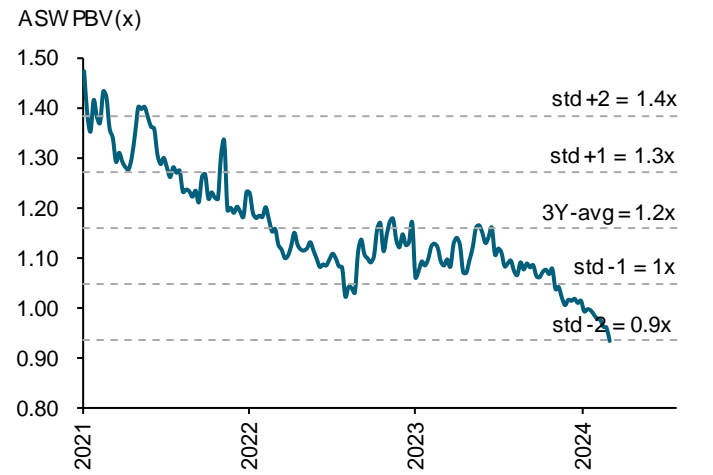
Sources: ASW; FSSIA's compilation

Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates



## Financial Statements

### Assetwise

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	5,483	6,770	8,484	10,294	11,909
Cost of goods sold	(3,079)	(4,006)	(5,181)	(6,244)	(7,244)
<b>Gross profit</b>	<b>2,404</b>	<b>2,764</b>	<b>3,303</b>	<b>4,049</b>	<b>4,665</b>
Other operating income	66	130	95	95	95
Operating costs	(1,245)	(1,619)	(1,914)	(2,181)	(2,425)
<b>Operating EBITDA</b>	<b>1,332</b>	<b>1,423</b>	<b>1,579</b>	<b>2,068</b>	<b>2,449</b>
Depreciation	(107)	(148)	(96)	(104)	(113)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,225</b>	<b>1,275</b>	<b>1,483</b>	<b>1,964</b>	<b>2,335</b>
Net financing costs	(4)	(11)	(7)	(8)	(8)
Associates	(11)	(16)	115	74	16
Recurring non-operating income	(11)	(16)	115	74	16
Non-recurring items	431	274	0	0	0
<b>Profit before tax</b>	<b>1,641</b>	<b>1,521</b>	<b>1,591</b>	<b>2,029</b>	<b>2,343</b>
Tax	(288)	(308)	(354)	(469)	(558)
<b>Profit after tax</b>	<b>1,353</b>	<b>1,213</b>	<b>1,237</b>	<b>1,560</b>	<b>1,784</b>
Minority interests	(234)	(121)	(116)	(234)	(332)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>1,119</b>	<b>1,092</b>	<b>1,121</b>	<b>1,326</b>	<b>1,452</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(431)</b>	<b>(274)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>688</b>	<b>818</b>	<b>1,121</b>	<b>1,326</b>	<b>1,452</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.80	0.91	1.19	1.41	1.55
Reported EPS	1.31	1.21	1.19	1.41	1.55
DPS	0.52	0.25	0.52	0.56	0.62
Diluted shares (used to calculate per share data)	856	899	939	939	939
<b>Growth</b>					
Revenue (%)	11.3	23.5	25.3	21.3	15.7
Operating EBITDA (%)	(6.5)	6.8	11.0	30.9	18.4
Operating EBIT (%)	(9.8)	4.0	16.4	32.4	18.9
Recurring EPS (%)	(22.2)	13.2	31.1	18.4	9.5
Reported EPS (%)	17.6	(7.0)	(1.8)	18.4	9.5
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	43.8	40.8	38.9	39.3	39.2
Gross margin exc. depreciation (%)	45.8	43.0	40.1	40.3	40.1
Operating EBITDA margin (%)	24.3	21.0	18.6	20.1	20.6
Operating EBIT margin (%)	22.3	18.8	17.5	19.1	19.6
Net margin (%)	12.5	12.1	13.2	12.9	12.2
Effective tax rate (%)	17.6	20.3	22.3	23.1	23.8
Dividend payout on recurring profit (%)	65.0	27.5	43.6	40.0	40.0
Interest cover (X)	341.0	111.5	223.1	240.4	277.1
Inventory days	1,231.5	1,351.5	1,154.1	948.7	866.4
Debtor days	30.3	39.6	36.3	28.0	28.6
Creditor days	199.4	252.1	225.0	175.5	179.8
Operating ROIC (%)	9.5	7.4	7.7	10.2	(2.9)
ROIC (%)	9.0	6.7	7.8	10.3	(2.8)
ROE (%)	13.2	13.4	16.2	17.4	17.1
ROA (%)	6.9	5.0	5.9	7.6	8.1

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Project sales	5,221	6,316	8,094	9,904	11,519
Rental and services	262	454	390	390	390

Sources: Assetwise; FSSIA estimates

## Financial Statements

### Assetwise

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	688	818	1,121	1,326	1,452
Depreciation	107	148	96	104	113
Associates & minorities	-	-	-	-	-
Other non-cash items	0	0	0	0	0
Change in working capital	(2,846)	(4,566)	1,458	(904)	(438)
<b>Cash flow from operations</b>	<b>(2,051)</b>	<b>(3,600)</b>	<b>2,675</b>	<b>527</b>	<b>1,127</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,276)	-	-	(147)	(158)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	(1,732)	2,034	-	-
<b>Cash flow from investing</b>	<b>(1,276)</b>	<b>(1,732)</b>	<b>2,034</b>	<b>(147)</b>	<b>(158)</b>
Dividends paid	-	(172)	(488)	(531)	(581)
Equity finance	235	885	40	0	0
Debt finance	2,963	5,164	(4,071)	310	(290)
Other financing cash flows	93	-	-	-	-
<b>Cash flow from financing</b>	<b>3,292</b>	<b>5,877</b>	<b>(4,519)</b>	<b>(221)</b>	<b>(871)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(35)</b>	<b>544</b>	<b>190</b>	<b>159</b>	<b>98</b>
Free cash flow to firm (FCFF)	(3,322.70)	(5,320.99)	4,716.43	387.99	977.63
Free cash flow to equity (FCFE)	(269.85)	(168.33)	638.36	689.52	679.15
<b>Per share (THB)</b>					
FCFF per share	(3.88)	(6.22)	5.51	0.45	1.14
FCFE per share	(0.32)	(0.20)	0.75	0.81	0.79
Recurring cash flow per share	0.93	1.07	1.30	1.52	1.67
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	1,185	1,633	1,403	1,515	1,636
Less: Accumulated depreciation	(158)	(210)	(274)	(344)	(421)
<b>Tangible fixed assets (net)</b>	<b>1,027</b>	<b>1,424</b>	<b>1,129</b>	<b>1,171</b>	<b>1,215</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	11	12	12	12	12
Invest. in associates & subsidiaries	664	1,128	120	121	122
Cash & equivalents	751	1,295	1,485	1,644	1,743
A/C receivable	494	976	713	865	1,000
Inventories	11,768	16,807	15,352	16,567	17,283
Other current assets	407	475	594	721	834
<b>Current assets</b>	<b>13,420</b>	<b>19,553</b>	<b>18,144</b>	<b>19,796</b>	<b>20,859</b>
Other assets	173	348	255	309	357
<b>Total assets</b>	<b>15,296</b>	<b>22,465</b>	<b>19,660</b>	<b>21,410</b>	<b>22,566</b>
Common equity	5,617	6,573	7,246	8,041	8,913
Minorities etc.	333	908	908	908	908
<b>Total shareholders' equity</b>	<b>5,950</b>	<b>7,481</b>	<b>8,153</b>	<b>8,949</b>	<b>9,821</b>
Long term debt	5,398	9,797	5,440	5,630	5,640
Other long-term liabilities	48	291	65	79	92
<b>Long-term liabilities</b>	<b>5,445</b>	<b>10,088</b>	<b>5,505</b>	<b>5,709</b>	<b>5,732</b>
A/C payable	1,715	3,616	2,655	3,248	3,778
Short term debt	2,259	3,024	3,310	3,430	3,130
Other current liabilities	164	152	170	206	238
<b>Current liabilities</b>	<b>4,138</b>	<b>6,792</b>	<b>6,135</b>	<b>6,884</b>	<b>7,146</b>
<b>Total liabilities and shareholders' equity</b>	<b>15,534</b>	<b>24,361</b>	<b>19,793</b>	<b>21,543</b>	<b>22,699</b>
Net working capital	10,791	14,489	13,834	14,698	15,100
Invested capital	12,666	17,402	15,350	16,311	16,807
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	6.56	7.31	7.72	8.56	9.49
Tangible book value per share	6.56	7.31	7.72	8.56	9.49
<b>Financial strength</b>					
Net debt/equity (%)	116.1	154.1	89.1	82.9	71.6
Net debt/total assets (%)	45.2	51.3	37.0	34.6	31.1
Current ratio (x)	3.2	2.9	3.0	2.9	2.9
CF interest cover (x)	283.4	(13.9)	90.1	99.7	99.7
Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>9.5</b>	<b>8.4</b>	<b>6.4</b>	<b>5.4</b>	<b>4.9</b>
<b>Recurring P/E @ target price (x) *</b>	<b>11.8</b>	<b>10.4</b>	<b>8.0</b>	<b>6.7</b>	<b>6.1</b>
Reported P/E (x)	5.8	6.3	6.4	5.4	4.9
Dividend yield (%)	6.9	3.3	6.8	7.4	8.1
Price/book (x)	1.2	1.0	1.0	0.9	0.8
Price/tangible book (x)	1.2	1.0	1.0	0.9	0.8
EV/EBITDA (x) **	10.3	13.5	9.7	7.5	6.2
EV/EBITDA @ target price (x) **	11.5	14.7	10.8	8.3	6.9
EV/invested capital (x)	1.1	1.1	1.0	0.9	0.9
* Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income					

Sources: Assetwise; FSSIA estimates

# ASSETWISE PCL (ASW TB)

FSSIA ESG rating

★ ★

Exhibit 12: FSSIA ESG score implication

27.00 /100

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 13: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
AP	53.36	--	Y	Y	5.00	5.00	Certified	Low	43.30	--	--	16.91	24.00	1.89	34.26
ASW	27.00	--	Y	Y	5.00	4.00	Declared	--	--	--	--	--	--	--	--
AWC	71.74	--	Y	Y	5.00	5.00	Certified	Low	55.63	AA	--	69.90	73.00	2.11	60.03
BRI	16.00	--	--	--	4.00	4.00	Declared	--	--	--	--	--	--	--	--
CPN	81.38	Y	Y	Y	5.00	5.00	Certified	Low	56.02	BBB	35.00	69.83	81.00	3.59	--

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 14: ESG disclosure from the company's one report

FY ending Dec 31		FY 2022	FY ending Dec 31		FY 2022
Environmental			Governance		
Climate change policy			Board size / Independent directors (ID) / Female		
Climate change opportunities discussed			No. of board meetings for the year / % attendance		
GHG scope 2 location-based policy			Company conducts board evaluations		
Biodiversity policy			Number of non-executive directors on board		
Energy efficiency policy			Director share ownership guidelines		
Electricity used			Board age limit		
Fuel used - crude oil/diesel			Age of the youngest / oldest director		
Waste reduction policy			Number of executives / female		
Water policy			Executive share ownership guidelines		
Water consumption			Size of audit committee / ID		
Social			Audit committee meetings		
Human rights policy			Audit committee meeting attendance (%)		
Policy against child labor			Size of compensation committee		
Quality assurance and recall policy			Number of compensation committee meetings		
Consumer data protection policy			Compensation committee meeting attendance (%)		
Equal opportunity policy			Size of nomination committee / ID		
Gender pay gap breakout			Number of nomination committee meetings		
Pct women in workforce			Nomination committee meeting attendance (%)		
Business ethics policy			Board compensation (THB m)		
Anti-bribery ethics policy			Auditor fee (THB m)		
Health and safety policy			(DIA International Audit Company Limited)		
Lost time incident rate - employees					
Training policy					
Fair remuneration policy					
Number of employees - CSR					
Total hours spent by firm - employee training					
Social supply chain management					

Source: FSSIA's compilation

## 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 <b>THSI inclusion</b> , 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. <b>SETTHSI Index</b> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;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 &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="2">Average:</td><td rowspan="2">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td><td rowspan="2">Laggard:</td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td>CCC</td><td>0.000-1.428</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	CCC	0.000-1.428
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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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

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

Source: FSSIA's compilation



GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

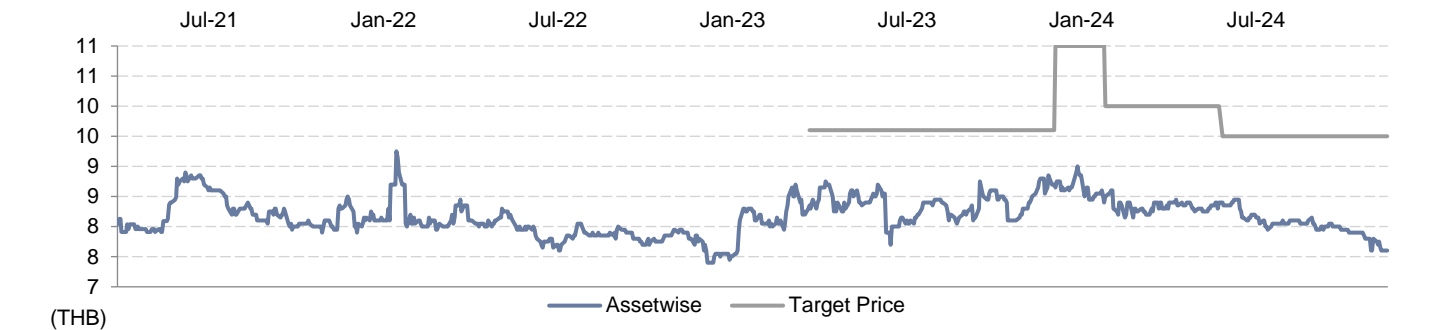
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History of change in investment rating and/or target price

Assetwise (ASW TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Feb-2023	BUY	9.60	02-Nov-2023	BUY	10.00	-	-	-
20-Sep-2023	BUY	11.00	09-Feb-2024	BUY	9.50			

Thanyatorn Songwutti started covering this stock from 20-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Assetwise	ASW TB	THB 7.60	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.

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 03-Jul-2024 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

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

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

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

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

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

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

### Industry Recommendations

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

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

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

### Country (Strategy) Recommendations

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

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

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