

Thailand

REDUCE (previously HOLD)

Consensus ratings*: Buy 2 Hold 3 Sell 9

Current price:	THB0.73
Target price:	THB0.61
Previous target:	THB0.79
Up/downside:	-16.4%
CGS-CIMB / Consensus:	-10.6%

Reuters:	SIRI.BK
Bloomberg:	SIRI TB
Market cap:	US\$345.2m
	THB10,850m
Average daily turnover:	US\$2.67m
	THB83.43m
Current shares o/s:	14,212m
Free float:	85.8%

*Source: Bloomberg

Key changes in this note

- FY20-22F residential revenue increased by 9.1-20.8%.
- FY20-22F share of profit from investments in associates and JVs dropped by 36.3-63.5%.
- FY20-22F core EPS dropped by 23.8-39.1%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-4	0	-47.1
Relative (%)	0.5	1.9	-26.9

Major shareholders	% held
Viriyah Insurance	6.3
UBS AG Singapore	4.7
Thai NVDR	4.7

Analyst(s)

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Sansiri

Rising concerns lie ahead

- Its presales QTD were THB1,269m, down from THB4,305m/month in 2Q20.
- Interest expenses from its perpetual bond of THB5.5bn and more losses from SI are likely to drag down SIRI's bottomline over the next few years.
- Downgrade from Hold to Reduce with a lower TP of THB0.61.

Slower presales QTD

SIRI revised its new launch plan for 2020 to 15 projects with a total value of THB17.2bn vs. 14 projects worth THB17.7bn previously. New launches are back loaded in 2H20, accounting for 81.7% of total launch value in 2020. SIRI plans to launch only two condo projects in the affordable segment in 2020. It launched Dcondo Hideaway project with 32% sold in Aug 20. The Base Ease Bangkok will be launched in late-Aug 20. Its presales QTD (1 Jul-9 Aug 20) were THB1,269m, down from THB4,305m/month in 2Q20, owing to slower presales momentum of low-rise housing and presales cancellation of THB1.4bn from The Line Sathorn (project value: THB3.8bn). The company expects additional cancellations from The Line Sathorn in 2H20. Its presales YTD of THB20.8bn make up 65.1% of SIRI's full-year target of THB32bn, which we deem on-track.

Gross margin from residential sales likely to improve in 2H20F

SIRI maintains its transfer target of THB42bn in 2020. Its backlog of owned and JV projects as of 9 Aug 20 amounted to THB37.8bn, which secures 97.3% of our transfer forecast in 2020F and 40.8% in 2021F. We expect lower JV transfers in 2H20F vs. THB9bn in 1H20 due to a smaller JV backlog of THB2.88bn to be transferred in 2H20F. Meanwhile, management guided gross margin from residential sales to improve in 2H20 to 30-32%, from 21% in 2Q20, due to higher gross margin of condo projects to be transferred in 2H20. We also expect lower margin pressure from the sale of completed condo stocks, which dropped to THB3.6bn at end-2Q20, from THB6bn in 1Q20.

Expect more losses from Standard International

SIRI issued a perpetual bond (public offering) of THB3bn with interest rate of 8.5% for the first 5 years in Jun 20. It will issue another perpetual bond (private placement) of THB2.5bn with a 7.5% interest rate for the first five years in Sep 20. We estimate interest expense from perpetual bond of THB190m in 2020F, rising to THB442.5m in 2021F. SIRI expects more losses from Standard International Holdings (SI), its 60%-owned subsidiary, to US\$12m-15m in 2020, vs. US\$10m-12m previously, due to the Covid-19 outbreak. We think interest expenses from perpetual bond of THB5.5bn and losses from SI are likely to be a drag on our core EPS forecasts in the next few years.

Downgrade from Hold to Reduce on weaker earnings outlook

We cut our FY20-21F core EPS by 23.8-39.1% to factor in changes in our assumptions. We downgrade SIRI to Reduce from Hold due weaker earnings outlook in 2020-22F from our expectations of higher losses at SI and interest expenses of perpetual bond. SIRI is trading at 11.5x FY21F P/E, +0.25 s.d. to its historical forward mean. We view the current valuation as fully priced. Our TP falls to THB0.61, based on 9.5x FY21F P/E (7.7x previously), -0.50 s.d. to historical forward mean.

Financial Summary

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues (THBm)	26,248	24,310	31,712	31,798	30,305
Operating EBITDA (THBm)	2,423	1,941	1,694	2,092	2,178
Net Profit (THBm)	2,046	2,392	993	945	966
Core EPS (THB)	0.14	0.14	0.07	0.06	0.06
Core EPS Growth	(29.8%)	(0.0%)	(51.7%)	(6.9%)	2.2%
FD Core P/E (x)	5.16	5.16	10.69	11.48	11.23
DPS (THB)	0.12	0.08	0.05	0.06	0.06
Dividend Yield	16.4%	11.0%	6.9%	7.9%	8.0%
EV/EBITDA (x)	24.27	36.98	43.61	36.04	34.62
P/FCFE (x)	4.36	12.05	NA	15.81	NA
Net Gearing	155%	190%	194%	194%	191%
P/BV (x)	0.35	0.34	0.34	0.34	0.34
ROE	6.84%	6.50%	3.20%	3.00%	3.01%
% Change In Core EPS Estimates			(23.8%)	(37.6%)	(39.1%)
CGS-CIMB/Consensus EPS (x)			0.77	0.63	0.58

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Rising concerns lie ahead

2Q20 review

SIRI reported a 2Q20 net profit of THB258.2m, up 317.1% qoq but down 9.5% yoy. The company booked one-off items of THB60.3m in 2Q20 from loss on diminution in value of loans to related parties of THB67m, partly offset by reversal of loss on diminution in value of property development for sale of THB6.737m. Note that the THB67m loss on diminution in value relates to loans to its JV project with Tokyu Corporation, The Base Sukhumvit 50 project. Stripping off the one-off items, its core net profit increased 730.1% qoq and 71% yoy to THB318.4m in 2Q20, below our and market expectations by 35% due to higher-than-expected tax expense. Tax expense in 2Q20 was THB301.3m and effective tax rate was 75.7% due to 1) THB50m tax expense in the US from Standard International Holdings (SI), its 60%-owned subsidiary, and 2) THB120m tax expense on 50% of gains from sale of land plots to JV projects and business management fees received from JV projects.

Figure 1: Results comparison

FYE Dec (THB m)	2QFY20	2QFY19	yoy %	1QFY20	qoq %	1HFY20	1HFY19	yoy %	Prev.	
			chg		chg	Cum	Cum	chg	FY20F	Comment
Revenue	11,137.6	3,966.1	180.8	6,252.4	78.1	17,390.0	10,276.2	69.2	27,307.0	In line
Operating costs	(10,388.3)	(3,765.2)	175.9	(6,387.0)	62.6	(16,775.3)	(9,485.9)	76.8	(26,621.7)	
EBITDA	749.2	200.9	272.9	(134.5)	(656.8)	614.7	790.3	(22.2)	685.4	Higher
EBITDA margin (%)	6.7	5.1	1.7	(2.2)	8.9	3.5	7.7	(4.2)	2.5	
Depn & amort.	(216.5)	(94.5)	129.0	(186.5)	16.1	(403.0)	(182.4)	120.9	(451.0)	Higher
EBIT	532.8	106.4	400.7	(321.1)	(265.9)	211.7	607.9	(65.2)	234.3	Higher
Interest expense	(302.8)	(158.5)	91.1	(201.9)	50.0	(504.7)	(349.6)	44.3	(996.5)	In line
Interest & invt inc	167.9	189.2	(11.3)	297.6	(43.6)	465.5	513.7	(9.4)	1,081.8	In line
Associates' contrib	159.1	39.4	303.9	140.2	13.5	299.2	(80.4)	(472.3)	1,012.7	Lower
Exceptionals	(60.3)	99.0	(160.9)	112.4	(153.6)	52.2	120.3	(56.6)	112.4	One-off gain of THB60.3m from loss on diminution value of loans to related parties of THB67m partly offset by reversal of loss on diminution in value of property development for sale of THB6.737m
Pretax profit	397.9	137.2	190.0	(225.4)	(276.5)	172.5	772.0	(77.7)	319.6	Higher
Tax	(301.3)	9.0	(3,458.8)	(24.9)	1,109.2	(326.2)	(123.1)	165.1	(63.9)	
Tax rate (%)	75.7	(6.5)	82.2	(11.1)	86.8	189.1	15.9	173.1	20.0	Higher
Minority interests	62.70	0.68	9,093.3	59.61	5.2	122.3	1.14	10,591.1	-	
Net profit	258.2	285.2	(9.5)	61.9	317.1	320.1	690.0	(53.6)	1,380.9	Lower
Core net profit	318.4	186.2	71.0	(50.5)	730.1	267.9	569.7	(53.0)	1,268.4	Below our and market expectation by 35% due to higher-than-expected tax expense
EPS (THB)	0.018	0.02	(10.0)	0.00	312.9	0.02	0.05	(53.4)	0.10	
Core EPS (THB)	0.022	0.01	70.0	(0.004)	(723.7)	0.02	0.04	(52.8)	0.09	

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Operating statistics

	2QFY20	2QFY19	% yoy	1QFY20	% qoq	1HFY20	1HFY19	% yoy
Revenue breakdown (THBm)								
Revenue from low-rise housing	6,276	2,138	193.5	3,173	97.8	9,449	6,079	55.4
Revenue from condo	4,062	387	949.6	2,210	83.8	6,272	1,339	368.4
Revenue from residential sales	10,338	2,525	309.4	5,383	92.0	15,721	7,418	111.9
Revenue from business management	744	1,362	(45.3)	706	5.5	1,450	2,679	(45.9)
Key performance indicators								
Gross margin from residential sales (%)	21.0	32.6	(11.6)	17.9	3.1	19.9	28.7	(8.8)
Overall gross margin (%)	20.0	32.3	(12.3)	15.7	4.3	18.5	27.9	(9.4)
SG&A to revenue ratio (%)	15.2	29.6	(14.4)	20.9	(5.6)	17.3	22.0	(4.7)
Net margin (%)	2.3	7.2	(4.9)	1.0	1.3	1.8	6.7	(4.9)
D/E ratio (x)	1.56	2.01	(0.4)	1.88	(0.3)	1.56	2.01	(0.4)
Gross profit	2,228.6	1,281.9	73.9	983.7	126.6	3,212.3	2,864.8	12.1
Gross profit from residential sales	2,168.8	823.9	163.2	962.9	125.2	3,131.7	2,129.2	47.1
SG&A expenses	1,695.9	1,175.5	44.3	1,304.8	30.0	3,000.7	2,256.9	33.0

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Residential revenue jumped 92% qoq and 309.4% yoy to THB10.34bn in 2Q20, in line with our estimate, driven by higher revenue from low-rise housing and condos. Low-rise housing revenue increased 97.8% qoq and 193.5% yoy to THB6.28bn in 2Q20, due to impressive presales from existing projects. Condo revenue rose 83.8% qoq and 949.6% yoy to THB4.06bn from inventory sales and transfers of newly-completed projects, namely The Base Central Phuket and Dcondo Bliss Sriracha projects. Gross margin from residential sales dipped to 21% in 2Q20, higher than our preview of 20.2%, from 32.6% in 2Q19 but improved from 17.9% in 1Q20.

Revenue from business management fell 45.3% yoy to THB744m in 2Q20 owing to a drop in business management revenue from JV projects. SG&A expenses increased 44.3% yoy to THB1.7bn in 2Q20, below our estimate of THB1.9bn, due to higher transfer fees, marketing and selling expenses to boost sales.

Share of profit from associates and JV projects increased by 13.5% qoq and 303.9% yoy to THB159.1m in 2Q20, driven by 1) higher transfers of its JV projects, i.e. The Line Sukhumvit 101, The Line Phahon-Pradipat, The Line Wongsawang and Monument Thonglor projects, and 2) smaller share of loss from investments in associates.

1H20 core net profit dropped 53% yoy to THB267.9m, accounting for 21.1% of our full-year forecast. SIRI said it would not be paying an interim dividend based on its 1H20 operations.

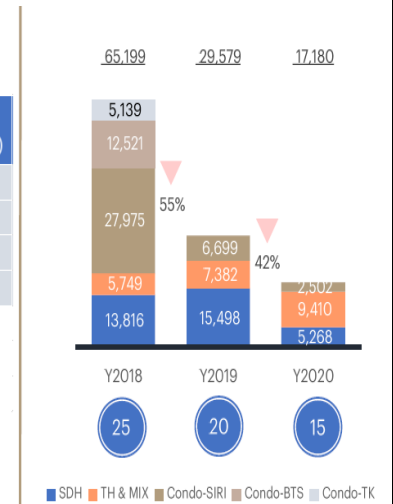
Downgrade from Hold to Reduce with a new TP of THB0.61►

We cut our FY20-21F core EPS by 23.8-39.1% to factor in changes in our assumptions on residential revenue, business management revenue, gross margins, loss from SI, share of profit from investments in associates and JVs, as well as number of outstanding shares. SIRI completed the resale of treasury shares totalling 720m to the market on 17 Jun 20. Therefore, the number of outstanding shares increased to 14,862.7m shares. In addition, we also factor in interest expenses from perpetual bond amounting to THB5.5bn.

We downgrade SIRI to Reduce from Hold due weaker earnings outlook in 2020-22F from our expectation of higher losses at SI and interest expense of perpetual bond. SIRI is trading at 11.5x FY21F P/E, +0.25 s.d. to its historical forward mean. We view the current valuation as fully priced. Our TP declines to THB0.61, based on 9.5x FY21F P/E (7.7x previously), -0.50 s.d. to historical forward mean. Upside risks include faster-than-expected transfers and reduced losses from SI. Downside risk is slower-than-expected presales.

Figure 3: New launches for 2020

Y2020	SDH	TH & MIX	Condo-SIRI	No. of Project	Project Value (MB)
1Q2020	0	1	0	1	1,317
2Q2020	0	2	0	2	1,834
3Q2020	0	0	2	2	2,502
4Q2020	3	7	0	10	11,527
No. of Project	3	10	2	15	
Project Value (MB)	5,268	9,410	2,502	17,180	
%	31%	55%	15%	100%	



SOURCES: CIMB, COMPANY REPORTS

Figure 4: Condo launches in 3Q20

DCONDO HIDEAWAY

- Khlong Nueng, Khlong Luang District, Pathum Thani
- 800 Units
- THB 1,545 Million

32% Sold

THE BASE EASE BANGKHAE

- Bang Khae Nuea Sub-district, Bang Khae District, Bangkok
- 502 Units
- THB 957 Million

SOURCES: CIMB, COMPANY REPORTS

Figure 5: Presales update YTD as of 9 Aug 20

Product Type	1Q2020			2Q2020			3Q2020 (QTD)		
	Value (MB)	No. of Units	Avg. Price	Value (MB)	No. of Units	Avg. Price	Value (MB)	No. of Units	Avg. Price
Single-detached House	2,770	331	8.4	5,978	646	9.3	1,507	183	8.2
Townhouse & MIX	649	152	4.3	2,224	628	3.5	229	72	3.2
Condominium	3,233	629	5.1	4,713	1,210	3.9	(467)	285	(1.6)
SIRI	1,825	158	11.6	1,192	306	3.9	606	347	1.7
SIRI-BTS (50 : 50)	907	328	2.8	3,125	756	4.1	(1,026)	(50)	20.5
SIRI-TK (70 : 30)	501	143	3.5	396	148	2.7	(47)	(12)	4.0
Total	6,652	1,112	6.0	12,915	2,484	5.2	1,269	540	2.4

SOURCES: CIMB, COMPANY REPORTS

Figure 6: Perpetual bond (PO tranche)

Type of Dedenture	Perpetual Bond	
Offering Type	Public Offering	
Series	SIRI20PA	
Size	THB 3,000 Million	
Interest Rates	Y1-5	= 8.50% (Initial Credit Spread 7.76%)
	Y2-6	= 5Y Government Bond + 7.76% + 0.25%
	Y26-50	= 5Y Government Bond + 7.76% + 1.00%
	Y51 Onwards	= 5Y Government Bond + 7.76% + 2.00%
Subscription Date	22 - 25 June 2020	
Status	Sold Out	

SOURCES: CIMB, COMPANY REPORTS

Figure 7: Debenture repayment schedule

	Issue Size (MB)	Duration (yrs.)	Avg. Coupon	2017	2018	2019	2020	2021	2022	2023
SIRI 229A	2,000	5.0	3.35							
SIRI 231A	4,000	5.0	3.35							
SIRI 21NA	2,000	3.5	3.00							
SIRI 218A	5,000	3.0	3.20							
SIRI 229B	2,500	3.8	3.60							
SIRI 222A	4,933	3.0	3.80							
SIRI 225A	450	3.0	3.50							
SIRI 236A	4,000	3.8	3.90							
SIRI 228A	250	3.0	3.25							
SIRI 21NB	1,204	2.0	3.10							
SIRI 230A	4,000	3.7	3.75							
Repayment Maturity				-	-	-	-	8,204	10,133	12,000

SOURCES: CIMB, COMPANY REPORTS

Figure 8: SIRI's forward P/E band



SOURCES: CIMB, COMPANY REPORTS, BLOOMBERG

Figure 9: Changes in key assumptions

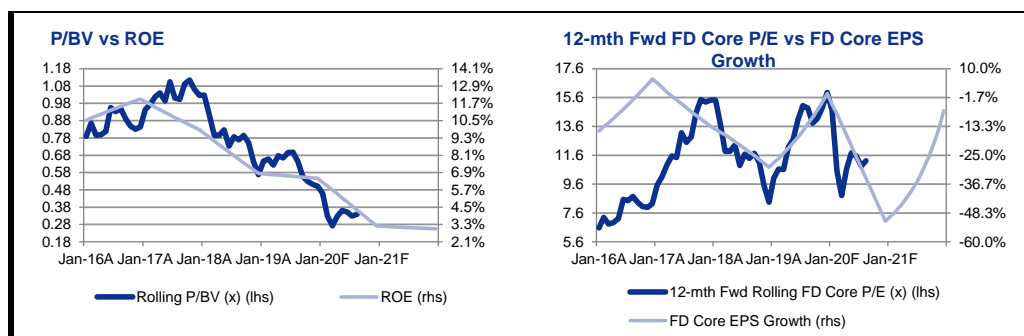
(THB m)	Old			New			% diff		
	2020F	2021F	2022F	2020F	2021F	2022F	2020F	2021F	2022F
Revenue from residential sales	23,976.7	25,554.0	25,304.0	28,966.7	29,134.0	27,599.0	20.8%	14.0%	9.1%
Revenue from business management	2,567.8	2,399.8	2,532.8	2,308.5	2,101.7	2,076.0	-10.1%	-12.4%	-18.0%
Total revenue	27,307.0	28,807.8	28,774.7	31,711.7	31,798.1	30,305.2	16.1%	10.4%	5.3%
Gross profit	6,017.8	7,385.7	7,878.8	7,339.2	7,865.3	7,877.4	22.0%	6.5%	0.0%
SG&A expenses	5,783.4	6,217.8	6,303.6	6,096.1	6,235.1	6,178.5	5.4%	0.3%	-2.0%
Interest expenses	996.5	1,083.9	1,134.3	1,059.6	1,189.9	1,236.5	6.3%	9.8%	9.0%
Share of profit (loss) from affiliates and JVs	1,012.7	501.0	256.3	551.9	183.1	163.4	-45.5%	-63.5%	-36.3%
Net profit	1,380.9	1,442.4	1,509.4	1,183.1	1,387.6	1,408.5	-14.3%	-3.8%	-6.7%
Core net profit	1,268.4	1,442.4	1,509.4	993.1	945.1	966.0	-21.7%	-34.5%	-36.0%
EPS (THB)	0.10	0.10	0.11	0.08	0.09	0.09	-16.7%	-8.5%	-11.2%
Core EPS (THB)	0.09	0.10	0.11	0.07	0.06	0.06	-23.8%	-37.6%	-39.1%
No. of outstanding shares	14,142.7	14,142.7	14,142.7	14,538.9	14,862.7	14,862.7	2.8%	5.1%	5.1%
Gross margin from residential sales (%)	24.6%	28.0%	29.0%	25.5%	27.0%	28.3%	0.9%	-1.0%	-0.7%
Gross margin from business management (%)	18.0%	21.0%	21.2%	19.6%	21.4%	22.0%	1.7%	0.4%	0.9%
Overall gross margin (%)	22.0%	25.6%	27.4%	23.1%	24.7%	26.0%	1.1%	-0.9%	-1.4%
SG&A to revenue ratio (%)	21.2%	21.6%	21.9%	19.2%	19.6%	20.4%	-2.0%	-2.0%	-1.5%
Net margin (%)	5.1%	5.0%	5.2%	3.7%	4.4%	4.6%	-1.3%	-0.6%	-0.6%
Core net margin (%)	4.6%	5.0%	5.2%	3.1%	3.0%	3.2%	-1.5%	-2.0%	-2.1%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 10: Peer comparison

Company	Bloomberg Ticker	Recom.	Price (THB)	Target price (THB)	Mkt cap (US\$m)	Core P/E (x)		Core EPS growth (%)		P/BV (x)		Div yield		ROE	
						2020F	2021F	2020F	2021F	2020F	2021F	2020F	2021F	2020F	2021F
AP Thailand	AP TB	Add	6.15	7.10	613	6.2	5.7	3.1%	8.6%	0.7	0.6	6.6%	7.1%	11.4%	11.5%
Land and Houses	LH TB	Add	7.60	9.05	2,878	14.3	11.6	-17.6%	23.7%	1.8	1.7	6.0%	7.4%	12.1%	14.8%
LPN Development	LPN TB	Hold	5.05	4.52	233	9.8	8.8	-42.1%	11.6%	0.6	0.7	31.2%	9.9%	6.0%	7.2%
Pruksa Holding	PSH TB	Reduce	11.60	9.70	805	7.4	7.2	-35.9%	3.0%	0.6	0.6	7.6%	8.1%	7.9%	7.9%
Quality Houses	QH TB	Add	2.30	2.42	781	11.6	9.7	-26.8%	19.3%	0.9	0.9	6.5%	7.7%	7.9%	9.2%
Supalai	SPALI TB	Add	18.00	18.90	1,222	8.3	6.9	-15.1%	21.1%	0.9	0.9	5.5%	6.6%	11.5%	13.0%
Sansiri	SIRI TB	Reduce	0.72	0.61	339	10.5	11.3	-51.7%	-6.9%	0.3	0.3	7.0%	8.0%	3.8%	4.4%
Ananda Development	ANAN TB	Reduce	1.44	1.18	152	(7.6)	98.5	-300.6%	107.8%	0.3	0.3	1.4%	5.4%	0.8%	3.2%
Average						10.8	9.1	-26.9%	19.1%	0.9	0.8	7.0%	7.4%	8.1%	9.4%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG

BY THE NUMBERS

Profit & Loss

(THBm)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Net Revenues	26,248	24,310	31,712	31,798	30,305
Gross Profit	7,668	6,156	7,339	7,865	7,877
Operating EBITDA	2,423	1,941	1,694	2,092	2,178
Depreciation And Amortisation	(310)	(429)	(451)	(462)	(479)
Operating EBIT	2,113	1,512	1,243	1,630	1,699
Financial Income/(Expense)	(570)	(936)	(1,060)	(1,190)	(1,236)
Pretax Income/(Loss) from Assoc.	305	791	552	183	163
Non-Operating Income/(Expense)	792	1,050	755	512	541
Profit Before Tax (pre-EI)	2,640	2,418	1,491	1,136	1,167
Exceptional Items					
Pre-tax Profit	2,640	2,418	1,491	1,136	1,167
Taxation	(546)	(526)	(498)	(191)	(201)
Exceptional Income - post-tax	(52)	384	0	0	0
Profit After Tax	2,042	2,275	993	945	966
Minority Interests	4	117	0	0	0
Prof. & Special Div	0	0	0	0	0
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	2,046	2,392	993	945	966
Recurring Net Profit	2,098	2,009	993	945	966
Fully Diluted Recurring Net Profit	2,098	2,009	993	945	966

Cash Flow

(THBm)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
EBITDA	2,423	1,941	1,694	2,092	2,178
Cash Flow from Inv. & Assoc.					
Change In Working Capital	(23,836)	(24,500)	(4,331)	(2,024)	(685)
Straight Line Adjustment					
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	16,152	15,797	(114)	(235)	(253)
Net Interest (Paid)/Received	(570)	(936)	(1,060)	(1,190)	(1,236)
Tax Paid	(546)	(526)	(498)	(191)	(201)
Cashflow From Operations	(6,377)	(8,223)	(4,308)	(1,547)	(198)
Capex	0	0	0	0	0
Disposals Of FAs/subsidiaries					
Disposals of Investment Properties					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(2,496)	(1,112)	(1,091)	(131)	(151)
Cash Flow From Investing	(2,496)	(1,112)	(1,091)	(131)	(151)
Debt Raised/(repaid)	11,359	10,196	4,183	2,364	(872)
Proceeds From Issue Of Shares	(392)	(543)	0	0	0
Shares Repurchased					
Dividends Paid	(1,634)	(1,838)	(935)	(797)	(867)
Preferred Dividends					
Other Financing Cashflow	570	(178)	1,060	1,190	1,236
Cash Flow From Financing	9,903	7,638	4,307	2,757	(503)

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd
Balance Sheet

(THBm)	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Total Cash And Equivalents	3,933	2,132	1,040	2,119	1,267
Properties Under Development					
Total Debtors	889	1,970	2,414	2,428	2,300
Inventories	56,305	62,844	67,474	69,704	70,665
Total Other Current Assets	9,615	7,637	7,952	7,972	7,614
Total Current Assets	70,742	74,583	78,880	82,223	81,846
Fixed Assets	2,264	2,988	2,544	2,430	2,295
Total Investments	0	0	0	0	0
Intangible Assets	0	0	0	0	0
Total Other Non-Current Assets	22,351	30,765	28,986	28,952	28,923
Total Non-current Assets	24,615	33,753	31,530	31,382	31,217
Short-term Debt	12,125	6,897	10,710	11,020	10,967
Current Portion of Long-Term Debt	6,510	10,238	1,329	1,329	1,329
Total Creditors	10,491	11,105	12,162	12,404	12,193
Other Current Liabilities					
Total Current Liabilities	29,125	28,240	24,201	24,752	24,489
Total Long-term Debt	33,272	45,476	51,340	53,395	52,575
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	2,107	2,745	2,745	2,745	2,745
Total Non-current Liabilities	35,379	48,221	54,086	56,140	55,320
Total Provisions	0	0	0	0	0
Total Liabilities	64,504	76,461	78,286	80,892	79,809
Shareholders' Equity	30,848	30,943	31,191	31,782	32,324
Minority Interests	4	931	931	931	931
Total Equity	30,852	31,875	32,123	32,713	33,255

Key Ratios

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Revenue Growth	(15.1%)	(7.4%)	30.4%	0.3%	(4.7%)
Operating EBITDA Growth	(35.1%)	(19.9%)	(12.7%)	23.5%	4.1%
Operating EBITDA Margin	9.23%	7.98%	5.34%	6.58%	7.19%
Net Cash Per Share (THB)	(3.23)	(4.26)	(4.29)	(4.28)	(4.28)
BVPS (THB)	2.08	2.18	2.15	2.14	2.17
Gross Interest Cover	3.71	1.62	1.17	1.37	1.37
Effective Tax Rate	20.7%	21.7%	33.4%	16.8%	17.2%
Net Dividend Payout Ratio	77.9%	91.5%	94.2%	84.3%	89.7%
Accounts Receivables Days	7.27	21.46	25.30	27.79	28.47
Inventory Days	979	1,198	978	1,046	1,142
Accounts Payables Days	31.82	38.89	34.48	36.31	37.11
ROIC (%)	2.48%	1.49%	1.05%	1.34%	1.37%
ROCE (%)	2.78%	1.71%	1.31%	1.68%	1.73%
Return On Average Assets	2.91%	2.59%	1.68%	1.69%	1.73%

Key Drivers

	Dec-18A	Dec-19A	Dec-20F	Dec-21F	Dec-22F
Unbooked Presales (m) (THB)	33,000.0	33,000.0	33,000.0	33,000.0	33,001.0
Unbooked Presales (area: m sm)	N/A	N/A	N/A	N/A	N/A
Unbooked Presales (units)	N/A	N/A	N/A	N/A	N/A
Unsold attrib. landbank (area: m sm)	N/A	N/A	N/A	N/A	N/A
Gross Margins (%)	32.1%	29.0%	25.5%	27.0%	28.3%
Contracted Sales ASP (per Sm) (THB)	N/A	N/A	N/A	N/A	N/A
Residential EBIT Margin (%)	N/A	N/A	N/A	N/A	N/A
Investment rev / total rev (%)	N/A	N/A	N/A	N/A	N/A
Residential rev / total rev (%)	N/A	N/A	N/A	N/A	N/A
Inv. properties rental margin (%)	N/A	N/A	N/A	N/A	N/A
SG&A / Sales Ratio (%)	21.2%	19.1%	19.2%	19.6%	20.4%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

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Corporate Governance Report:

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70 or	No Survey Result
Description:	Excellent	Very Good	Good	N/A	

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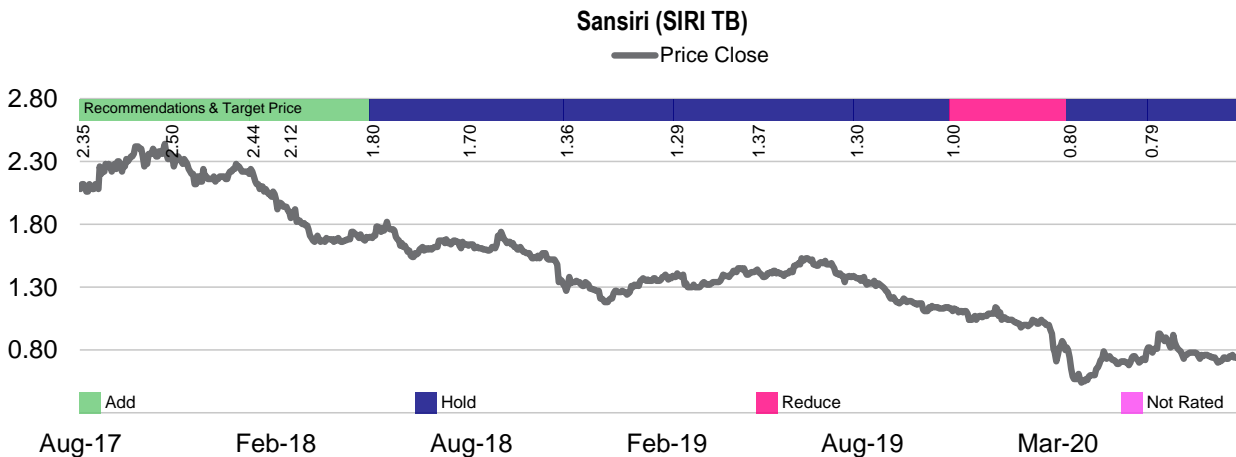
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EFACustomRatingDist

Spitzer Chart for stock being researched (2 year data)



Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2019, Anti-Corruption 2019

ADVANC – Excellent, Certified, **AEONTS** – Good, n/a, **AH** – Very Good, n/a, **AMATA** – Excellent, Declared, **ANAN** – Excellent, Declared, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Very Good, Certified, **BAM** – not available, n/a, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BCP** – Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – Very Good, Declared, **BH** – Good, n/a, **BJC** – Very Good, n/a, **BJCHI** – Very Good, Certified, **BLA** – Very Good, Certified, **BPP** – Very Good, Declared, **BR** – Good, n/a, **BTS** – Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHAYO** – Good, n/a, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Excellent, Declared, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** – Excellent, Certified, **CPNREIT** – not available, n/a, **CRC** – not available, n/a, **DELTA** – Excellent, Declared, **DEMCO** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – not available, n/a, **DREIT** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Excellent, n/a, **ECL** – Very Good, Certified, **EGCO** – Excellent, Certified, **EPG** – Very Good, n/a, **ERW** – Very Good, n/a, **GFPT** – Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Certified, **GULF** – Very Good, n/a, **GUNKUL** – Excellent, Certified, **HANA** – Excellent, Certified, **HMPRO** – Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Declared, **III** – Excellent, n/a, **INTUCH** – Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** – Excellent, Certified, **JASIF** – not available, n/a, **BJC** – Very Good, n/a, **JMT** – Very Good, n/a, **KBANK** – Excellent, Certified, **KCE** – Excellent, Certified, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** – Excellent, Certified, **KTC** – Excellent, Certified, **LH** – Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Excellent, Certified, **MALEE** – Excellent, Certified, **MC** – Excellent, Certified, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** – Excellent, Certified, **MK** – Very Good, n/a, **MTC** – Excellent, n/a, **NETBAY** – Very Good, n/a, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PLAT** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PSTC** – Very Good, Certified, **PTT** – Excellent, Certified, **PTTEP** – Excellent, Certified, **PTTGC** – Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Excellent, n/a, **RSP** – not available, n/a, **S** – Excellent, n/a, **SAPPE** – Very Good, Declared, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Certified, **SCB** – Excellent, Certified, **SCC** – Excellent, Certified, **SCN** – Excellent, Certified, **SF** – Good, n/a, **SHR** – not available, n/a, **SIRI** – Very Good, Certified, **SPA** – Good, n/a, **SPALI** – Excellent, n/a, **SPRC** – Excellent, Certified, **STA** – Very Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Excellent, Certified, **TASCO** – Excellent, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIPCO** – Very Good, Certified, **TISCO** – Excellent, Certified, **TKN** – Very Good, n/a, **TMB** – Excellent, Certified, **TNR** – Very Good, Certified, **TOP** – Excellent, Certified, **TPCH** – Good, n/a, **TPIPP** – Good, n/a, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Declared, **UNIQ** – not available, n/a, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – not available, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

1 CG Score 2019 from Thai Institute of Directors Association (IOD)

2 AGM Level 2018 from Thai Investors Association

3 Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into:

companies that have declared their intention to join CAC, and companies certified by CAC.

4 The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2018" included:

SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)

SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI)

Recommendation Framework**Stock Ratings**

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.

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