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BUY

UNCHANGED

คาดการณ์กำไร 3Q23 ไม่สดใส แต่ฟื้นใน 4Q23-2024

- ประเมินกำไรปกติ 3Q23 +73% y-y แต่ -36% q-q แมื่อยอดโอนเติบโตเด่น แต่กดดันจากอัตรากำไรขั้นต้นลดลงและค่าใช้จ่ายบริหารสูงขึ้น ขณะที่ 4Q23 คาดฟื้นตัวดี
- ปรับลดคาดการณ์กำไรปกติปี 2023-2025 แต่ปี 2024 +45% y-y ทำ New High
- ยังแนะนำซื้อ ราคาเหมาะสมใหม่ 10 บาท ปีนี้คาดว่าจะปันผลเต็มปี Yield 6.2%

TARGET PRICE	THB10.00
CLOSE	THB8.40
UP/DOWNSIDE	+19.0%
PRIOR TP	THB11.00
CHANGE IN TP	-9.1%
TP vs CONSENSUS	-9.1%

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	5,483	6,909	9,403	10,184
Net profit	1,119	993	1,163	1,338
EPS (THB)	1.31	1.10	1.24	1.42
vs Consensus (%)	-	(1.8)	(9.5)	(6.6)
EBITDA	1,332	1,274	1,842	2,042
Recurring net profit	688	801	1,163	1,338
Core EPS (THB)	0.80	0.89	1.24	1.42
Chg. In EPS est. (%)	-	(20.7)	(9.4)	(6.4)
EPS growth (%)	(22.2)	10.9	39.0	15.1
Core P/E (x)	10.5	9.4	6.8	5.9
Dividend yield (%)	6.2	6.2	6.2	6.8
EV/EBITDA (x)	10.0	11.6	8.5	7.7
Price/book (x)	1.3	1.2	1.2	1.0
Net debt/Equity (%)	103.2	112.6	107.6	98.1
ROE (%)	13.3	13.8	18.1	18.6

คาดการณ์กำไรปกติ 3Q23 เติบโต y-y แต่ลดลง q-q กดดันจาก GPM และ SG&A

เราประเมินกำไรสุทธิ 3Q23 อยู่ที่ 181 ล้านบาท (+15% q-q, -5% y-y) ต่ำกว่าที่เคยมองว่าจะเพิ่มขึ้น q-q, y-y โดยมี Share Premium 80 ล้านบาทจากการเซ็น JV 1 โครงการ หากไม่รวมรายการดังกล่าว กำไรปกติคาดว่าจะอยู่ที่ 101 ล้านบาท (-36% q-q, +73% y-y) แมื่อยอดโอน 3Q23 คาดเพิ่มขึ้นเด่นเป็น 1.56 พันล้านบาท (+31% q-q, +97% y-y) จากการเริ่มโอนคอนโดใหม่ 3 โครงการอย่าง Modiz Rhyme Hill, Atmoz Sriracha และ Atmoz Portrait Sriraman อย่างไรก็ตาม ถูกกดดันจาก 1) อัตรากำไรขั้นต้นขายอสังหาริมทรัพย์ลดลงเป็น 36% จาก 42.7% ใน 2Q23 เนื่องจากคอนโดใหม่บางโครงการซึ่งเปิดตัวในช่วง Covid และมีมาร์จิ้นต่ำกว่าปกติ 2) ค่าใช้จ่ายบริหารสูงขึ้นอย่างมีนัยจากการเพิ่มบุคลากรรองรับการขายธุรกิจ 3) ส่วนแบ่ง JV คาดพลิกเป็นขาดทุน เนื่องจากไม่มีคอนโด JV ใหม่ และค่าใช้จ่ายสูงขึ้นจากโครงการ JV ใหม่

แนวโน้มกำไร 4Q23 ฟื้นตัวดีตามการเร่งขึ้นของยอดโอน

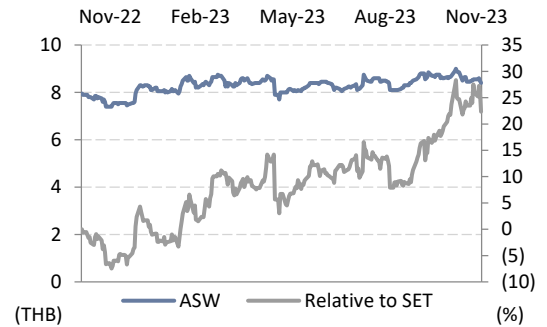
ทิศทางผลประกอบการ 4Q23 คาดกลับมาฟื้นตัวเด่นและเป็นไตรมาสดีสุดของปีเบื้องต้นคาด 300-400 ล้านบาท ตามการเร่งขึ้นของยอดโอนจากคอนโดสร้างเสร็จใหม่ 3 โครงการ ประกอบด้วยคอนโดใหญ่ Kave Town Colony รวมถึงคอนโด JV 2 แห่งอย่าง Atmoz Oasis และ Atmoz Flow Minburi ขณะที่อัตรากำไรขั้นต้นคาดว่าจะขยับขึ้นจาก 3Q23 จากผลของ Project Mix ที่มีสัดส่วนโครงการใหม่ที่มีมาร์จิ้นดีขึ้น

ปรับลดประมาณการปี 2023-2025 แต่คาดว่าปี 2024 ยังทำ New High

เราปรับประมาณการกำไรปกติปี 2023-2025 ลง 6-21% เป็น 801 ล้านบาท (+16% y-y), 1.2 พันล้านบาท (+45% y-y) และ 1.3 พันล้านบาท (+15% y-y) สาเหตุหลักจากปรับลดอัตรากำไรขั้นต้นขายอสังหาริมทรัพย์ สะท้อนบางโครงการที่มีมาร์จิ้นต่ำกว่าปกติ รวมถึงปรับลดส่วนแบ่งกำไร JV จากค่าใช้จ่ายจากการร่วมทุนโครงการใหม่มากกว่าคาด อย่างไรก็ตาม เราคงมุมมองบวกต่อแนวโน้มผลประกอบการปี 2024 ที่เติบโตดีและทำระดับสูงสุดใหม่หนุนจากคอนโดสร้างเสร็จใหม่ของ ASW และ JV จำนวน 6 โครงการ บวกกับเริ่มเห็นผลบวกของการเข้าซื้อหุ้น TITLE ซึ่งมีแผนโอนคอนโดใหม่ 2 แห่ง โดยมี Backlog ณ สิ้น 3Q23 รอรับรื้อหน้า 4.5 พันล้านบาท Secured ยอดโอนแล้ว 50%

ปรับราคาเหมาะสมปี 2024 เป็น 10 บาท คงคำแนะนำซื้อ

เราปรับราคาเหมาะสมปี 2024 ลงเป็น 10 บาท (อิง PER เดิม 8x) ระยะสั้นหุ้นอาจขาด Catalyst จากงบ 3Q23 ที่ไม่สดใส อย่างไรก็ตาม แนวโน้ม 4Q23 จะฟื้นตัว และการเติบโตของกำไรปี 2024 ยังดีกว่ากลุ่ม ราคาหุ้นซื้อขายบน PE2024 ที่ 6.8x และคาดการณ์บริษัทจ่ายปันผลปี 2023 ที่ 0.52 บาท/หุ้น Yield 6.2% (จ่ายครึ่งเดียว) จึงยังแนะนำซื้อ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.9)	(0.6)	5.7
Relative to country (%)	1.6	9.8	22.3
Mkt cap (USD m)	210		
3m avg. daily turnover (USD m)	0.2		
Free float (%)	0		
Major shareholder	Vipanpong Family (71%)		
12m high/low (THB)	9.10/7.35		
Issued shares (m)	856.12		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

นอกเหนือจากการพัฒนาโครงการในกรุงเทพฯและปริมณฑล รวมถึง EEC บริษัทยังเดินหน้ากระจายพอร์ต ทั้งทำเล และกลุ่มลูกค้าเป้าหมาย โดยสิ้นปี 2022 บริษัทเริ่มจับมือกับผู้พัฒนาอสังหาริมทรัพย์เพื่อพัฒนา Luxury Pool Villa ในภูเก็ต ขณะล่าสุด 3Q23 ประกาศเข้าลงทุนในหุ้น TITLE 67.61% ซึ่งพัฒนาคอนโด Leisure ในภูเก็ตและมีจุดแข็งด้านที่ดินในมือที่พัฒนาโครงการได้ถึง 1.4 หมื่นล้านบาทพร้อมมีประสบการณ์และเครือข่าย Agent ที่แข็งแกร่ง เพื่อต่อยอดการขยายการลงทุนได้เร็วขึ้น และขับเคลื่อนต่อศักยภาพการเติบโตตั้งแต่ปี 2024 เป็นต้นไป

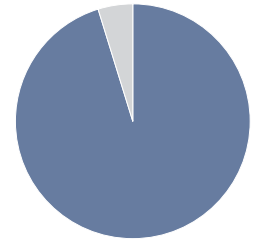
Company profile

ASW ก่อตั้งในปี 2005 ประกอบธุรกิจหลักคือ ธุรกิจพัฒนาอสังหาริมทรัพย์เพื่อขาย ทั้งแนวสูง ได้แก่ คอนโด Low Rise และ High Rise รวมถึงแนวราบ ได้แก่ บ้านเดี่ยว ทาวน์โฮม และโฮมออฟฟิศ นอกจากนี้ ยังประกอบธุรกิจบริการที่เกี่ยวข้องกับธุรกิจพัฒนาอสังหาริมทรัพย์ ได้แก่ อสังหาริมทรัพย์ให้เช่า, รับฝากขายฝากเช่าอสังหาริมทรัพย์ และตัวกลางในการรับชำระเงินจากลูกค้าต่างประเทศ โดยจุดเด่นของ ASW คือมุ่งเน้นการออกแบบพื้นที่โครงการที่ตอบสนองความต้องการลูกค้า รวมถึงสิ่งอำนวยความสะดวกที่ครบครัน ฟังก์ชันการใช้งานคุ้มค่า

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Principal activities (revenue, 2022)

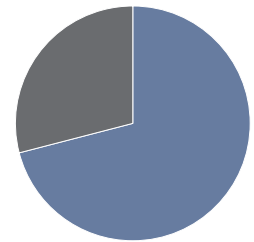
- Project sales - 95.2 %
- Rental and services - 4.8 %



Source: Assetwise

Major shareholders

- Vipanpong Family - 71.0 %
- Others - 29.0 %



Source: Assetwise

Catalysts

ปัจจัยหนุนต่อการเติบโตคือ 1) ความสำเร็จของการเปิดตัวโครงการใหม่และความคืบหน้าการขายของสินค้าเหลือขาย 2) แผนขยายธุรกิจ ทั้งการเข้าซื้อหุ้น TITLE เพื่อเข้ารุกตลาดอสังหาริมทรัพย์ และการเปิดโครงการใหม่เพิ่มขึ้นอย่างมีนัย ซึ่งกระจายในทำเลที่มีศักยภาพทั้งกรุงเทพฯและจังหวัดใหม่ รวมถึงการร่วมทุนกับพันธมิตรในโครงการ JV ใหม่ ซึ่งอาจทำให้มีการบันทึกกำไรพิเศษ Share premium

Risks to our call

ความเสี่ยงต่อประมาณการ 1) การรับรู้ Backlog ล่าช้ากว่าแผน และการเลื่อนโอนคอนโดใหม่ 2) การเปิดโครงการใหม่ต่ำกว่าแผน 3) Take-up rate โครงการใหม่ต่ำกว่าคาด 4) เศรษฐกิจและกำลังซื้อชะลอตัว 5) การก่อสร้างล่าช้าและการแข่งขันรุนแรง 6) อัตราการปฏิเสธสินเชื่อจากธนาคารและยอดยกเลิกจากลูกค้าสูงขึ้น

Event calendar

Date	Event
9 November 2023	3Q23 results announcement

Key assumptions

	2023E	2024E	2025E
Project sales (THB m)	6,549	9,038	9,814
Rental and services income (THB m)	360	365	370
Property GPM (%)	39.1	38.7	38.9
GPM (%)	39.8	39.4	40.2
SG&A to sales (%)	23.7	21.6	21.9

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in transfers, we estimate 2024 net profit to rise by 7.9%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2024 net profit to rise by 2.8%, 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.

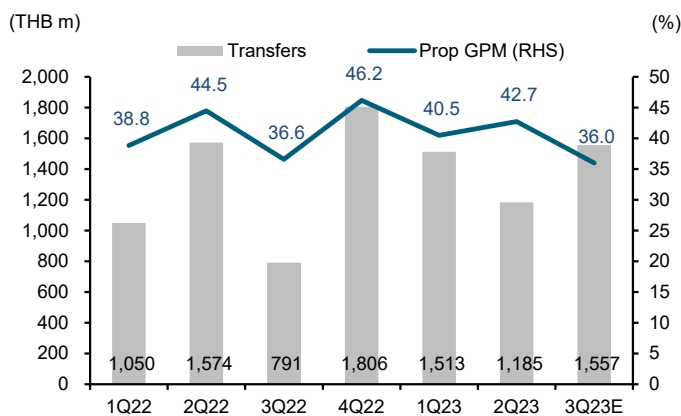
Source: FSSIA estimates

Exhibit 1: 3Q23 results preview

	3Q22	4Q22	1Q23	2Q23	3Q23E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	881	1,875	1,611	1,250	1,664	33.1	88.9
Cost of sales	532	996	943	737	1,055	43.2	98.2
Gross profit	349	879	669	513	609	18.6	74.6
SG&A	305	350	358	353	420	18.8	37.7
Operating profit	44	530	311	160	189	18.0	330.7
Tax expense	18	131	76	57	42	(26.0)	133.8
Associates	35	(7)	(39)	80	(20)	na	na
Reported net profit	191	429	283	157	181	15.4	(5.2)
Core profit	59	276	172	157	101	(35.6)	72.6
Key ratios (%)						(ppt)	(ppt)
Gross margin	36.6	46.2	40.5	42.7	36.0	(6.7)	(0.6)
SG&A / Sales	39.6	46.9	41.5	41.1	36.6	(4.5)	(3.0)
Operating margin	34.6	18.6	22.2	28.2	25.2	(3.0)	(9.4)
Net margin	5.0	28.2	19.3	12.8	11.4	(1.5)	6.4
Norm margin	21.7	22.9	17.6	12.5	10.9	(1.7)	(10.8)
Revenue breakdown							
Residential	791	1,806	1,513	1,185	1,557	31.5	96.8
Rental & Services	90	69	98	66	107	62.3	18.8
Gross margin by business							
Residential	36.6	46.2	40.5	42.7	36.0	(6.7)	(0.6)
Rental & Services	65.8	65.3	56.7	11.0	45.2	34.1	(20.6)

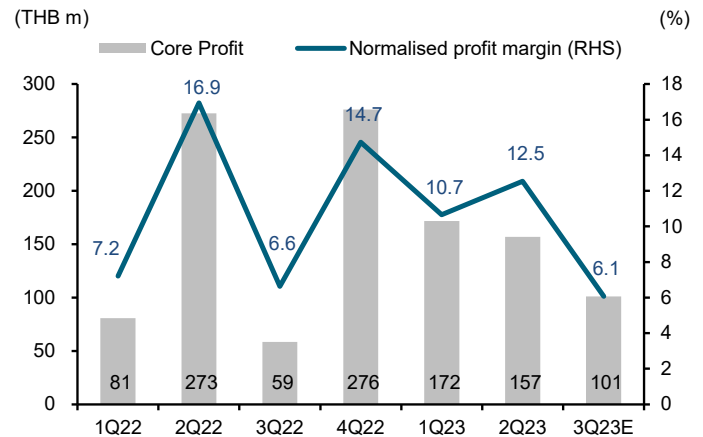
Sources: ASW; FSSIA estimates

Exhibit 2: Transfers and property GPM



Sources: ASW; FSSIA estimates

Exhibit 3: Normalised profit and norm profit margin



Sources: ASW; FSSIA estimates

Exhibit 4: Key assumptions for ASW

	Current			Previous			Change		
	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue (THB m)	6,909	9,403	10,184	7,420	8,017	8,450	(7)	17	21
- Transfers	6,549	9,038	9,814	6,907	9,080	9,875	(5)	(0)	(1)
- Rental and service	360	365	370	300	320	324	20	14	14
Property gross margin (%)	39.1	38.7	38.9	40.4	39.2	39.4	(1.3)	(0.5)	(0.5)
Gross margin (%)	39.8	39.4	40.2	40.5	39.0	39.0	(0.7)	0.4	1.2
SG&A (THB m)	1,636	2,032	2,226	1,621	2,005	2,224	1	1	0
SG&A to revenue (%)	23.7	21.6	21.9	22.5	21.3	21.8	1.2	0.3	0.1
Associates (THB m)	67	88	68	72	126	105	(5)	(30)	(35)
Core profit (THB m)	801	1,163	1,338	1,010	1,284	1,430	(21)	(9)	(6)
Net profit (THB m)	993	1,163	1,338	1,122	1,284	1,430	(12)	(9)	(6)

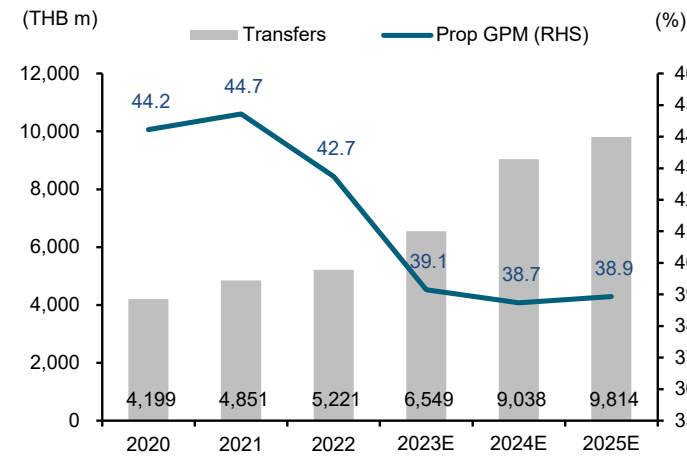
Source: FSSIA estimates

Exhibit 5: Value of expected transfers by condo project in 2H23-2024

Transfer	Project	Value (THB m)	% Sold (%)
3Q23	Atmoz Sriracha	1,165	53
	Atmoz Portrait Srisaman	1,215	48
	Modiz Rhyme Hill	1,810	53
4Q23	Atmoz Oasis Onnut (JV)	2,220	50
	Atmoz Flow Minburi (JV)	1,390	64
	Kave Colony	1,810	93
1Q24	Atmoz Kanaal Rangsit	1,650	43
	TITLE Halo 1	1,500	80
2Q24	Kave Seed Kaset (JV)	1,350	57
	Kave Universe	520	100
3Q24	Kave Town Island	3,200	73
	Kave Pop Salaya	500	27
4Q24	Kave Embryo Rangsit	800	68
	TITLE Legendary Bang Tao	3,750	

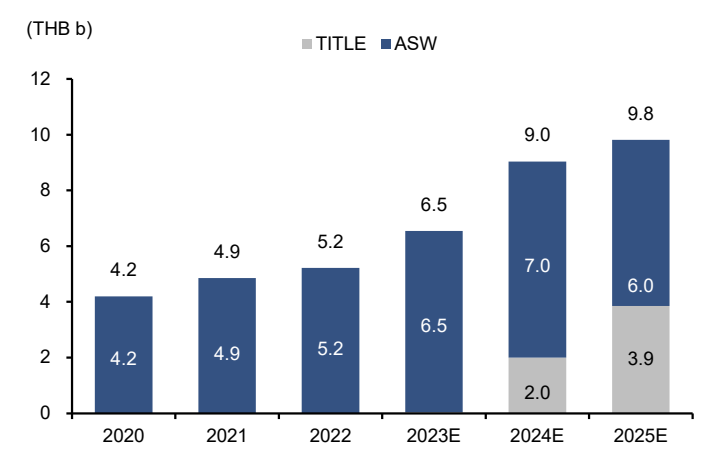
Sources: ASW; FSSIA's compilation

Exhibit 6: Yearly transfers and property GPM



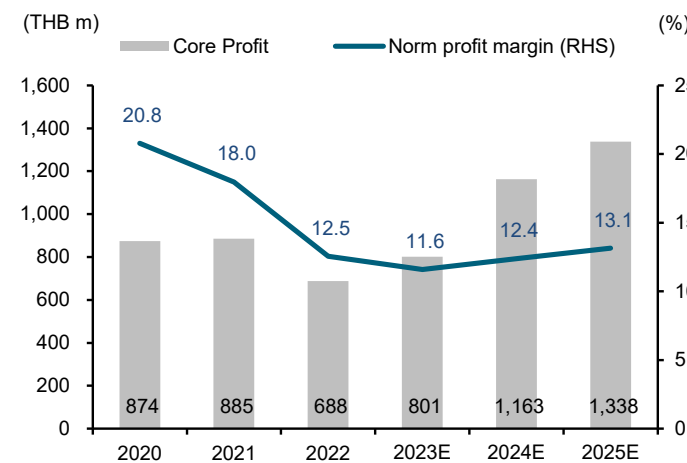
Sources: ASW; FSSIA estimates

Exhibit 7: Transfers breakdown



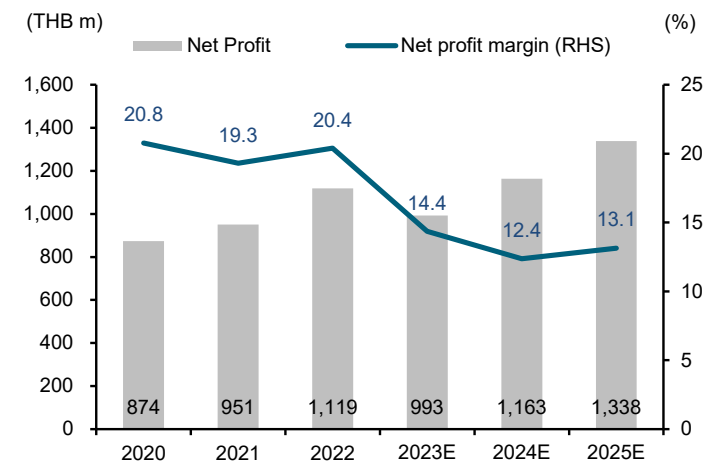
Sources: ASW; FSSIA estimates

Exhibit 8: Yearly core profit and norm profit margin



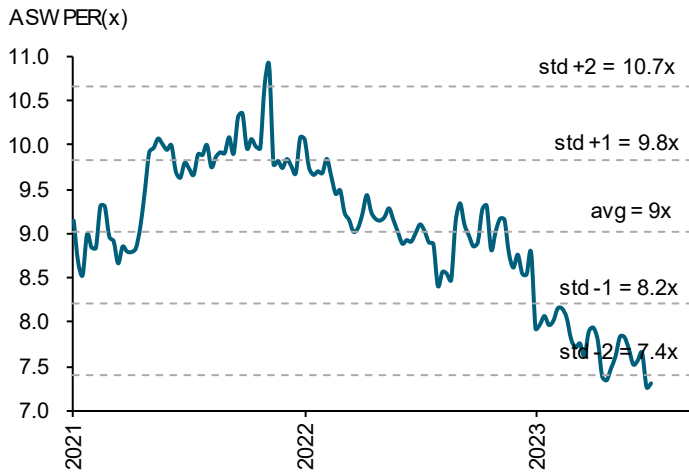
Sources: ASW; FSSIA estimates

Exhibit 9: Yearly net profit and net profit margin



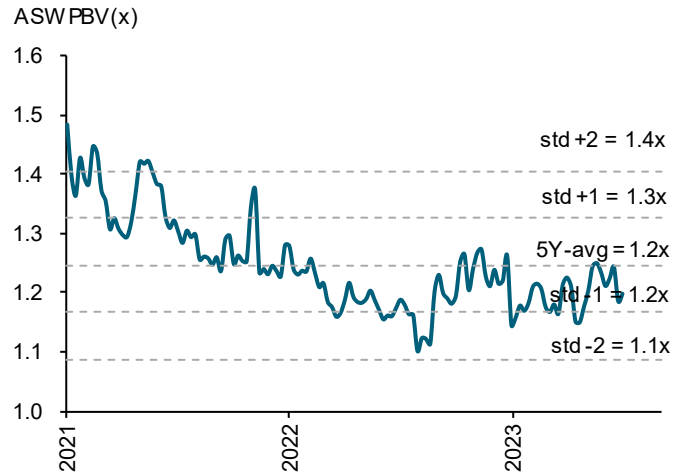
Sources: ASW; FSSIA estimates

Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 12: Peer comparisons as of 2 November 2023

Company	BBG	Rec	Rec profit growth		PE		DivYld		ROE		PBV		PE
			23E (%)	24E (%)	23E (x)	24E (x)	23E (%)	24E (%)	23E (x)	24E (x)	23E (x)	24E (x)	5Y-avg (x)
Thailand													
Assetwise	ASW TB	BUY	16.4	45.2	9.4	6.8	6.2	6.2	13.8	18.1	1.2	1.2	9.0
Noble Development	NOBLE TB	HOLD	46.2	81.2	11.2	6.2	8.6	8.9	7.1	12.1	0.8	0.7	10.9
SC Asset Corp	SC TB	BUY	(8.7)	5.8	6.0	5.7	7.3	7.3	10.6	10.5	0.6	0.6	6.3
Supalai	SPALI TB	BUY	(22.5)	4.4	5.7	5.5	7.0	7.0	13.1	12.6	0.7	0.7	7.0
Sansiri	SIRI TB	BUY	23.0	(5.4)	5.6	5.9	10.8	9.0	11.1	9.8	0.6	0.6	7.7
AP Thailand	AP TB	BUY	6.8	2.8	5.6	5.4	6.3	6.4	16.2	15.0	0.9	0.8	5.8
Britania	BRI TB	BUY	41.0	9.3	4.4	4.0	9.6	10.5	28.1	26.2	1.1	1.0	6.7
Origin Property	ORI TB	BUY	26.6	11.9	6.6	5.9	8.3	8.4	17.5	18.0	1.1	1.0	8.0
Land & Houses	LH TB	n/a	(3)	5	11.6	10.8	7.8	8.0	15.3	15.7	1.7	1.7	13.1
LPN Development	LPN TB	n/a	(12)	12	11.0	9.6	5.3	5.6	4.5	4.9	0.5	0.5	11.1
Pruksa Holding	PSH TB	n/a	(10)	2	10.4	10.7	7.4	6.0	5.8	5.6	0.6	0.6	8.9
Quality Houses	QH TB	n/a	5	4	9.9	9.6	6.7	6.7	8.8	8.9	0.8	0.8	10.6
Average			1	5	8.1	7.2	7.6	7.5	12.7	13.1	0.9	0.8	8.8

Sources: Bloomberg; FSSIA estimates

Financial Statements

Assetwise

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	4,928	5,483	6,909	9,403	10,184
Cost of goods sold	(2,727)	(3,079)	(4,161)	(5,699)	(6,092)
Gross profit	2,202	2,404	2,748	3,704	4,091
Other operating income	39	66	85	85	85
Operating costs	(882)	(1,245)	(1,636)	(2,032)	(2,226)
Operating EBITDA	1,426	1,332	1,274	1,842	2,042
Depreciation	(67)	(107)	(77)	(84)	(91)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,359	1,225	1,197	1,757	1,951
Net financing costs	(4)	(4)	(5)	(7)	(8)
Associates	(33)	(11)	67	88	68
Recurring non-operating income	(33)	(11)	67	88	68
Non-recurring items	66	431	191	0	0
Profit before tax	1,388	1,641	1,450	1,838	2,010
Tax	(302)	(288)	(262)	(385)	(433)
Profit after tax	1,087	1,353	1,188	1,453	1,577
Minority interests	(135)	(234)	(195)	(290)	(239)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	951	1,119	993	1,163	1,338
Non-recurring items & goodwill (net)	(66)	(431)	(191)	0	0
Recurring net profit	885	688	801	1,163	1,338
Per share (THB)					
Recurring EPS *	1.03	0.80	0.89	1.24	1.42
Reported EPS	1.11	1.31	1.10	1.24	1.42
DPS	0.55	0.52	0.52	0.52	0.57
Diluted shares (used to calculate per share data)	856	856	899	939	939
Growth					
Revenue (%)	17.2	11.3	26.0	36.1	8.3
Operating EBITDA (%)	27.4	(6.5)	(4.3)	44.5	10.9
Operating EBIT (%)	26.7	(9.8)	(2.3)	46.8	11.0
Recurring EPS (%)	(34.4)	(22.2)	10.9	39.0	15.1
Reported EPS (%)	(29.4)	17.6	(15.5)	12.2	15.1
Operating performance					
Gross margin inc. depreciation (%)	44.7	43.8	39.8	39.4	40.2
Gross margin exc. depreciation (%)	46.0	45.8	40.9	40.3	41.1
Operating EBITDA margin (%)	28.9	24.3	18.4	19.6	20.1
Operating EBIT margin (%)	27.6	22.3	17.3	18.7	19.2
Net margin (%)	18.0	12.5	11.6	12.4	13.1
Effective tax rate (%)	21.7	17.6	18.1	20.9	21.5
Dividend payout on recurring profit (%)	52.9	65.0	58.4	42.0	40.0
Interest cover (X)	316.6	341.0	245.7	257.6	238.2
Inventory days	1,031.8	1,202.7	1,099.9	913.1	929.4
Debtor days	26.1	29.2	27.5	26.6	29.5
Creditor days	217.9	196.7	168.3	162.1	183.5
Operating ROIC (%)	14.8	9.7	7.8	10.3	10.6
ROIC (%)	14.2	9.5	8.1	10.6	10.7
ROE (%)	24.7	13.3	13.8	18.1	18.6
ROA (%)	10.5	7.1	6.5	8.4	8.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Project sales	4,851	5,221	6,549	9,038	9,814
Rental and services	78	262	360	365	370

Sources: Assetwise; FSSIA estimates

Financial Statements

Assetwise

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	885	688	801	1,163	1,338
Depreciation	67	107	77	84	91
Associates & minorities	-	-	-	-	-
Other non-cash items	0	0	0	0	0
Change in working capital	(2,680)	(2,673)	(1,694)	(1,105)	(896)
Cash flow from operations	(1,728)	(1,878)	(815)	142	534
Capex - maintenance	-	-	-	-	-
Capex - new investment	(234)	(187)	(127)	(145)	(125)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(234)	(187)	(127)	(145)	(125)
Dividends paid	(408)	-	(276)	(488)	(535)
Equity finance	2,163	99	43	40	0
Debt finance	676	2,401	505	720	310
Other financing cash flows	-	(17)	-	-	-
Cash flow from financing	2,431	2,484	272	272	(225)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	469	419	(670)	268	184
Free cash flow to firm (FCFF)	(1,957.93)	(2,061.15)	(937.02)	4.01	417.73
Free cash flow to equity (FCFE)	(1,286.40)	319.71	(437.16)	716.84	719.26

Per share (THB)

FCFF per share	(2.29)	(2.41)	(1.09)	0.00	0.49
FCFE per share	(1.50)	0.37	(0.51)	0.84	0.84
Recurring cash flow per share	1.11	0.93	0.98	1.33	1.52

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	864	940	1,021	1,108	1,202
Less: Accumulated depreciation	(113)	(158)	(210)	(266)	(328)
Tangible fixed assets (net)	751	781	811	842	874
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	3	3	3	3	3
Invest. in associates & subsidiaries	20	70	90	120	121
Cash & equivalents	785	1,204	534	802	986
A/C receivable	416	461	580	790	855
Inventories	8,289	11,299	13,314	14,776	15,783
Other current assets	948	713	691	940	1,018
Current assets	10,438	13,677	15,119	17,309	18,643
Other assets	122	121	138	188	204
Total assets	11,335	14,652	16,161	18,462	19,845
Common equity	4,836	5,507	6,075	6,789	7,592
Minorities etc.	101	200	200	200	200
Total shareholders' equity	4,937	5,707	6,275	6,989	7,792
Long term debt	3,665	3,795	4,325	4,320	4,405
Other long-term liabilities	40	42	52	72	79
Long-term liabilities	3,705	3,837	4,377	4,392	4,484
A/C payable	1,533	1,671	2,096	2,892	3,140
Short term debt	1,029	3,300	3,275	4,000	4,225
Other current liabilities	132	137	138	188	204
Current liabilities	2,694	5,108	5,509	7,080	7,569
Total liabilities and shareholders' equity	11,335	14,652	16,161	18,462	19,845
Net working capital	7,987	10,664	12,351	13,426	14,313
Invested capital	8,885	11,639	13,393	14,579	15,514

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

Per share (THB)

Book value per share	5.65	6.43	6.76	7.23	8.08
Tangible book value per share	5.65	6.43	6.76	7.23	8.08

Financial strength

Net debt/equity (%)	79.2	103.2	112.6	107.6	98.1
Net debt/total assets (%)	34.5	40.2	43.7	40.7	38.5
Current ratio (x)	3.9	2.7	2.7	2.4	2.5
CF interest cover (x)	(250.2)	143.1	(59.3)	121.3	100.6

Valuation	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	8.1	10.5	9.4	6.8	5.9
Recurring P/E @ target price (x) *	9.7	12.4	11.2	8.1	7.0
Reported P/E (x)	7.6	6.4	7.6	6.8	5.9
Dividend yield (%)	6.5	6.2	6.2	6.2	6.8
Price/book (x)	1.5	1.3	1.2	1.2	1.0
Price/tangible book (x)	1.5	1.3	1.2	1.2	1.0
EV/EBITDA (x) **	7.9	10.0	11.6	8.5	7.7
EV/EBITDA @ target price (x) **	8.8	11.0	12.8	9.3	8.4
EV/invested capital (x)	1.3	1.1	1.1	1.1	1.0

* 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

71.74 /100
Exhibit 13: 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	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 14: 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](https://www.settrade.com); FSSIA's compilation
Exhibit 15: 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	Yes	Board size / Independent directors (ID) / Female	9 / 5 / 2
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	8 / 98.41%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	6
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	35 / 64
Waste reduction policy	Yes	Number of executives / female	3 / 1
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	Yes	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	4
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 0
Quality assurance and recall policy	Yes	Number of compensation committee meetings	4
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 0
Gender pay gap breakout	--	Number of nomination committee meetings	4
Pct women in workforce	60.49	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	3.6
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	4.7
Health and safety policy	Yes	(DIA International Audit Company Limited)	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	2051		
Social supply chain management	Yes		

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 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 (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&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 Sustainalytics	The Sustainalytics' 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" style="margin-left: auto; margin-right: auto;"> <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+									
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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <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> </tbody> </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; >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.																			

Source: FSSIA's compilation

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Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Assetwise	ASW TB	THB 8.40	BUY	Downside risks to our P/E-based TP include 1) weaker than expected consumer purchasing power and presales; 2) cancellation of presales; 3) customer loan rejections; 4) delays in construction; 5) slower than expected backlog realisation; 6) intense competition; and 7) rising construction costs.
Noble Development	NOBLE TB	THB 3.56	HOLD	Downside risks to our P/E-based TP include 1) weaker-than-expected purchasing power; 2) cancellation of presales; 3) bank loan rejections; 4) delays in construction work and transfers; and 5) fierce competition. An upside risk would be 1) a stronger-than-expected presales; and 2) a sooner-than-expected overseas buyer recovery; and 3) selling other projects to investors so that it might book extra gains from sales.
SC Asset Corporation	SC TB	THB 3.40	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 18.50	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 1.61	BUY	Downside risks to our P/E-based TP include 1) weaker-than-expected take-up rates of new launches; 2) rising competition; 3) construction delays and increasing raw material prices; 4) the impact of the expiration of loan-to-value (LTV) limit easing; and 5) a high level of IBD/E.
AP (Thailand)	AP TB	THB 11.10	BUY	Downside risks to our P/E-based TP include 1) rising competition in the low-rise market, such that it could hurt take-up rates; 2) weaker-than-expected take-up rates of new launches; 3) construction delays from labour shortages; 4) increasing raw material prices; and 5) the impact of the expiration of the loan-to-value (LTV) limit easing.
Britania	BRI TB	THB 7.60	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 8.95	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 02-Nov-2023 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

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

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

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

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

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

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

Industry Recommendations

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

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

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

Country (Strategy) Recommendations

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

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

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