

# SANSIRI SRI TB

THAILAND / PROPERTY DEVELOPMENT

## BUY

UNCHANGED

## Right strategies to drive growth

- 2025 plan calls for new launches in increased premium segment, presales growth of 13% y-y, and transfer growth of 5% y-y.
- Expect 4Q24 core profit to slightly decrease (-4% q-q, -5% y-y), pressured by lower GPM; 2024 core profit to drop 5% y-y.
- Retain our BUY call, but cut TP to THB1.9 (based on P/E of 6.3x).

### New launches focus on premium segment and new locations

SIRI revealed its 2025 new launch plan totaling 29 projects worth THB52b (vs 43 projects worth THB46.5b in 2024) reflecting a larger premium segment proportion to 57% (from 35% in 2024), supported by its strong brand awareness. The key strategies are: 1) aiming to grab a bigger share of the luxury housing market in new high-potential areas like Bangna and Barommarachanonn; 2) planning to launch more condos in inner Bangkok to replenish the decreased inventory; 3) continuing to expand into tourist destinations: Phuket, Pattaya and Khon Kaen; and 4) more JV project developments: 7 projects worth THB19.5b (+127% y-y).

### Presales and transfer growth targets of 13% y-y and 5% y-y

SIRI has set a presales target in 2025 of THB46b (+13% y-y), driven by low-rises at THB29b (+12% y-y) and condos at THB17b (+13% y-y). Its transfer growth target is 5% y-y to THB46b (67% low-rises, 37% condos). Of that, SIRI would contribute THB37b, increasing from THB35b in 2024E, led by sales of existing projects, inventories of THB15b (53% low-rises, 47% condos) and 11 newly built condos.

### Expect 4Q24 profit to slightly decrease q-q and y-y

We anticipate a 4Q24 core profit of THB1.2b (-4% q-q, -5% y-y) due mainly to a lower property gross margin at 27.5%, down from 31.1% in 3Q24 and 35.2% in 4Q23, the lowest in 17 quarters, pressured by promotional campaigns and fierce competition. However, we expect SIRI's transfers to grow by 6% q-q and 9% y-y to THB9b. The q-q growth should come from higher low-rise transfers, with the y-y increase from more completed condos. The profit sharing from JVs should jump (+5% q-q, +361% y-y), led by two newly built condos. Hence, we project a 2024 net profit of THB5.2b (-14% y-y) and a core profit of THB4.9b (-5% y-y).

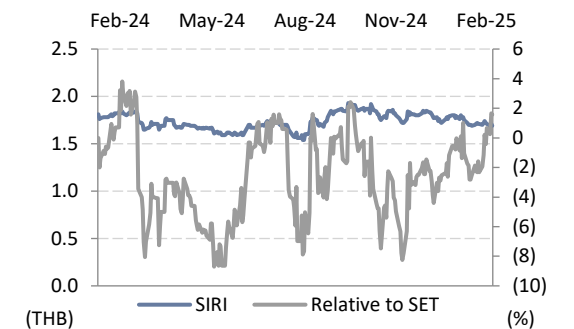
### Maintain BUY with lower TP of THB1.9

Our forecast calls for a 2025 core profit of THB5.1b (+5% y-y) on higher profit sharing from JVs. The net profit could have an upside from an extra gain on asset sales to REIT from the JV project with PROSPECT and land sales to new JVs. 1Q25 should be this year's trough before transfers and the GPM gradually recover q-q from 2Q25 onward. We maintain a BUY call, but cut our TP to THB1.9 (from THB2.2), based on a 6.3x P/E target (from 7.1x) to reflect the sluggish market. We expect a 2H24 DPS of THB0.09, implying a 5.4% dividend yield and 9.5% for 2025.

TARGET PRICE	THB1.90
CLOSE	THB1.69
UP/DOWNSIDE	+12.4%
PRIOR TP	THB2.20
CHANGE IN TP	-13.6%
TP vs CONSENSUS	-9.8%

### KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	36,965	37,956	38,168	40,702
Net profit	6,060	5,215	5,196	5,209
EPS (THB)	0.37	0.30	0.30	0.30
vs Consensus (%)	-	(1.6)	(1.6)	(5.4)
EBITDA	6,030	4,814	5,145	5,804
Recurring net profit	5,108	4,864	5,096	5,209
Core EPS (THB)	0.31	0.28	0.30	0.30
Chg. In EPS est. (%)	-	(2.5)	(1.2)	0.0
EPS growth (%)	14.4	(8.4)	4.8	2.2
Core P/E (x)	5.5	6.0	5.7	5.6
Dividend yield (%)	11.8	9.5	9.5	9.5
EV/EBITDA (x)	18.9	22.8	20.7	18.2
Price/book (x)	0.6	0.6	0.6	0.5
Net debt/Equity (%)	179.0	155.4	142.0	133.8
ROE (%)	11.6	10.2	10.0	9.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(5.6)	(9.1)	(6.1)
Relative to country (%)	1.6	4.6	1.0
Mkt cap (USD m)	875		
3m avg. daily turnover (USD m)	2.2		
Free float (%)	0		
Major shareholder	UBS AG Singapore Branch (10%)		
12m high/low (THB)	1.94/1.51		
Issued shares (m)	15,397.75		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SIRI disclosed its 2025 new launch plan, comprising 29 projects worth THB52b (+12% y-y). It is focused on the premium segment, which accounts for over 57% (from 35% in 2024), along with an expansion to new locations. Also, SIRI set a presales target of THB46b (+13% y-y) and a transfer target of THB46b (+5% y-y).

We maintain our 2025 transfer estimate of THB35b (flat y-y) on a cautious view, lower than the guidance by 6%, and a property gross margin assumption at 30.8% (vs guidance of 31%) amid fierce competition and sluggish demand.

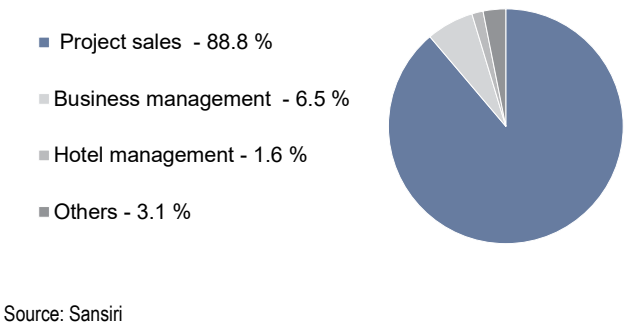
Company profile

SIRI aims to be Thailand’s leading property developer with over 38 years of experience. Its core operation is divided into three businesses, namely property development, property services, and investment.

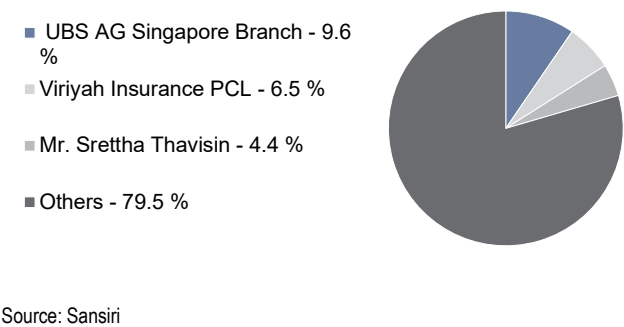
In 2022, property development for sale was its largest source of revenue, constituting about 91% of total revenue. It develops single-detached houses, semi-detached houses, townhouses, home offices, and condominium projects for all customer groups, both in Bangkok and its vicinity and upcountry areas.

[www.sansiri.com](http://www.sansiri.com)

Principal activities (revenue, 2023)



Major shareholders



Catalysts

Key potential growth drivers include 1) the success of its new launches; 2) demand and purchasing power recoveries, 3) an international sales recovery; 4) property stimulus; 5) an interest rate downtrend and banks' easing credit underwriting; and 6) signing of new JV projects.

Risks to our call

Downside risks to our P/E-based TP include 1) lower-than-expected take-up rates of new launches; 2) a slowdown in the economy and purchasing power; 3) fierce competition; 4) a higher loan rejection rate and customer cancellation; 5) a construction delay and labor shortages; and 6) a higher D/E ratio than property peers.

Event calendar

Date	Event
3 March 2025	2024 results announcement

Key assumptions

	2024E	2025E	2026E
Project sales (THB m)	34,675	34,690	37,143
Rental and service income (THB m)	3,281	3,478	3,559
Property GPM (%)	31.6	30.8	31.0
GPM (%)	30.6	31.0	31.5
SG&A to sales (%)	20.4	20.0	19.6

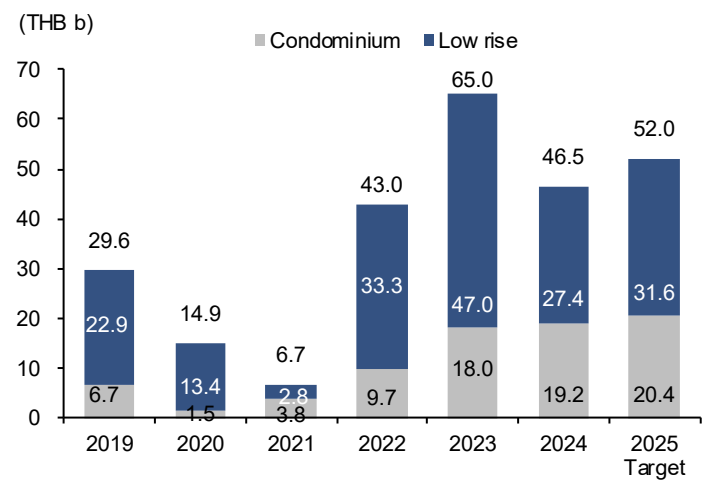
Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in SIRI’s transfers, we estimate 2025 net profit to rise by 4.1%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2025 net profit to rise by 2.9%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to revenue, we estimate 2025 net profit to fall by 3.2%, and vice versa, all else being equal.

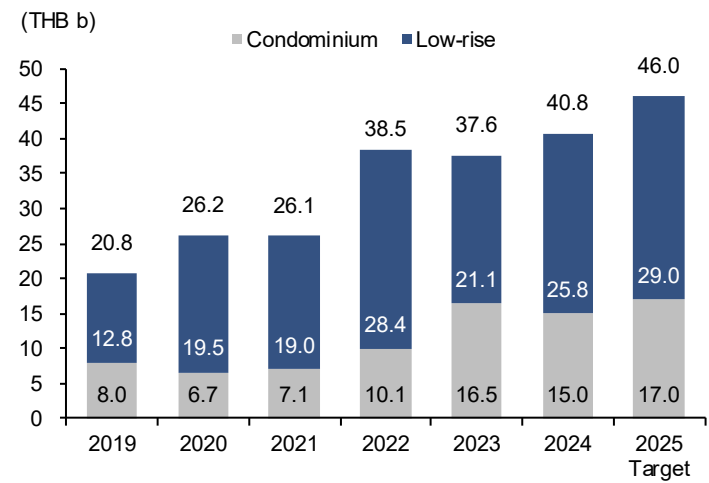
Source: FSSIA estimates

Exhibit 1: Yearly new launches



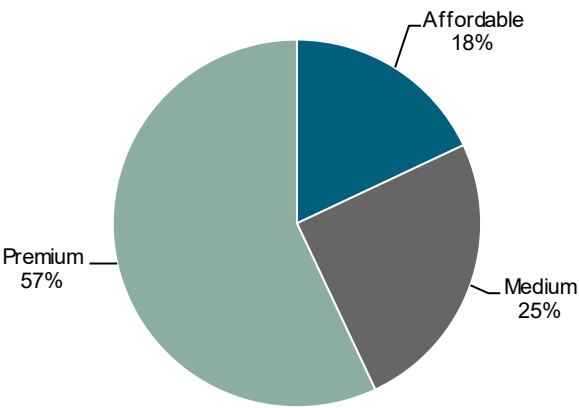
Sources: SIRI; FSSIA's compilation

Exhibit 2: Yearly presales



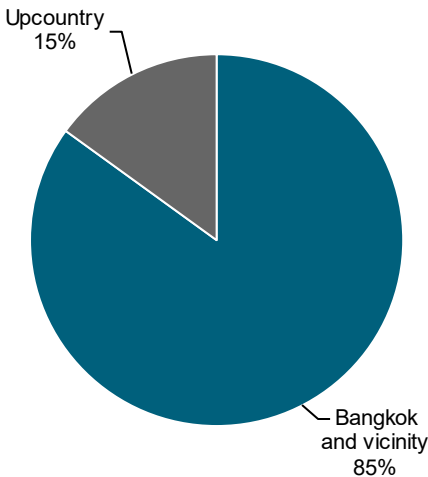
Sources: SIRI; FSSIA's compilation

Exhibit 3: 2025E new launches by segment



Sources: SIRI; FSSIA's compilation

Exhibit 4: 2025E new launches by location



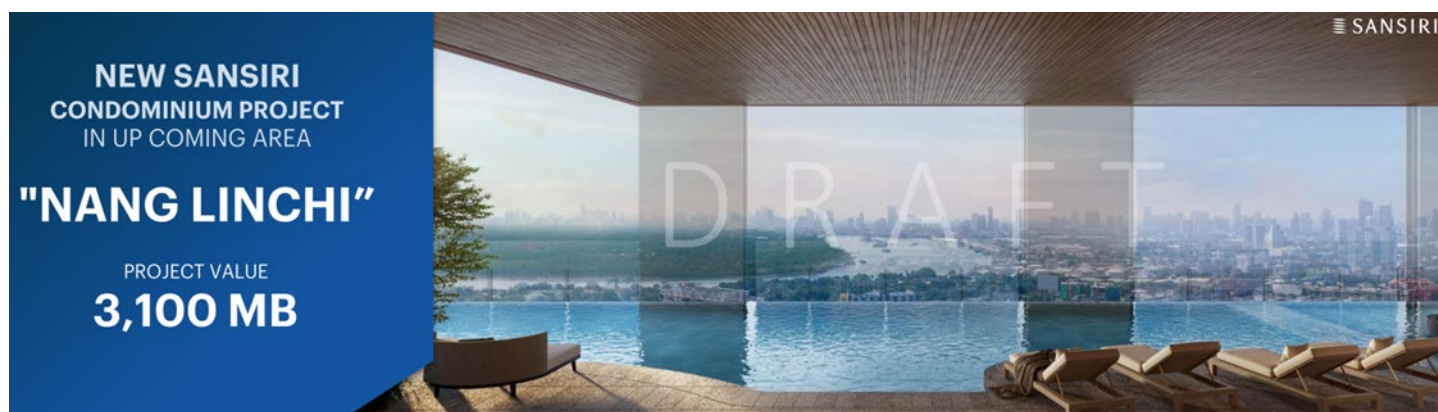
Sources: SIRI; FSSIA's compilation

Exhibit 5: Example of new luxury low-rise project in 2025



Source: SIRI

Exhibit 6: Example of new city condo project in 2025



Source: SIRI

Exhibit 7: Yearly new JV project launches

2022	2023	2024	2025
<b>2</b> PROJECTS <b>8,800</b> MILLION BAHT	<b>4</b> PROJECTS <b>3,500</b> MILLION BAHT	<b>6</b> PROJECTS <b>8,600</b> MILLION BAHT	<b>7</b> PROJECTS <b>19,500</b> MILLION BAHT
<b>HOUSING</b> 1 PROJECT   5,300 MILLION BAHT	<b>HOUSING</b> 1 PROJECT   400 MILLION BAHT	<b>HOUSING</b> 2 PROJECTS   4,300 MILLION BAHT	<b>HOUSING</b> 4 PROJECTS   14,900 MILLION BAHT
<b>CONDOMINIUM</b> 1 PROJECT   3,300 MILLION BAHT	<b>CONDOMINIUM</b> 3 PROJECTS   3,100 MILLION BAHT	<b>CONDOMINIUM</b> 4 PROJECTS   4,300 MILLION BAHT	<b>CONDOMINIUM</b> 3 PROJECTS   4,600 MILLION BAHT

Source: SIRI

Exhibit 8: SIRI – 4Q24 results preview

	4Q23	1Q24	2Q24	3Q24	4Q24E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	10,801	9,734	9,295	9,067	9,897	9.2	(8.4)
Cost of sales	7,245	6,582	6,416	6,254	7,069	13.0	(2.4)
Gross profit	3,556	3,153	2,879	2,813	2,828	0.5	(20.5)
SG&A	2,247	2,122	1,796	1,852	1,972	6.4	(12.2)
Operating profit	1,309	1,031	1,083	961	856	(10.9)	(34.6)
Interest expense	143	48	31	119	140	17.3	(1.8)
Tax expense	318	289	335	289	229	(20.6)	(27.8)
Equity income from JV	91	117	221	402	420	4.5	360.5
Reported net profit	1,300	1,315	1,387	1,307	1,227	(6.2)	(5.6)
Core profit	1,255	1,092	1,315	1,252	1,197	(4.4)	(4.6)
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Property gross margin	35.2	34.8	33.2	31.1	27.5	(3.6)	(7.7)
Gross margin	32.9	32.4	31.0	31.0	28.6	0.1	(4.3)
SG&A / Sales	20.8	21.8	19.3	20.4	19.9	1.1	(0.9)
Operating margin	12.1	10.6	11.7	10.6	8.7	(1.1)	(3.5)
Net margin	12.0	13.5	14.9	14.4	14.4	(0.5)	2.4
Normalised profit	11.6	11.2	14.1	13.8	13.8	(0.3)	2.2
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q%)</b>	<b>(y-y%)</b>
Residential	9,818	8,901	8,486	8,286	9,000	8.6	(8.3)
Rental & Services	984	833	810	781	897	14.9	(8.8)
<b>Gross margin by business</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Residential	35.2	34.8	33.2	31.1	27.5	(3.6)	(7.7)
Rental & Services	10.5	6.9	8.1	29.9	39.4	9.5	28.9

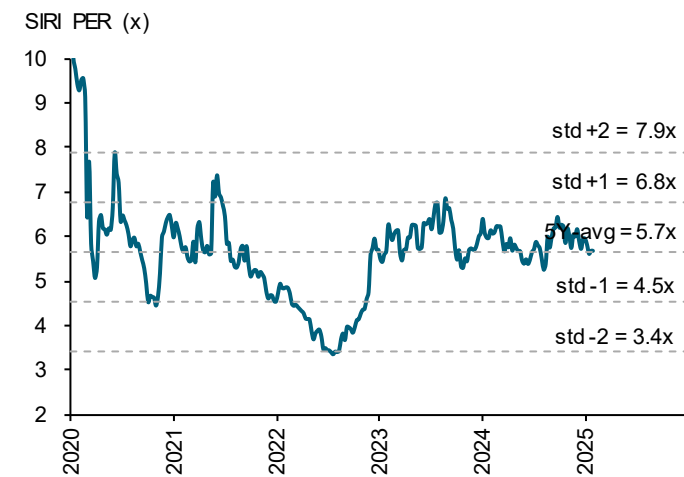
Sources: SIRI; FSSIA estimates

## Exhibit 9: Key assumptions for SRI

	Actual	Current			Previous			Change		
	2023	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue (THB m)	36,965	37,956	38,168	40,702	39,867	40,481	42,689	(5)	(6)	(5)
- Transfers	32,829	34,675	34,690	37,143	36,352	36,894	38,999	(5)	(6)	(5)
- Rental and service income	4,136	3,281	3,478	3,559	3,515	3,587	3,690	(7)	(3)	(4)
Property gross margin (%)	34.3	31.6	30.8	31.0	32.4	31.9	32.2	(2.3)	(3.3)	(3.8)
Gross margin (%)	32.0	30.6	31.0	31.5	30.5	31.9	32.2	0.3	(2.8)	(2.2)
SG&A to revenue (%)	18.2	20.4	20.0	19.6	20.1	19.8	19.6	1.5	1.2	(0.2)
Interest expense (THB m)	494	348	555	528	354	506	459	(2)	10	15
Share of profit from JV (THB m)	390	1,121	1,320	919	1,007	812	413	11	63	122
Core profit (THB m)	5,108	4,864	5,096	5,209	4,988	5,160	5,210	(2)	(1)	(0)
Net profit (THB m)	6,060	5,215	5,196	5,209	5,338	5,160	5,210	(2)	1	(0)

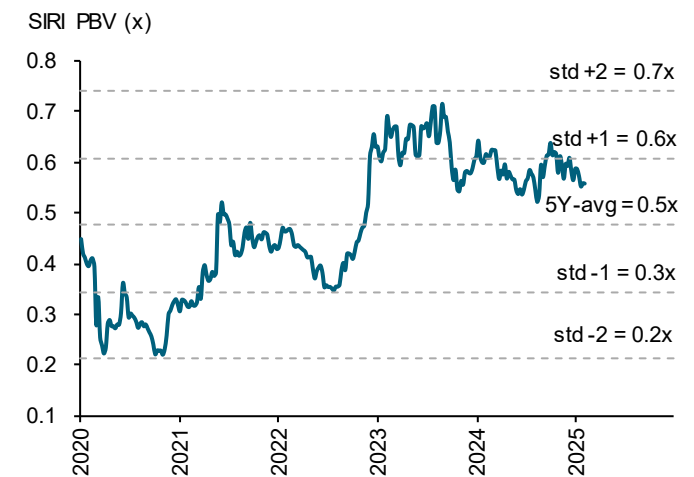
Sources: SRI; FSSIA estimates

## Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

## Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates



## Financial Statements

### Sansiri

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	33,712	36,965	37,956	38,168	40,702
Cost of goods sold	(22,591)	(25,125)	(26,338)	(26,348)	(27,900)
<b>Gross profit</b>	<b>11,122</b>	<b>11,841</b>	<b>11,618</b>	<b>11,820</b>	<b>12,802</b>
Other operating income	-	-	-	-	-
Operating costs	(7,165)	(6,743)	(7,746)	(7,626)	(7,959)
<b>Operating EBITDA</b>	<b>4,807</b>	<b>6,030</b>	<b>4,814</b>	<b>5,145</b>	<b>5,804</b>
Depreciation	(850)	(932)	(942)	(952)	(962)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>3,957</b>	<b>5,098</b>	<b>3,873</b>	<b>4,193</b>	<b>4,843</b>
Net financing costs	(508)	(253)	(78)	(285)	(258)
Associates	473	404	1,136	1,334	933
Recurring non-operating income	1,505	1,331	1,936	2,034	1,633
Non-recurring items	240	952	350	100	0
<b>Profit before tax</b>	<b>5,193</b>	<b>7,128</b>	<b>6,080</b>	<b>6,042</b>	<b>6,218</b>
Tax	(1,087)	(1,283)	(1,126)	(1,106)	(1,268)
<b>Profit after tax</b>	<b>4,107</b>	<b>5,846</b>	<b>4,955</b>	<b>4,936</b>	<b>4,949</b>
Minority interests	173	215	260	260	260
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>4,280</b>	<b>6,060</b>	<b>5,215</b>	<b>5,196</b>	<b>5,209</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(240)</b>	<b>(952)</b>	<b>(350)</b>	<b>(100)</b>	<b>0</b>
<b>Recurring net profit</b>	<b>4,040</b>	<b>5,108</b>	<b>4,864</b>	<b>5,096</b>	<b>5,209</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.27	0.31	0.28	0.30	0.30
Reported EPS	0.29	0.37	0.30	0.30	0.30
DPS	0.15	0.20	0.16	0.16	0.16
Diluted shares (used to calculate per share data)	14,923	16,486	17,138	17,138	17,138
<b>Growth</b>					
Revenue (%)	17.7	9.7	2.7	0.6	6.6
Operating EBITDA (%)	38.2	25.4	(20.2)	6.9	12.8
Operating EBIT (%)	48.7	28.8	(24.0)	8.3	15.5
Recurring EPS (%)	99.7	14.4	(8.4)	4.8	2.2
Reported EPS (%)	111.6	28.2	(17.2)	(0.3)	0.2
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	33.0	32.0	30.6	31.0	31.5
Gross margin exc. depreciation (%)	35.5	34.6	33.1	33.5	33.8
Operating EBITDA margin (%)	14.3	16.3	12.7	13.5	14.3
Operating EBIT margin (%)	11.7	13.8	10.2	11.0	11.9
Net margin (%)	12.0	13.8	12.8	13.4	12.8
Effective tax rate (%)	20.9	18.0	18.5	18.3	20.4
Dividend payout on recurring profit (%)	55.4	64.6	56.8	54.0	53.0
Interest cover (X)	10.8	25.4	74.3	21.8	25.1
Inventory days	1,183.6	1,402.3	1,434.3	1,425.9	1,357.8
Debtor days	12.8	9.9	8.9	7.8	7.6
Creditor days	19.5	22.3	23.7	22.7	22.1
Operating ROIC (%)	4.0	4.0	2.8	3.1	(0.9)
ROIC (%)	3.9	4.1	3.5	3.8	(1.0)
ROE (%)	9.9	11.6	10.2	10.0	9.7
ROA (%)	3.5	3.7	3.2	3.5	3.3

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

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Project sales	30,716	32,829	34,675	34,690	37,143
Business management	1,679	2,413	2,230	2,252	2,275
Hotel management	548	574	280	0	0
Others	769	1,149	771	1,226	1,284

Sources: Sansiri; FSSIA estimates

## Financial Statements

Sansiri

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	4,040	5,108	4,864	5,096	5,209
Depreciation	850	932	942	952	962
Associates & minorities	-	-	-	-	-
Other non-cash items	(173)	(215)	(260)	(260)	(260)
Change in working capital	(28,335)	(11,977)	2,190	565	(1,845)
<b>Cash flow from operations</b>	<b>(23,618)</b>	<b>(6,152)</b>	<b>7,736</b>	<b>6,353</b>	<b>4,066</b>
Capex - maintenance	-	(7,208)	-	(888)	(836)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	19,685	-	(743)	-	-
<b>Cash flow from investing</b>	<b>19,685</b>	<b>(7,208)</b>	<b>(743)</b>	<b>(888)</b>	<b>(836)</b>
Dividends paid	(1,528)	(2,737)	(2,011)	(2,434)	(2,487)
Equity finance	562	997	697	0	0
Debt finance	5,378	15,251	(6,331)	(1,250)	(167)
Other financing cash flows	-	-	-	-	-
<b>Cash flow from financing</b>	<b>4,411</b>	<b>13,511</b>	<b>(7,644)</b>	<b>(3,683)</b>	<b>(2,654)</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>479</b>	<b>150</b>	<b>(651)</b>	<b>1,782</b>	<b>576</b>
Free cash flow to firm (FCFF)	(3,195.32)	(12,867.04)	7,340.73	6,020.36	3,758.36
Free cash flow to equity (FCFE)	1,445.18	1,890.56	662.02	4,215.30	3,063.76

### Per share (THB)

FCFF per share	(0.21)	(0.84)	0.48	0.39	0.24
FCFE per share	0.09	0.12	0.04	0.27	0.20
Recurring cash flow per share	0.32	0.35	0.32	0.34	0.34

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	11,706	16,223	16,961	17,569	18,145
Less: Accumulated depreciation	(2,806)	(3,371)	(3,961)	(4,683)	(5,437)
<b>Tangible fixed assets (net)</b>	<b>8,899</b>	<b>12,852</b>	<b>12,999</b>	<b>12,886</b>	<b>12,708</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	-	-	-	-	-
Invest. in associates & subsidiaries	18,609	21,552	20,603	20,653	20,704
Cash & equivalents	2,660	2,810	2,159	3,941	4,517
A/C receivable	983	1,030	816	821	875
Inventories	85,859	100,042	99,551	98,873	101,548
Other current assets	7,753	6,527	5,314	5,725	5,698
<b>Current assets</b>	<b>97,254</b>	<b>110,409</b>	<b>107,839</b>	<b>109,359</b>	<b>112,638</b>
Other assets	2,672	3,093	2,885	2,901	3,093
<b>Total assets</b>	<b>127,435</b>	<b>147,906</b>	<b>144,327</b>	<b>145,799</b>	<b>149,144</b>
Common equity	42,433	45,949	49,500	52,163	54,885
Minorities etc.	1,608	1,459	1,459	1,459	1,459
<b>Total shareholders' equity</b>	<b>44,041</b>	<b>47,408</b>	<b>50,959</b>	<b>53,622</b>	<b>56,344</b>
Long term debt	39,922	52,272	46,994	46,790	46,656
Other long-term liabilities	1,173	2,219	1,708	1,718	1,832
<b>Long-term liabilities</b>	<b>41,095</b>	<b>54,491</b>	<b>48,702</b>	<b>48,507</b>	<b>48,488</b>
A/C payable	1,235	1,716	1,580	1,581	1,674
Short term debt	32,507	35,408	34,355	33,310	33,277
Other current liabilities	8,574	8,281	8,730	8,779	9,361
<b>Current liabilities</b>	<b>42,316</b>	<b>45,404</b>	<b>44,665</b>	<b>43,669</b>	<b>44,312</b>
<b>Total liabilities and shareholders' equity</b>	<b>127,451</b>	<b>147,303</b>	<b>144,327</b>	<b>145,799</b>	<b>149,144</b>
Net working capital	84,785	97,603	95,371	95,059	97,086
Invested capital	114,966	135,099	131,858	131,499	133,592

\* Includes convertibles and preferred stock which is being treated as debt

### Per share (THB)

Book value per share	2.84	2.79	2.89	3.04	3.20
Tangible book value per share	2.84	2.79	2.89	3.04	3.20

### Financial strength

Net debt/equity (%)	158.4	179.0	155.4	142.0	133.8
Net debt/total assets (%)	54.7	57.4	54.9	52.2	50.6
Current ratio (x)	2.3	2.4	2.4	2.5	2.5
CF interest cover (x)	3.8	8.5	9.5	15.8	12.9

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>6.2</b>	<b>5.5</b>	<b>6.0</b>	<b>5.7</b>	<b>5.6</b>
<b>Recurring P/E @ target price (x) *</b>	<b>7.0</b>	<b>6.1</b>	<b>6.7</b>	<b>6.4</b>	<b>6.3</b>
Reported P/E (x)	5.9	4.6	5.6	5.6	5.6
Dividend yield (%)	8.9	11.8	9.5	9.5	9.5
Price/book (x)	0.6	0.6	0.6	0.6	0.5
Price/tangible book (x)	0.6	0.6	0.6	0.6	0.5
EV/EBITDA (x) **	20.1	18.9	22.8	20.7	18.2
EV/EBITDA @ target price (x) **	20.7	19.5	23.5	21.4	18.9
EV/invested capital (x)	0.8	0.8	0.8	0.8	0.8

\* Pre-exceptional, pre-goodwill and fully diluted \*\* EBITDA includes associate income and recurring non-operating income

Sources: Sansiri; FSSIA estimates

# Sansiri PCL (SIRI TB)

## FSSIA ESG rating


**64.84 /100**

### Exhibit 12: FSSIA ESG score implication

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	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>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.

Sources: FSSIA estimates

### Exhibit 13: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46
AP	55.79	--	Y	AA	5.00	5.00	Certified	Low	55.56	--	--	30.68	24.00	--	40.17
ASW	38.31	--	Y	A	5.00	5.00	Certified	--	--	--	--	66.47	--	--	--
BRI	24.00	--	--	AA	5.00	4.00	Certified	--	--	--	--	--	--	--	--
NOBLE	39.72	--	Y	AA	5.00	5.00	Certified	--	--	--	--	57.72	20.00	--	--
ORI	50.82	--	Y	AA	5.00	5.00	Certified	Medium	57.38	--	--	46.18	13.00	--	--
SC	53.79	--	Y	AA	5.00	5.00	Certified	Medium	--	--	--	73.79	25.00	3.46	50.39
SIRI	64.84	--	Y	AA	5.00	5.00	Certified	Low	--	A	--	57.53	29.00	3.40	61.19
SPALI	63.32	--	Y	AA	5.00	5.00	Certified	Low	59.94	BB	--	51.96	22.00	2.65	50.35

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

### Exhibit 14: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>ESG financial materiality scores - ESG score</b>	<b>3.28</b>	<b>3.31</b>	<b>3.28</b>	<b>3.37</b>	<b>3.23</b>	<b>3.42</b>	<b>3.00</b>	<b>3.40</b>
BESG environmental pillar score	1.87	1.95	1.91	2.06	1.94	2.30	2.15	2.08
BESG social pillar score	6.80	7.10	7.25	7.24	6.12	6.08	3.50	7.57
BESG governance pillar score	4.41	4.29	4.24	4.21	4.35	4.26	4.10	4.19
<b>ESG disclosure score</b>	<b>44.65</b>	<b>55.79</b>	<b>56.84</b>	<b>58.06</b>	<b>57.67</b>	<b>56.28</b>	<b>61.14</b>	<b>61.19</b>
Environmental disclosure score	24.34	40.29	43.43	47.12	45.94	45.94	50.26	50.56
Social disclosure score	28.39	45.89	45.89	45.89	45.89	41.72	45.71	51.84
Governance disclosure score	81.10	81.10	81.10	81.10	81.10	81.10	87.36	81.10
<b>Environmental</b>								
Emissions reduction initiatives	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	No	Yes	Yes
GHG scope 1	1	1	2	1	1	0	1	1
GHG scope 2 location-based	1	1	4	3	4	4	7	13
GHG Scope 3	—	—	2	1	28	22	2,788	1,915
Carbon per unit of production	—	—	—	—	—	—	0	—
Biodiversity policy	No	No	No	No	No	No	Yes	Yes
Energy efficiency policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	1	1	6	6	8	8	15	30
Renewable energy use	—	—	1	1	1	1	1	1
Electricity used	1	1	5	5	8	7	14	26
Fuel used - natural gas	—	—	—	—	—	—	—	0

Sources: Bloomberg; FSSIA's compilation



## Exhibit 15: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—	0	1	0	0
Total waste	2	2	2	3	0	2	1	6
Waste recycled	—	—	—	0	0	0	0	3
Waste sent to landfills	—	—	—	—	0	1	1	3
Environmental supply chain management	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	112	327	250
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	No	No	No	Yes	Yes
Equal opportunity policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	Yes
Pct women in workforce	49	46	46	45	42	41	42	42
Pct disabled in workforce	—	—	—	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	—	—	—
Total recordable incident rate - employees	—	—	—	1	1	1	0	0
Training policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	3,448	3,744	4,155	4,246	3,966	4,163	4,454	4,992
Employee turnover pct	20	19	23	22	31	28	34	26
Total hours spent by firm - employee training	58,444	100,189	74,208	76,683	44,499	44,627	51,995	95,888
Social supply chain management	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Governance</b>								
Board size	10	10	12	11	12	12	12	12
No. of independent directors (ID)	5	5	5	4	5	5	5	5
No. of women on board	0	0	0	0	0	0	0	0
No. of non-executive directors on board	7	7	7	6	7	8	7	7
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	10	12	12	15	13	11	10	14
Board meeting attendance pct	93	93	89	92	95	95	98	98
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	47	48	49	51	52	53	54	47
Age of the oldest director	81	82	83	63	64	65	66	66
No. of executives / company managers	22	20	13	16	14	12	13	10
No. of female executives	6	4	1	1	3	2	0	0
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	3	3	3	4	4	4	4
No. of ID on audit committee	3	3	3	3	4	4	4	4
Audit committee meetings	5	5	4	4	5	5	6	7
Audit meeting attendance %	93	100	100	100	100	85	100	100
Size of compensation committee	3	3	3	3	4	4	4	4
No. of ID on compensation committee	3	3	3	3	3	3	3	3
No. of compensation committee meetings	4	2	2	3	4	2	2	3
Compensation meeting attendance %	100	100	100	100	100	100	100	100
Size of nomination committee	3	3	3	3	4	4	4	4
No. of nomination committee meetings	4	2	2	3	4	2	2	3
Nomination meeting attendance %	100	100	100	100	100	100	100	100
<b>Sustainability governance</b>								
Verification type	No	No	No	No	No	No	No	No

Sources: Bloomberg; 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.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG 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>SETESG 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>SETESG Index</b> is extended from the SET ESG Ratings 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 Sustainabilitycs	The Sustainabilitycs' 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="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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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

Thanyatarn Songwutti FSS International Investment Advisory Securities Co., Ltd

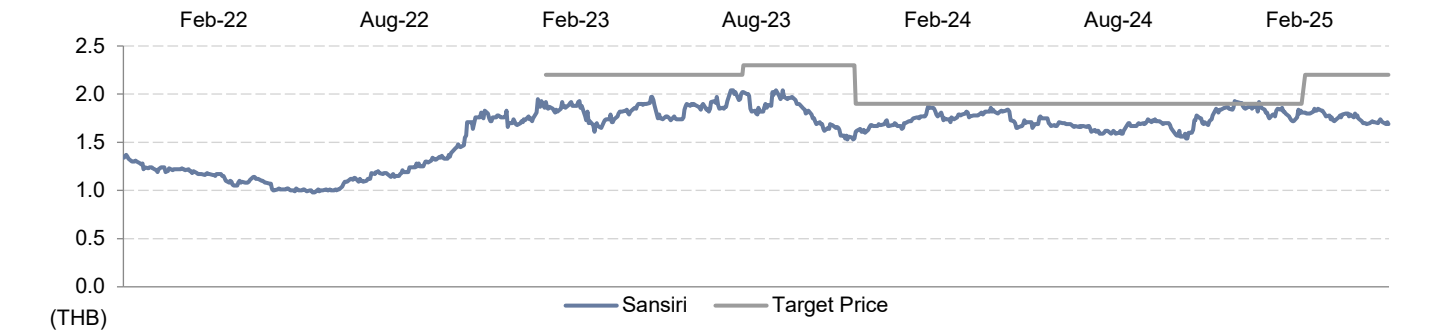
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Sansiri (SIRI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
06-Feb-2023	BUY	2.20	01-Nov-2023	BUY	1.90	03-Apr-2024	BUY	1.90
27-Jul-2023	BUY	2.30	11-Jan-2024	HOLD	1.90	22-Nov-2024	BUY	2.20

Thanyatarn Songwutti started covering this stock from 06-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Sansiri	SIRI TB	THB 1.69	BUY	Downside risks to our P/E-based TP include 1) lower-than-expected take-up rates of new launches; 2) a slowdown in the economy and purchasing power, 3) fierce competition, 4) a higher loan rejection rate and customer cancellation, 5) a construction delay and labor shortages, and 6) a higher D/E ratio than property peers.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 05-Feb-2025 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.