

AP (THAILAND) AP TB  
THAILAND / PROPERTY DEVELOPMENT

BUY

UNCHANGED

## คาดการณ์ 4Q23 โต y-y หนุ่ทั้งปีทำ New High

- คาดกำไร 4Q23 +14% y-y แต่ -23% q-q จาก SG&A สูง และยอดโอนคอนโดลดลง เนื่องจากไม่มีโครงการใหม่ ทำให้จบปี 2023 กำไรทำจุดสูงสุดต่อที่ 6 พันล้านบาท
- ปี 2024 ยังรักษาฐานกำไรแข็งแกร่ง จาก Backlog ยกมาระดับสูงและเน้นขายสต็อก
- มองเป็นตัวเลือกดีที่สุดในกลุ่มฯ ส่วนระยะสั้นหนุ่จากคาคบ้นผลปี 2023 Yield 6.4%

TARGET PRICE	THB14.40
CLOSE	THB10.90
UP/DOWNSIDE	+32.1%
PRIOR TP	THB14.40
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+3.4%

## KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	38,539	42,223	43,979	45,724
Net profit	5,877	6,274	6,450	6,568
EPS (THB)	1.87	1.99	2.05	2.09
vs Consensus (%)	-	1.6	1.7	1.9
EBITDA	6,107	6,627	6,894	7,178
Recurring net profit	5,874	6,274	6,450	6,568
Core EPS (THB)	1.87	1.99	2.05	2.09
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	29.3	6.8	2.8	1.8
Core P/E (x)	5.8	5.5	5.3	5.2
Dividend yield (%)	6.0	6.4	6.5	6.6
EV/EBITDA (x)	9.1	8.0	7.7	7.2
Price/book (x)	0.9	0.8	0.8	0.7
Net debt/Equity (%)	58.5	46.4	41.5	34.8
ROE (%)	17.0	16.2	15.0	13.9

## ยอดโอน 4Q23 แนวราบทรงตัว แต่คอนโดลดลง q-q หลังไม่มีโครงการใหม่

เรคาดยอดโอน 4Q23 อยู่ในเกณฑ์ดีที่ 9 พันล้านบาท ขยายตัว 5% y-y แต่ลดลง 8% จากฐานสูงของคอนโด แบ่งเป็นสัดส่วนแนวราบ 94% อยู่ที่ 8.4 พันล้านบาท (-2% q-q, +2% y-y) ผลักดันจากการทยอยรับรู้ Backlog จากสิ้น 3Q23 รวม 2.2 หมื่นล้านบาท ส่วนคอนโดคาคบที่ 551 ล้านบาท -50% q-q เนื่องจากไม่มีโครงการสร้างเสร็จใหม่ แต่ +98% y-y จากการรับรู้ต่อเนื่องของ Asprie Pinklao-Arunamarin (มูลค่า 1.2 พันล้านบาท มียอดขาย 89%) ซึ่งเริ่มโอนใน 3Q23 แล้ว 59% ส่วนยอดโอน JV คาคบลดลงจาก 3Q23 ที่เร่งรับรู้โครงการใหม่ The Address Siam-Ratchathewi และสต็อกในมือเหลือไม่มาก ส่งผลให้คาคบแบ่งกำไร JV ที่ 220 ล้านบาท (-31% q-q, -22% y-y)

## แนวโน้มกำไร 4Q23 คาดเร่งขึ้น 14% y-y แต่อ่อนลง 23% q-q

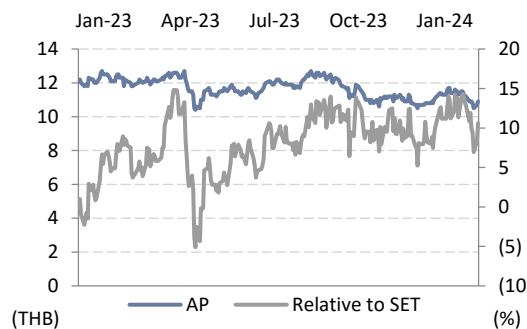
ใน 4Q23 ยอดโอนยังมีสัดส่วนหลักมาจากบ้านเดี่ยว โดยเฉพาะโครงการ The City และ Centro ทำผลงานและป็นเกล้าที่ได้รับผลตอบแทนและมีมาร์จิ้นสูงกว่าปกติ ทำให้คาคบอัตรากำไรขั้นต้นอสังหาริมทรัพย์ยังอยู่ในเกณฑ์ดี 35% ปรับขึ้นจาก 34.2% ใน 3Q23 และ 33.7% ใน 4Q22 อย่างไรก็ตาม ค่าใช้จ่ายขายบริหารสูงขึ้นตามแผนเปิดตัวโครงการจำนวนมาก ส่งผลให้เราประเมินกำไรสุทธิ 4Q23 เท่ากับ 1.3 พันล้านบาท (-23% q-q, +14% y-y) ทั้งนี้ หากงบ 4Q23 ตามคาด กำไรสุทธิปี 2023 จะอยู่ที่ 6 พันล้านบาท (+3% y-y) ทำ New High ติดต่อกันเป็นปีที่ 4

## คาคบกำไรปี 2024 แข็งแกร่ง ผลักดันจาก Backlog สูงและการเห็นขายสต็อก

เราประมาณการกำไรปี 2024 ที่ 6.4 พันล้านบาท (+3% y-y) ขับเคลื่อนจากการรับรู้ Backlog ยกจากสิ้นปี 2023 ที่รอรับรู้ในปี 1.6 หมื่นล้านบาท ซึ่ง Secured คาคบการณียอดโอนเราแล้ว 37% บวกกับมีคอนโดสร้างเสร็จใหม่ 3 แห่งใน 1H24 ขณะที่เบื้องต้นเราคาคบว่าการเปิดโครงการใหม่ปีนี้อาจลดลงเป็น 5-6 หมื่นล้านบาท (จากปี 2023 ที่ 7.6 หมื่นล้านบาท) แต่จะเน้นขายสต็อกที่เปิดตัวจำนวนมาก โดยเฉพาะแนวราบในปี 2022-2023 ที่ 5.2-6.5 หมื่นล้านบาท/ปี โดยบริษัทประกาศแผนธุรกิจวันที่ 20 ก.พ.

## คาคบราคาเหมาะสม 14.40 บาท ยังแนะนำซื้อ ระยะสั้นหนุ่ด้วยปันผล 6.4%

เราคาคบราคาเหมาะสม 14.40 บาท คาคบคำแนะนำซื้อ แม้การเติบโตในปี 2024 ระดับ Single digit แต่ยังเป็นฐานสูงท่ามกลางตลาดอสังหาริมทรัพย์ที่เื้ออ้านวย บนส่วนแบ่งการตลาดที่แข็งแกร่ง รวมถึงหุ้นปัจจุบันซื้อขายบน PE2024 เพียง 5.3x และมีปัจจัยบวกจากปันผลงวดปี 2023 คาคบ 0.70 บาท/หุ้น Yield 6.4% (จ่ายปีละครั้ง) โดยสถิติ 3 ปีก่อนหน้า นับตั้งแต่เดือนก.พ.ถึงก่อนขึ้น XD ต้นพ.ค. ราคาหุ้น AP ปรับขึ้นเฉลี่ย 10%



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.5)	(0.9)	(8.4)
Relative to country (%)	(0.5)	0.7	12.1
Mkt cap (USD m)	970		
3m avg. daily turnover (USD m)	3.0		
Free float (%)	66		
Major shareholder	Mr. Anuphong Assavabhokhin (21%)		
12m high/low (THB)	12.80/10.10		
Issued shares (m)	3,145.90		

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

จุดเด่นของ AP คือ พอร์ตที่ยืดหยุ่นกระจายรายได้ครอบคลุมทั้ง แนวราบและคอนโดในตลาดทุกเซกเมนต์ ทั้งในกรุงเทพฯ และต่างจังหวัด เพิ่มศักยภาพในการเติบโตได้อย่างมั่นคง ขณะที่กลยุทธ์การรุกเปิดโครงการใหม่เพิ่มขึ้นต่อเนื่องพร้อมกระจายในหลายทำเล หนุนการครองส่วนแบ่งการตลาดที่สูงได้ดี

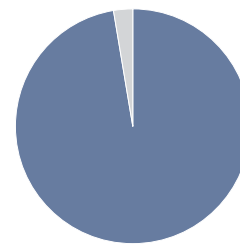
## Company profile

AP ประกอบธุรกิจพัฒนาอสังหาริมทรัพย์เพื่อขาย ประเภท คอนโดมีเนียม ทาวน์โฮม บ้านเดี่ยว บ้านแฝด โฮมออฟฟิศ ด้วยทำเลที่ตั้งในเขตชุมชนเมือง ศูนย์กลางทางธุรกิจ สามารถเดินทางได้สะดวก และเน้นแบบที่อยู่อาศัยให้ตรงกับความ ต้องการของกลุ่มลูกค้าแต่ละกลุ่มและแต่ละทำเล พร้อมมีธุรกิจบริการต่างๆในเครือที่ครอบคลุมเรื่องการอยู่อาศัยอย่างครบวงจร

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

## Principal activities (revenue, 2022)

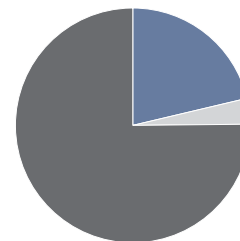
- Sales - 97.4 %
- Service income - 2.6 %



Source: AP (Thailand)

## Major shareholders

- Mr. Anuphong Assavabhokhin - 21.3 %
- Vipavasuphakorn Family - 3.5 %
- Others - 75.2 %



Source: AP (Thailand)

## Catalysts

ปัจจัยบวกต่อราคาหุ้นคือ 1) ความสำเร็จของการเปิดคอนโดใหม่ 2) โครงการแนวราบใหม่ได้รับผลตอบรับดี 3) ตลาดอสังหาฯฟื้นตัวเร็วกว่าคาด 4) ผลประกอบการทำ New High ต่อเนื่องในปี 2023-2024 และ 5) มาตรการกระตุ้นอสังหาฯ และการผ่อนคลาย LTV

## Risks to our call

ความเสี่ยง 1) ตลาดแนวราบชะลอตัวมากกว่าคาด 2) การเปิดโครงการใหม่และอัตราการขายโครงการต่ำกว่าคาด 3) เศรษฐกิจฟื้นตัวช้า 4) ดอกเบี้ยขาขึ้นกระทบกำลังซื้อ 5) อัตราการปฏิเสธสินเชื่อจากธนาคารและยอดยกเลิกจากลูกค้าสูงขึ้น 6) การก่อสร้างล่าช้าและการขาดแคลนแรงงาน และ 7) การแข่งขันรุนแรง

## Event calendar

Date	Event
20 February 2024	4Q23 results announcement and Business plan

## Key assumptions

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

Source: FSSIA estimates

## Earnings sensitivity

- For every 5% increase in transfers, we estimate 2024 net profit to rise by 4%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2024 net profit to rise by 2.9%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2024 net profit to fall by 2.7%, and vice versa, all else being equal

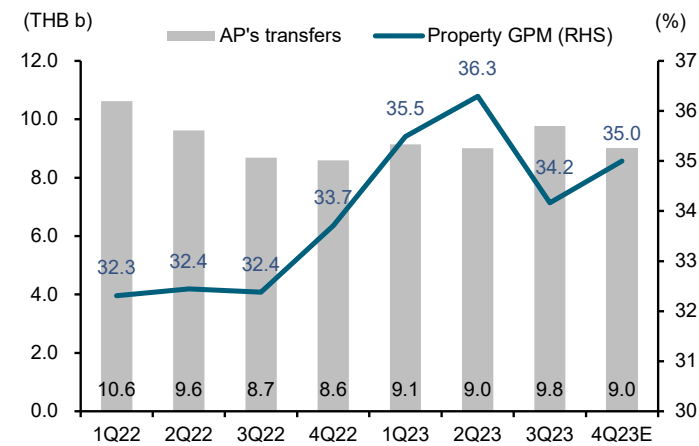
Source: FSSIA estimates

## Exhibit 1: 4Q23 results preview

	4Q22	1Q23	2Q23	3Q23	4Q23E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	8,846	9,409	9,282	10,068	9,302	(8)	5
Gross profit	3,090	3,445	3,486	3,572	3,386	(5)	10
SG&A	(2,020)	(1,853)	(1,725)	(1,818)	(2,019)	n/a	n/a
Operating profit	1,070	1,592	1,761	1,755	1,368	(22)	28
Other income	14	33	108	22	105	374	629
Interest expense	(45)	(76)	(81)	(49)	(49)	n/a	n/a
Profit before tax	1,134	1,549	1,608	1,717	1,413	(18)	25
Tax	(267)	(309)	(353)	(338)	(322)	n/a	n/a
Associates	284	238	289	317	220	(31)	(22)
Reported net profit	1,155	1,478	1,544	1,696	1,311	(23)	14
Normalised profit	1,151	1,478	1,544	1,696	1,311	(23)	14
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Property gross margin	33.7	35.5	36.3	34.2	35.0	0.8	1.3
Gross margin	34.9	36.6	37.6	35.5	36.4	0.9	1.5
Operating margin	12.1	16.9	19.0	17.4	14.7	(2.7)	2.6
Net profit margin	13.1	15.7	16.6	16.9	14.1	(2.8)	1.0
Normalised profit margin	13.0	15.7	16.6	16.9	14.1	(2.8)	1.1
<b>Operating statistics</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>
<b>Property transfers</b>	<b>8,592</b>	<b>9,144</b>	<b>9,009</b>	<b>9,765</b>	<b>9,000</b>	<b>(8)</b>	<b>5</b>
-- Low-rise	8,314	8,657	8,701	8,664	8,449	(2)	2
-- High-rise	278	487	308	1,101	551	(50)	98
<b>Presales</b>	<b>12,960</b>	<b>11,016</b>	<b>12,631</b>	<b>11,677</b>	<b>16,067</b>	<b>38</b>	<b>24</b>
-- Low-rise	10,049	8,172	8,622	8,499	8,190	(4)	(18)
-- High-rise	2,911	2,844	4,009	3,178	7,877	148	171

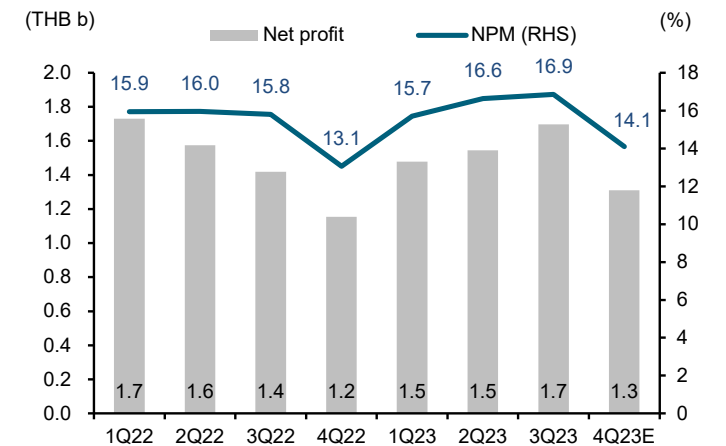
Sources: AP; FSSIA estimates

## Exhibit 2: Quarterly transfers and GPM



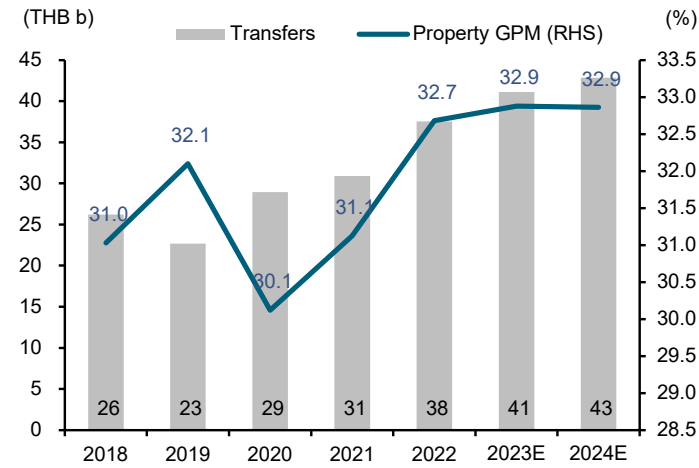
Sources: AP; FSSIA estimates

## Exhibit 3: Quarterly net profit and NPM



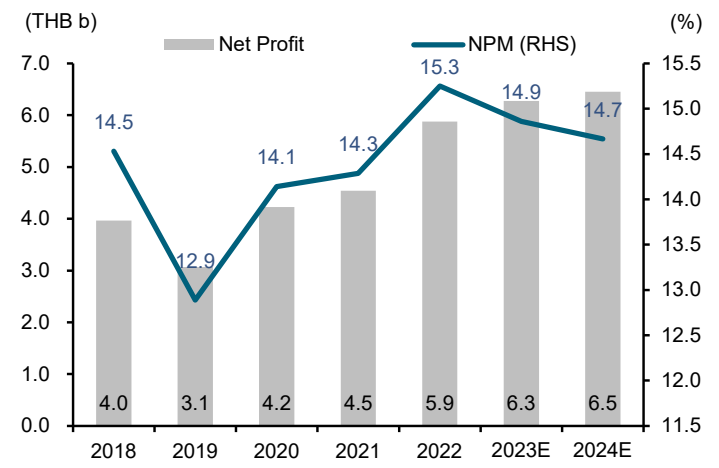
Sources: AP; FSSIA estimates

**Exhibit 4: Yearly transfers and GPM**



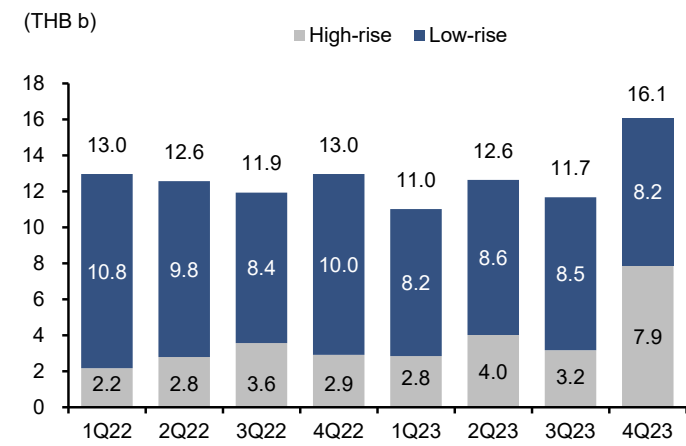
Sources: AP; FSSIA estimates

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



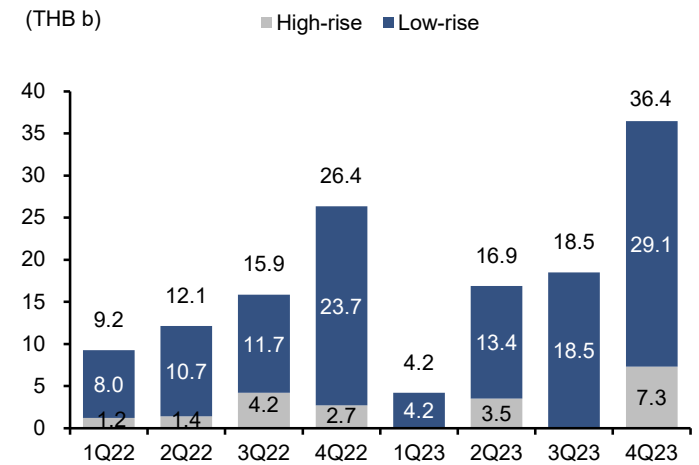
Sources: AP; FSSIA estimates

**Exhibit 6: Quarterly presales**



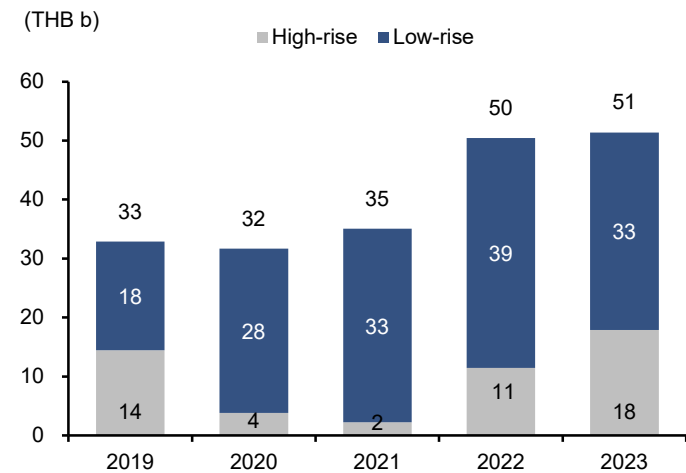
Sources: AP; FSSIA's compilations

**Exhibit 7: Quarterly new launches**



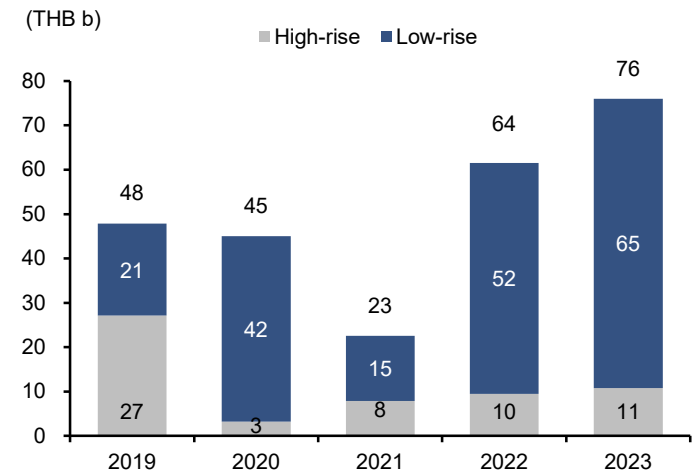
Sources: AP; FSSIA's compilations

**Exhibit 8: Yearly presales**



Sources: AP; FSSIA's compilations

**Exhibit 9: Yearly new launches**



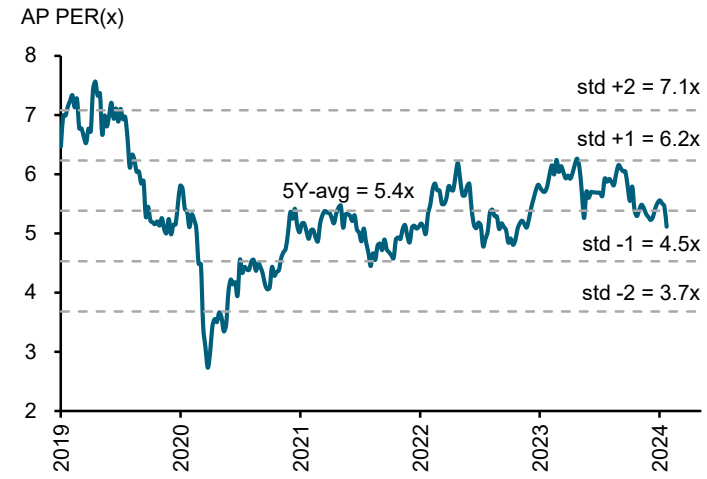
Sources: AP; FSSIA's compilations

**Exhibit 10: Change in AP's stock performance before XD date**

XD	XD -1D	-3M (%)	-2M (%)	-1M (%)
09-May-23	08-May-23	5.0%	3.3%	5.0%
10-May-22	09-May-22	6.9%	3.8%	-0.9%
11-May-21	10-May-21	17.6%	18.4%	5.5%
*12-May-20	11-May-20	-29.2%	-17.3%	26.2%
08-May-19	07-May-19	11.3%	15.3%	11.3%

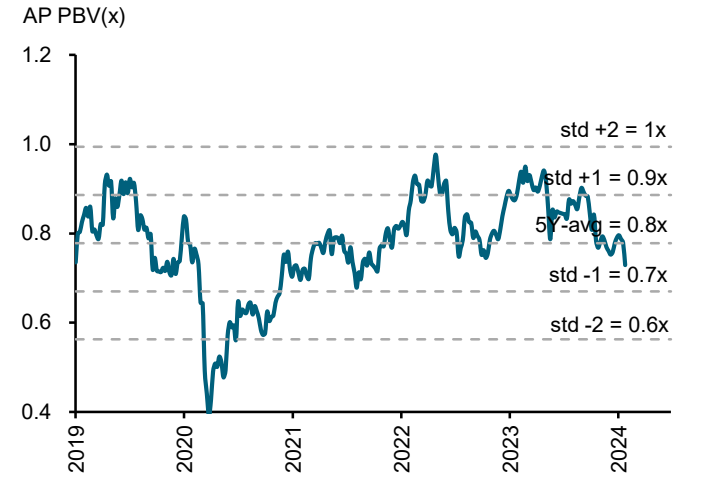
\*Note: Covid-19 pandemic in 2020  
Sources: SETSMART; FSSIA's compilations

**Exhibit 11: Historical P/E band**



Sources: Bloomberg; FSSIA estimates

**Exhibit 12: Historical P/BV band**



Sources: Bloomberg; FSSIA estimates

## Financial Statements

AP (Thailand)

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	31,794	38,539	42,223	43,979	45,724
Cost of goods sold	(21,483)	(25,475)	(27,826)	(29,002)	(30,152)
<b>Gross profit</b>	<b>10,311</b>	<b>13,064</b>	<b>14,396</b>	<b>14,977</b>	<b>15,572</b>
Other operating income	0	0	0	0	0
Operating costs	(5,828)	(7,248)	(7,938)	(8,268)	(8,596)
<b>Operating EBITDA</b>	<b>4,763</b>	<b>6,107</b>	<b>6,627</b>	<b>6,894</b>	<b>7,178</b>
Depreciation	(279)	(291)	(168)	(185)	(202)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>4,484</b>	<b>5,816</b>	<b>6,458</b>	<b>6,709</b>	<b>6,976</b>
Net financing costs	(248)	(99)	(115)	(136)	(128)
Associates	999	1,233	1,151	1,130	1,024
Recurring non-operating income	1,175	1,385	1,211	1,208	1,106
Non-recurring items	0	4	0	0	0
<b>Profit before tax</b>	<b>5,411</b>	<b>7,106</b>	<b>7,555</b>	<b>7,780</b>	<b>7,954</b>
Tax	(869)	(1,230)	(1,281)	(1,330)	(1,386)
<b>Profit after tax</b>	<b>4,542</b>	<b>5,876</b>	<b>6,274</b>	<b>6,450</b>	<b>6,568</b>
Minority interests	0	1	0	0	0
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
<b>Reported net profit</b>	<b>4,542</b>	<b>5,877</b>	<b>6,274</b>	<b>6,450</b>	<b>6,568</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>4,542</b>	<b>5,874</b>	<b>6,274</b>	<b>6,450</b>	<b>6,568</b>
<b>Per share (THB)</b>					
Recurring EPS *	1.44	1.87	1.99	2.05	2.09
Reported EPS	1.44	1.87	1.99	2.05	2.09
DPS	0.50	0.65	0.70	0.71	0.72
Diluted shares (used to calculate per share data)	3,146	3,146	3,146	3,146	3,146
<b>Growth</b>					
Revenue (%)	6.4	21.2	9.6	4.2	4.0
Operating EBITDA (%)	34.6	28.2	8.5	4.0	4.1
Operating EBIT (%)	37.1	29.7	11.0	3.9	4.0
Recurring EPS (%)	7.5	29.3	6.8	2.8	1.8
Reported EPS (%)	7.5	29.4	6.7	2.8	1.8
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	32.4	33.9	34.1	34.1	34.1
Gross margin exc. depreciation (%)	33.3	34.7	34.5	34.5	34.5
Operating EBITDA margin (%)	15.0	15.8	15.7	15.7	15.7
Operating EBIT margin (%)	14.1	15.1	15.3	15.3	15.3
Net margin (%)	14.3	15.2	14.9	14.7	14.4
Effective tax rate (%)	19.7	20.2	20.0	20.0	20.0
Dividend payout on recurring profit (%)	34.6	34.8	35.0	34.5	34.5
Interest cover (X)	22.8	72.7	66.9	58.2	63.2
Inventory days	804.9	743.8	724.4	714.3	725.9
Debtor days	1.1	1.1	1.2	1.4	1.4
Creditor days	36.8	41.0	41.4	39.6	39.7
Operating ROIC (%)	8.3	9.7	10.2	10.3	10.1
ROIC (%)	8.8	10.3	10.3	10.2	9.8
ROE (%)	14.7	17.0	16.2	15.0	13.9
ROA (%)	8.0	9.3	9.2	9.1	8.8
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
	2021	2022	2023E	2024E	2025E
Sales	30,879	37,522	41,107	42,841	44,563
Service income	915	1,017	1,116	1,138	1,161

Sources: AP (Thailand); FSSIA estimates

## Financial Statements

AP (Thailand)

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	4,542	5,874	6,274	6,450	6,568
Depreciation	279	291	168	185	202
Associates & minorities	-	-	-	-	-
Other non-cash items	0	4	0	0	0
Change in working capital	(1,046)	(6,585)	93	(3,544)	(2,405)
<b>Cash flow from operations</b>	<b>3,775</b>	<b>(417)</b>	<b>6,535</b>	<b>3,092</b>	<b>4,365</b>
Capex - maintenance	0	0	0	0	0
Capex - new investment	(941)	(179)	(1,805)	(592)	(606)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(941)</b>	<b>(179)</b>	<b>(1,805)</b>	<b>(592)</b>	<b>(606)</b>
Dividends paid	(1,382)	(1,572)	(2,196)	(2,225)	(2,266)
Equity finance	0	0	0	0	0
Debt finance	(2,122)	1,749	(1,915)	17	(1,332)
Other financing cash flows	0	(1)	0	0	0
<b>Cash flow from financing</b>	<b>(3,504)</b>	<b>176</b>	<b>(4,111)</b>	<b>(2,209)</b>	<b>(3,598)</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>(670)</b>	<b>(420)</b>	<b>620</b>	<b>291</b>	<b>160</b>
Free cash flow to firm (FCFF)	3,088.77	(491.91)	4,847.51	2,637.76	3,888.07
Free cash flow to equity (FCFE)	711.53	1,152.31	2,815.93	2,516.51	2,426.31

### Per share (THB)

FCFF per share	0.98	(0.16)	1.54	0.84	1.24
FCFE per share	0.23	0.37	0.90	0.80	0.77
Recurring cash flow per share	1.53	1.96	2.05	2.11	2.15

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	1,841	1,904	1,455	1,527	1,599
Less: Accumulated depreciation	(279)	(291)	(168)	(185)	(202)
<b>Tangible fixed assets (net)</b>	<b>1,562</b>	<b>1,614</b>	<b>1,286</b>	<b>1,341</b>	<b>1,396</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	0	0	0	0	1
Invest. in associates & subsidiaries	6,645	6,481	8,445	8,796	9,145
Cash & equivalents	2,070	1,650	2,270	2,561	2,722
A/C receivable	118	104	169	176	183
Inventories	47,379	55,261	54,527	58,264	60,855
Other current assets	1,386	1,874	1,689	1,759	1,829
<b>Current assets</b>	<b>50,953</b>	<b>58,889</b>	<b>58,655</b>	<b>62,760</b>	<b>65,589</b>
Other assets	1,250	1,243	1,478	1,539	1,600
<b>Total assets</b>	<b>60,409</b>	<b>68,227</b>	<b>69,863</b>	<b>74,437</b>	<b>77,731</b>
Common equity	32,442	36,747	40,825	45,050	49,353
Minorities etc.	(18)	(19)	(19)	(19)	(19)
<b>Total shareholders' equity</b>	<b>32,423</b>	<b>36,728</b>	<b>40,806</b>	<b>45,031</b>	<b>49,334</b>
Long term debt	15,024	15,284	15,805	9,564	8,919
Other long-term liabilities	523	675	612	638	663
<b>Long-term liabilities</b>	<b>15,546</b>	<b>15,959</b>	<b>16,418</b>	<b>10,202</b>	<b>9,582</b>
A/C payable	2,449	3,211	3,061	3,190	3,317
Short term debt	6,352	7,841	5,405	11,663	10,976
Other current liabilities	3,637	4,487	4,174	4,350	4,523
<b>Current liabilities</b>	<b>12,439</b>	<b>15,539</b>	<b>12,640</b>	<b>19,204</b>	<b>18,815</b>
<b>Total liabilities and shareholders' equity</b>	<b>60,409</b>	<b>68,227</b>	<b>69,863</b>	<b>74,437</b>	<b>77,731</b>
Net working capital	42,796	49,540	49,150	52,658	55,028
Invested capital	52,253	58,878	60,358	64,335	67,170

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

### Per share (THB)

Book value per share	10.31	11.68	12.98	14.32	15.69
Tangible book value per share	10.31	11.68	12.98	14.32	15.69

### Financial strength

Net debt/equity (%)	59.5	58.5	46.4	41.5	34.8
Net debt/total assets (%)	32.0	31.5	27.1	25.1	22.1
Current ratio (x)	4.1	3.8	4.6	3.3	3.5
CF interest cover (x)	7.7	14.4	41.3	23.9	24.7

Valuation	2021	2022	2023E	2024E	2025E
<b>Recurring P/E (x) *</b>	<b>7.5</b>	<b>5.8</b>	<b>5.5</b>	<b>5.3</b>	<b>5.2</b>
<b>Recurring P/E @ target price (x) *</b>	<b>10.0</b>	<b>7.7</b>	<b>7.2</b>	<b>7.0</b>	<b>6.9</b>
Reported P/E (x)	7.5	5.8	5.5	5.3	5.2
Dividend yield (%)	4.6	6.0	6.4	6.5	6.6
Price/book (x)	1.1	0.9	0.8	0.8	0.7
Price/tangible book (x)	1.1	0.9	0.8	0.8	0.7
EV/EBITDA (x) **	11.2	9.1	8.0	7.7	7.2
EV/EBITDA @ target price (x) **	13.6	10.9	9.7	9.3	8.7
EV/invested capital (x)	1.0	0.9	0.9	0.8	0.8

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

Sources: AP (Thailand); FSSIA estimates

# AP (Thailand) PCL (AP TB)

**FSSIA ESG rating**

★ ★ ★

## Exhibit 13: FSSIA ESG score implication

**53.36 /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.
★★★	<b>&gt;39-59</b>	<b>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.</b>
★★	>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 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	--	--	--	--	--	--	--	--
BRI	16.00	--	--	--	4.00	4.00	Declared	--	--	--	--	--	--	--	--
NOBLE	30.88	--	Y	Y	5.00	5.00	Certified	--	--	--	--	--	7.00	--	--
ORI	53.22	--	Y	Y	5.00	5.00	Certified	Medium	41.33	--	--	48.60	--	3.82	52.01
SC	60.14	--	Y	Y	5.00	4.00	Certified	Low	45.20	--	--	70.85	25.00	2.34	42.60
SIRI	66.14	--	Y	Y	5.00	5.00	Certified	Low	43.82	A	--	57.85	23.00	3.00	61.14
SPALI	59.80	--	Y	Y	5.00	5.00	Certified	Low	52.93	BB	--	36.30	24.00	2.19	42.36

Sources: [SETTRADE.com](http://SETTRADE.com); FSSIA's compilation

## Exhibit 15: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>0.96</b>	<b>2.34</b>	<b>1.85</b>	<b>2.17</b>	<b>1.77</b>	<b>1.84</b>	<b>2.01</b>	<b>1.89</b>
BESG environmental pillar score	0.00	0.16	0.16	0.16	0.16	0.16	0.16	0.16
BESG social pillar score	0.00	6.19	3.48	5.30	3.14	3.57	4.68	4.32
BESG governance pillar score	3.86	4.12	3.93	3.98	3.86	3.81	3.75	3.54
<b>ESG disclosure score</b>	<b>30.64</b>	<b>33.76</b>	<b>33.76</b>	<b>34.10</b>	<b>34.10</b>	<b>34.10</b>	<b>34.26</b>	<b>34.26</b>
Environmental disclosure score	0.00	1.27	1.27	1.27	1.27	1.27	1.75	1.75
Social disclosure score	10.64	12.45	12.45	13.48	13.48	13.48	13.48	13.48
Governance disclosure score	81.10	87.36	87.36	87.36	87.36	87.36	87.36	87.36
<b>Environmental</b>								
Emissions reduction initiatives	No	No	No	No	No	No	No	No
Climate change policy	No	No	No	No	No	No	No	No
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	No	No	No
GHG scope 1	--	--	--	--	--	--	--	--
GHG scope 2 location-based	--	--	--	--	--	--	--	--
GHG Scope 3	--	--	--	--	--	--	--	--
Carbon per unit of production	--	--	--	--	--	--	--	--
Biodiversity policy	No	No	No	No	No	No	No	No
Energy efficiency policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	--	--	--	--	--	--	--	--
Renewable energy use	--	--	--	--	--	--	--	--
Electricity used	--	--	--	--	--	--	--	--
Fuel used - natural gas	--	--	--	--	--	--	--	--

Sources: Bloomberg; FSSIA's compilation



## Exhibit 16: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	No	No	No	No	No	No	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—	—
Total waste	—	—	—	—	—	—	—	—
Waste recycled	—	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	No	No	No	No
Water policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—	—
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No	No
Consumer data protection policy	No	No	No	No	No	No	No	No
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	—	—	—	—	—	—	—	—
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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	—	—	—
Total recordable incident rate - employees	—	0	0	0	0	0	0	0
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	1,670	1,858	1,995	2,239	2,571	2,724	2,589	2,878
Employee turnover pct	—	—	—	—	—	—	—	—
Total hours spent by firm - employee training	—	—	—	—	—	—	—	—
Social supply chain management	No	No	No	No	No	No	No	No
<b>Governance</b>								
<b>Board size</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
<b>No. of independent directors (ID)</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
No. of women on board	1	1	1	1	1	1	1	1
No. of non-executive directors on board	7	7	7	7	7	7	7	7
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	11	11	13	12	11	10	10	11
Board meeting attendance pct	91	90	98	95	96	98	98	99
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	49	50	51	52	53	54	55	56
Age of the oldest director	72	70	71	72	70	71	72	73
<b>No. of executives / company managers</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>17</b>	<b>17</b>
No. of female executives	4	2	3	4	4	4	4	4
Executive share ownership guidelines	No	No	No	No	No	No	No	No
<b>Size of audit committee</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
No. of ID on audit committee	3	3	4	4	4	4	4	4
Audit committee meetings	4	5	4	4	4	4	4	4
Audit meeting attendance %	100	100	93	100	100	100	100	100
<b>Size of compensation committee</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
No. of ID on compensation committee	3	3	3	3	3	3	3	3
No. of compensation committee meetings	2	2	2	2	2	2	2	2
Compensation meeting attendance %	100	100	88	90	100	100	100	90
<b>Size of nomination committee</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
No. of nomination committee meetings	2	2	2	2	2	2	2	2
Nomination meeting attendance %	100	100	88	90	100	100	100	90
<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.																											
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 (50-59), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																											
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&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 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. 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.	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="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: right;"><b>AAA</b></td> <td>8.571-10.000</td> <td style="text-align: right;"><b>Leader:</b></td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td style="text-align: right;"><b>AA</b></td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;"><b>A</b></td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;"><b>BBB</b></td> <td>4.286-5.713</td> <td style="text-align: right;"><b>Average:</b></td> <td>a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td style="text-align: right;"><b>BB</b></td> <td>2.857-4.285</td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;"><b>B</b></td> <td>1.429-2.856</td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;"><b>CCC</b></td> <td>0.000-1.428</td> <td style="text-align: right;"><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570			<b>A</b>	5.714-7.142			<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285			<b>B</b>	1.429-2.856			<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	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

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

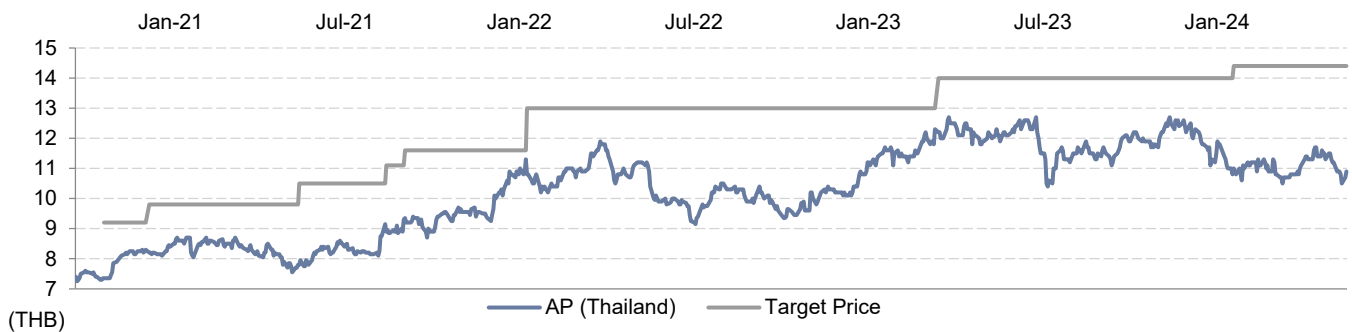
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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### History of change in investment rating and/or target price

#### AP (Thailand) (AP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
24-Feb-2021	BUY	9.20	25-Oct-2021	BUY	11.10	10-Feb-2023	BUY	14.00
02-Apr-2021	BUY	9.80	10-Nov-2021	BUY	11.60	24-Oct-2023	BUY	14.40
11-Aug-2021	BUY	10.50	23-Feb-2022	BUY	13.00			

Thanyatorn Songwutti started covering this stock from 10-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
AP (Thailand)	AP TB	THB 10.90	BUY	Downside risks to our P/E-based TP include 1) a higher-than-expected slowdown in the low-rise market; 2) lower-than-expected new launches and take-up rates; 3) a slow economic recovery; 4) an impact from the interest rate uptrend on purchasing power; 5) a higher rejection rate and customer cancellation; 6) construction delay and labor shortages; and 7) fierce competition.

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 30-Jan-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.