

## Thailand

### HOLD (no change)

Consensus ratings\*: Buy 1 Hold 4 Sell 6

|                         |            |
|-------------------------|------------|
| Current price:          | THB1.16    |
| Target price:           | THB1.15    |
| Previous target:        | THB1.15    |
| Up/downside:            | -0.9%      |
| CGS-CIMB / Consensus:   | 12.2%      |
| Reuters:                | SIRI.BK    |
| Bloomberg:              | SIRI TB    |
| Market cap:             | US\$516.2m |
|                         | THB17,257m |
| Average daily turnover: | US\$23.54m |
|                         | THB743.5m  |
| Current shares o/s:     | 14,541m    |
| Free float:             | 85.8%      |

\*Source: Bloomberg

### Key changes in this note

➤ No change.



Source: Bloomberg

| Price performance | 1M   | 3M   | 12M  |
|-------------------|------|------|------|
| Absolute (%)      | -4.9 | 11.5 | 56.8 |
| Relative (%)      | -2.2 | 12.7 | 41.4 |

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

### Analyst(s)


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## Sansiri

### Still on track to meet full-year targets

- 2Q21 core net profit increased 91.2% qoq and 83.9% yoy to THB580.3m.
- Its presales qtd remain solid due to good reception for its new launches.
- Maintain Hold with TP of THB1.15.

### 2Q21 core net profit beat our expectation by 3.5%

SIRI's 2Q21 core net profit (including THB81.5m interest expense on perpetual bonds) increased 91.2% qoq and 83.9% yoy to THB580.3m. The result beat our expectation by 3.5% and Bloomberg consensus' by 5.3%, due to higher-than-expected gross margin from residential sales. 1H21 core net profit rose 177.3% yoy to THB883.7m, accounting for 55% of our full-year forecast. SIRI did not declare an interim dividend as it preferred to preserve cash flow in view of the Covid-19 pandemic. It said it will pay the final dividend based on the full-year operation and a payout ratio of 40-50%.

### Presales qtd remain solid

SIRI maintained its launch plan for 2021 at 24 projects with a total value of THB21.6bn but postponed some projects to be launched in 2Q-3Q21 to 4Q21 due to the closure of construction worker camps in late-Jun. New launches will peak in 4Q21 with 13 projects worth THB13.6bn. All its seven condo projects scheduled for launch in 2H21 are in the affordable segment under Dcondo, MUVE and a new brand. Despite rising Covid-19 cases, its presales qtd (1 Jul-8 Aug) remain solid due to good reception to The MUVE Ram 22 and 1517 Nimman projects. SIRI expects 3Q21 presales to be similar to 2Q21's and maintains its 2021 presales target at THB30.7bn (+17.5% yoy). Meanwhile, we keep our residential revenue forecast of THB26.8bn in 2021F as its 1H21 revenue and backlog secure 84.5% of our forecast.

### Investment in XPG totalling THB2.06bn in 3Q21

In Jul, SIRI subscribed to 403.4m shares in XSpring Capital (XPG) worth THB1.65bn via a private placement, resulting in it holding a 14.08% stake in XPG. It will subscribe to XPG's 1:2 rights issue amounting to THB403.4m on 20-26 Aug. The investment in XPG is to diversify from the real estate business and enhance its investment return in the long term. We estimate a small share of profit from the new investment in XPG in 2021-22F from Krungthai Zmico, XPG's subsidiary engaged in the brokerage business, while XPG's other businesses i.e. digital token, asset management company and providing land loans should generate return to SIRI over the longer term.

### Maintain Hold with a TP of THB1.15

We maintain our FY21-23F core EPS and Hold rating in view of the improved outlook for its residential property development business – we expect a core EPS growth rebound in 2021-22F. However, SIRI is trading at 9.2x 2022F P/E, above the sector average P/E of 8.7x. We think its current valuation prices in the potential growth of the XPG investment. Our TP stays unchanged at THB1.15, based on 9.1x 2022F P/E, 0.60 s.d. below its 5-year historical forward mean. Upside risks to our call include faster-than-expected unit transfers. Key downside risks: delays in new project launches.

| Financial Summary              | Dec-19A | Dec-20A | Dec-21F | Dec-22F | Dec-23F |
|--------------------------------|---------|---------|---------|---------|---------|
| Total Net Revenues (THBm)      | 24,310  | 33,833  | 29,346  | 31,402  | 33,217  |
| Operating EBITDA (THBm)        | 1,490   | 2,432   | 3,853   | 4,200   | 4,580   |
| Net Profit (THBm)              | 2,392   | 1,543   | 1,606   | 1,875   | 1,932   |
| Core EPS (THB)                 | 0.12    | 0.10    | 0.11    | 0.13    | 0.13    |
| Core EPS Growth                | (18.0%) | (13.4%) | 7.6%    | 16.8%   | 3.0%    |
| FD Core P/E (x)                | 10.00   | 11.55   | 10.74   | 9.19    | 8.92    |
| DPS (THB)                      | 0.080   | 0.040   | 0.040   | 0.050   | 0.058   |
| Dividend Yield                 | 6.90%   | 3.45%   | 3.45%   | 4.35%   | 5.04%   |
| EV/EBITDA (x)                  | 52.28   | 30.74   | 19.87   | 18.78   | 17.30   |
| P/FCFE (x)                     | 19.1    | NA      | NA      | NA      | 134.5   |
| Net Gearing                    | 190%    | 143%    | 143%    | 145%    | 142%    |
| P/BV (x)                       | 0.53    | 0.45    | 0.45    | 0.44    | 0.42    |
| ROE                            | 5.33%   | 4.27%   | 4.24%   | 4.81%   | 4.81%   |
| % Change In Core EPS Estimates |         |         | 0%      | 0%      | 0%      |
| CGS-CIMB/Consensus EPS (x)     |         |         | 0.89    | 0.91    | 1.06    |

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## Still on track to meet full-year targets

### 2Q21 results review ►

SIRI's 2Q21 core net profit (including THB81.5m interest expense on perpetual bonds) increased 91.2% qoq and 83.9% yoy to THB580.3m, above our expectation by 3.5% and Bloomberg consensus' by 5.3%, due to higher-than-expected gross margin from residential sales.

Figure 1: Results comparison

| FYE Dec (THB m)     | 2QFY21    | 2QFY20     | yoy %   | 1QFY21    | qoq %   | 1HFY21     | 1HFY20     | yoy %   | Prev.                                                                                                 |
|---------------------|-----------|------------|---------|-----------|---------|------------|------------|---------|-------------------------------------------------------------------------------------------------------|
|                     |           |            | chg     |           | chg     | Cum        | Cum        | chg     | FY21F Comment                                                                                         |
| Revenue             | 7,845.0   | 11,137.6   | (29.6)  | 6,693.8   | 17.2    | 14,538.8   | 17,390.0   | (16.4)  | 29,346.2 In line                                                                                      |
| Operating costs     | (6,649.6) | (10,388.3) | (36.0)  | (5,846.7) | 13.7    | (12,496.3) | (16,721.7) | (25.3)  | (25,492.8)                                                                                            |
| EBITDA              | 1,195.4   | 749.2      | 59.5    | 847.1     | 41.1    | 2,042.5    | 668.3      | 205.6   | 3,853.3 In line                                                                                       |
| EBITDA margin (%)   | 15.2      | 6.7        | 8.5     | 12.7      | 2.6     | 14.0       | 3.8        | 10.2    | 13.1                                                                                                  |
| Depn & amort.       | (206.3)   | (216.5)    | (4.7)   | (208.4)   | (1.0)   | (414.7)    | (403.0)    | 2.9     | (960.2) In line                                                                                       |
| EBIT                | 989.1     | 532.8      | 85.7    | 638.7     | 54.9    | 1,627.8    | 265.3      | 513.6   | 2,893.1 In line                                                                                       |
| Interest expense    | (285.6)   | (302.8)    | (5.7)   | (306.4)   | (6.8)   | (592.1)    | (504.7)    | 17.3    | (1,212.8) In line                                                                                     |
| Interest & invt inc | 246.8     | 167.9      | 46.9    | 169.8     | 45.3    | 416.6      | 465.5      | (10.5)  | 712.8 Higher                                                                                          |
| Associates' contrib | (34.9)    | 159.1      | (121.9) | 7.5       | (566.9) | (27.4)     | 299.2      | (109.2) | 150.0 Lower                                                                                           |
| Exceptionals        | 0.0       | (60.3)     | (100.0) | 0.0       | n.m.    | 0.0        | (1.5)      | (100.0) | 0.0                                                                                                   |
| Pretax profit       | 950.2     | 397.9      | 138.8   | 502.1     | 89.3    | 1,452.3    | 226.1      | 542.2   | 1,987.9 Higher                                                                                        |
| Tax                 | (273.0)   | (301.3)    | (9.4)   | (150.8)   | 81.0    | (423.8)    | (326.2)    | 29.9    | (596.4)                                                                                               |
| Tax rate (%)        | 28.7      | 75.7       | (47.0)  | 30.0      | (1.3)   | 29.2       | 144.2      | (115.1) | 30.0 Higher                                                                                           |
| Minority interests  | 19.5      | 62.7       | (69.0)  | 25.30     | (23.1)  | 44.8       | 122.31     | (63.4)  | 64.35                                                                                                 |
| Net profit          | 661.8     | 258.2      | 156.4   | 384.1     | 72.3    | 1,045.9    | 320.1      | 226.8   | 2,011.1 Above our and market expectation by 3.5% and 5.3%                                             |
| including coupon    | 580.3     | 255.4      | 127.2   | 303.4     | 91.2    | 883.7      | 317.3      | 178.6   | 1,605.9                                                                                               |
| Core net profit     | 580.3     | 315.6      | 83.9    | 303.4     | 91.2    | 883.7      | 318.7      | 177.3   | 1,605.9 Above our expectation by 3.8% due to higher-than-expected gross margin from residential sales |
| expense on          | (81.5)    | (2.8)      | n.m.    | (80.6)    | 1.1     | (162.2)    | (2.8)      | 5,703.7 | 405.2                                                                                                 |
| EPS (THB)           | 0.039     | 0.018      | 118.4   | 0.02      | 91.2    | 0.06       | 0.02       | 166.4   | 0.108                                                                                                 |
| Core EPS (THB)      | 0.039     | 0.022      | 76.7    | 0.020     | 91.2    | 0.06       | 0.02       | 165.2   | 0.108                                                                                                 |

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Operating statistics

|                                         | 2QFY21       | 2QFY20        | % yoy         | 1QFY21       | % qoq       | 1HFY21        | 1HFY20        | % yoy         |
|-----------------------------------------|--------------|---------------|---------------|--------------|-------------|---------------|---------------|---------------|
| <b>Revenue breakdown (THBm)</b>         |              |               |               |              |             |               |               |               |
| Revenue from low-rise housing           | 4,386        | 6,276         | (30.1)        | 4,385        | 0.0         | 8,772         | 9,449         | (7.2)         |
| Revenue from condo                      | 2,863        | 4,062         | (29.5)        | 1,659        | 72.6        | 4,521         | 6,272         | (27.9)        |
| <b>Revenue from residential sales</b>   | <b>7,249</b> | <b>10,338</b> | <b>(29.9)</b> | <b>6,044</b> | <b>19.9</b> | <b>13,293</b> | <b>15,721</b> | <b>(15.4)</b> |
| Revenue from business management        | 446          | 744           | (40.1)        | 432          | 3.2         | 878           | 1,450         | (39.5)        |
| <b>Key performance indicators</b>       |              |               |               |              |             |               |               |               |
| Gross margin from residential sales (%) | 34.8         | 21.0          | 13.9          | 29.8         | 5.0         | 32.6          | 19.9          | 12.6          |
| Overall gross margin (%)                | 32.6         | 20.0          | 12.6          | 28.3         | 4.3         | 30.6          | 18.5          | 12.1          |
| SG&A to revenue ratio (%)               | 20.0         | 15.2          | 4.8           | 18.8         | 1.2         | 19.4          | 17.0          | 2.5           |
| Net margin (%)                          | 8.4          | 2.3           | 6.1           | 5.7          | 2.7         | 7.2           | 1.8           | 5.4           |
| D/E ratio (x)                           | 1.45         | 1.56          | (0.1)         | 1.44         | 0.0         | 1.45          | 1.56          | (0.1)         |
| Gross profit                            | 2,556.4      | 2,228.6       | 14.7          | 1,896.7      | 34.8        | 4,453.2       | 3,215.3       | 38.5          |
| Gross profit from residential sales     | 2,526.2      | 2,168.8       | 16.5          | 1,803.6      | 40.1        | 4,329.8       | 3,134.7       | 38.1          |
| SG&A expenses                           | 1,567.4      | 1,695.9       | (7.6)         | 1,258.1      | 24.6        | 2,825.4       | 2,950.0       | (4.2)         |

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Residential revenue increased 19.9% qoq but declined 29.9% yoy to THB7.25bn in 2Q21, in line with our expectation. Low-rise housing transfers was flat qoq but dropped 30.1% yoy to THB4.39bn in 2Q21. Condo revenue increased 72.6% qoq but fell 29.5% yoy to THB2.86bn in 2Q21, mainly from unit transfers of XT Huaykwang, Oka Haus, La Habana and Dcondo Tann Charan projects. Gross

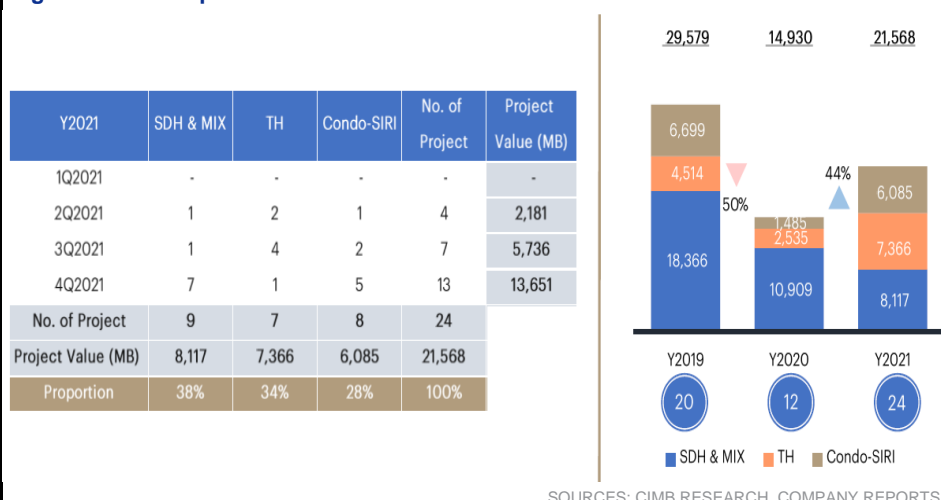
margin from residential sales improved to 34.8% in 2Q21, above our expectation of 32%, compared with 21% in 2Q20 and 29.8% in 1Q21 due to higher margin of XT Huaykwan, Edge Central Pattaya and detached house projects.

Revenue from business management rose 3.2% qoq but dropped 40.1% yoy to THB446m in 2Q21, owing to a drop in business management revenue from JV projects. SG&A expenses increased 24.6% qoq to THB1.57bn in 2Q21, due to higher transfer fees and special business tax and THB110m one-off expenses related to transfer of common facilities of low-rise housing projects to juristic persons.

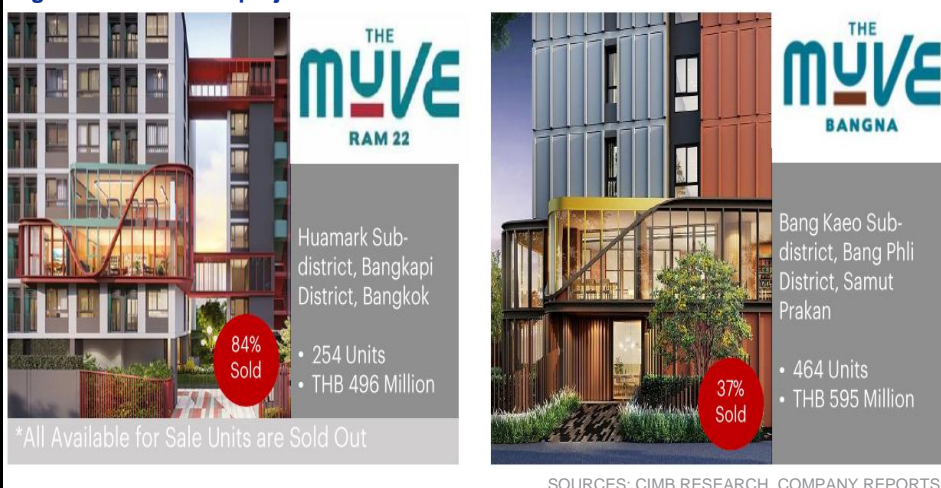
Share of loss from associates and JV projects of THB34.9m in 2Q21 was wider than our expectation of THB17m, vs. share of profit of THB159.1m in 2Q20 and THB7.5m in 1Q21, due to expenses related to The Line Phahonyothin Park under construction and lower JV condo transfers to THB1.05bn in 2Q21, mainly from The Base Saphanmai project.

1H21 core net profit (including THB162m interest expense on perpetual bonds) increased 177.3% yoy to THB883.7m, accounting for 55% of our full-year forecast. SIRI did not declare an interim dividend as it would like to preserve cash flow in view of the Covid-19 pandemic. The company will pay the final dividend based on the full-year operation and payout ratio of 40-50%, it said.

**Figure 3: Launch plan for 2021F**



**Figure 4: Two condo projects under new brand “MUVE” to be launched in 3Q21**

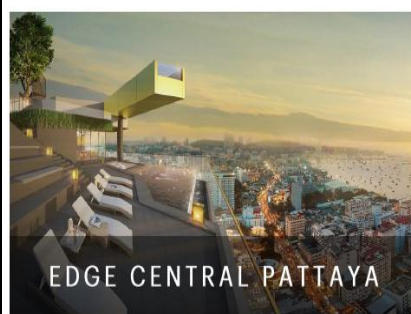


**Figure 5: Presales as of 8 Aug 21**

Unit: THB Million

|                                        | YTD    | 3Q-2021 | 2Q-2021 | 1Q2021 | 2Q2020 | %Q-o-Q  | %Y-o-Y |
|----------------------------------------|--------|---------|---------|--------|--------|---------|--------|
| Total Presales                         | 17,216 | 3,246   | 7,929   | 6,041  | 12,915 | 31.3    | (38.6) |
| Single-detached House & Mixed Products | 10,620 | 1,522   | 4,885   | 4,213  | 6,439  | 16.0    | (24.1) |
| Townhome                               | 1,810  | 373     | 958     | 480    | 1,763  | 99.6    | (45.7) |
| Condominium                            | 4,786  | 1,351   | 2,087   | 1,349  | 4,713  | 54.7    | (55.7) |
| SIRI                                   | 2,542  | 1,059   | 1,360   | 122    | 1,192  | 1,010.6 | 14.1   |
| SIRI-BTS (50 : 50)                     | 2,015  | 250     | 636     | 1,129  | 3,125  | (43.6)  | (79.6) |
| SIRI-TK (70 : 30)                      | 230    | 42      | 90      | 97     | 396    | (7.4)   | (77.2) |

SOURCES: CIMB RESEARCH, COMPANY REPORTS

**Figure 6: Condo projects to be transferred in 2H21**


**EDGE CENTRAL PATTAYA**

- Pattaya City, Bang Lamung District, Chon Buri
- 603 Units
- THB 3,186 Million

3Q21



**DCONDO HIDEAWAY**

- 345 Khlong Nueng, Khlong Luang District, Pathum Thani
- 800 Units
- THB 1,455 Million

4Q21

SOURCES: CIMB RESEARCH, COMPANY REPORTS

**Figure 7: Investment in XPG: capital increase plan – private placement and rights offering**

|                                | No. of Shares           | Exercise Price | Amount (Baht)           | % Shareholding after PP |
|--------------------------------|-------------------------|----------------|-------------------------|-------------------------|
| Sansiri PLC                    | 403,379,000.00          | 4.1            | 1,653,853,900.00        | 14.08%                  |
| Khun Mongkol Prakitchaiwattana | 363,041,000.00          | 4.1            | 1,488,468,100.00        | 12.67%                  |
| Viriya Insurance PLC           | 268,918,000.00          | 4.1            | 1,102,563,800.00        | 9.38%                   |
| <b>Total PP</b>                | <b>1,035,338,000.00</b> | <b>4.1</b>     | <b>4,244,885,800.00</b> |                         |
| <b>RO (1 RO : 2 Shares)</b>    |                         |                |                         |                         |
| Existing Shareholders          | 3,307,703,344.00        | 0.5            | 1,653,851,672.00        |                         |
| Sansiri PLC                    | 806,758,000.00          | 0.5            | 403,379,000.00          |                         |
| Khun Mongkol Prakitchaiwattana | 726,082,000.00          | 0.5            | 363,041,000.00          |                         |
| Viriya Insurance PLC           | 537,836,000.00          | 0.5            | 268,918,000.00          |                         |
| <b>Total RO</b>                | <b>5,378,379,344.00</b> | <b>0.5</b>     | <b>2,689,189,672.00</b> |                         |
| <b>Total PP + RO</b>           | <b>6,413,717,344.00</b> |                | <b>6,934,075,472.00</b> |                         |

SOURCES: CIMB RESEARCH, COMPANY REPORTS

**Figure 8: SIRI's forward P/E band**

**Figure 9: 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         |              |
|--------------------|------------------|--------|-------------|--------------------|-----------------|--------------|------------|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
|                    |                  |        |             |                    |                 | 2021F        | 2022F      | 2021F               | 2022F       | 2021F       | 2022F       | 2021F       | 2022F       | 2021F       | 2022F        |
| AP Thailand        | AP TB            | Add    | 7.75        | 9.62               | 730             | 5.8          | 5.5        | -0.6%               | 6.1%        | 0.76        | 0.70        | 6.0%        | 6.4%        | 13.7%       | 13.3%        |
| Land and Houses    | LH TB            | Add    | 8.05        | 9.20               | 2,879           | 13.7         | 12.1       | 7.0%                | 13.6%       | 1.89        | 1.83        | 6.2%        | 7.0%        | 13.9%       | 15.4%        |
| LPN Development    | LPN TB           | Reduce | 4.86        | 3.92               | 212             | 13.0         | 11.0       | -24.4%              | 19.0%       | 0.64        | 0.63        | 5.6%        | 6.4%        | 4.7%        | 5.8%         |
| Pruksa Holding     | PSH TB           | Hold   | 12.40       | 11.50              | 812             | 10.3         | 9.1        | -5.2%               | 13.7%       | 0.62        | 0.61        | 7.7%        | 8.3%        | 6.4%        | 6.8%         |
| Quality Houses     | QH TB            | Hold   | 2.18        | 2.34               | 699             | 11.4         | 9.8        | -3.5%               | 16.9%       | 0.85        | 0.82        | 4.8%        | 5.6%        | 7.6%        | 8.6%         |
| Supalai            | SPALI TB         | Add    | 20.70       | 25.00              | 1,207           | 7.3          | 7.2        | 33.5%               | 1.3%        | 1.03        | 1.02        | 6.3%        | 6.4%        | 14.8%       | 14.8%        |
| Sansiri            | SIRI TB          | Hold   | 1.16        | 1.15               | 516             | 10.7         | 9.2        | 7.6%                | 16.8%       | 0.45        | 0.44        | 3.4%        | 4.4%        | 4.2%        | 4.8%         |
| Ananda Development | ANAN TB          | Reduce | 1.54        | 1.30               | 154             | n.a.         | 63.5       | n.a.                | n.a.        | 0.34        | 0.34        | 0.0%        | 0.8%        | -0.1%       | 0.5%         |
| Origin Property    | ORI TB           | Add    | 8.65        | 10.90              | 635             | 6.9          | 6.1        | 21.7%               | 13.2%       | 1.60        | 1.37        | 6.0%        | 6.7%        | 24.8%       | 24.1%        |
| <b>Average</b>     |                  |        |             |                    |                 | <b>9.8</b>   | <b>8.7</b> | <b>11.4%</b>        | <b>8.6%</b> | <b>0.97</b> | <b>0.93</b> | <b>5.9%</b> | <b>6.5%</b> | <b>9.9%</b> | <b>10.7%</b> |

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS, BLOOMBERG



## ESG in a nutshell



SIRI is committed to operating its real estate business with ethics and transparency under the framework of good corporate governance. The company is aware of its corporate social responsibility and gives importance to society, communities and all stakeholders fairly and equally. SIRI has continuously focused on developing quality products that can best respond to changing global trends and customer expectations, meet international standards and comply with sustainable development guidelines.

### Keep your eye on

The management fee that SIRI charges its JV companies for project management and sale fees.

### Implications

SIRI's directors are also directors of the JV companies. The management fees that SIRI charges the JV companies are estimated based on fair price and assessed by the audit committee.

### ESG highlights

SIRI was rated "B" by Refinitiv in 2019, above the Thai property developers' average of "C". Of the three pillars, the company received the highest score for the social pillar. In 2020, SIRI received a "sustainable stock honorary plate" from the Stock Exchange of Thailand and has been certified as an eligible stock in Thailand Sustainability Investment (THSI) list. SIRI received the Marketeer No.1 Brand Thailand 2019-2020 award for being the most popular real estate business in the condominium category.

### Implications

SIRI is determined to take on corporate social responsibility projects such as a partnership with UNICEF to improve children's quality of life through various projects globally, and an environmental conservation mission called "Sansiri Green Mission". The corporate social responsibility projects made Sansiri brand well recognised among local and foreign buyers.

### Trends

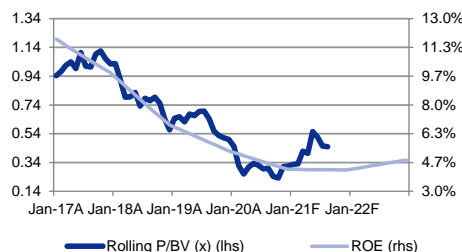
SIRI focuses on improving energy usage efficiency and development of renewable energy usage.

### Implications

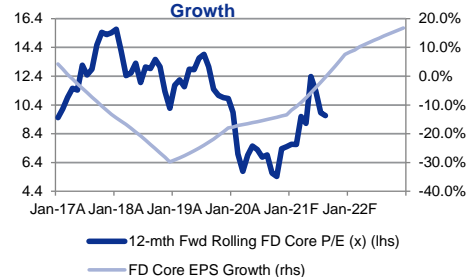
SIRI targets to reduce its energy consumption by 10% by 2022, in relation to 2017 figures, covering its operations in its head office, Siri Campus, precast factory, hotels and Habito community mall.

## BY THE NUMBERS

**P/BV vs ROE**



**12-mth Fwd FD Core P/E vs FD Core EPS Growth**



### Profit & Loss

| (THBm)                                    | Dec-19A       | Dec-20A       | Dec-21F       | Dec-22F       | Dec-23F       |
|-------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total Net Revenues</b>                 | <b>24,310</b> | <b>33,833</b> | <b>29,346</b> | <b>31,402</b> | <b>33,217</b> |
| <b>Gross Profit</b>                       | <b>5,759</b>  | <b>8,065</b>  | <b>8,413</b>  | <b>9,190</b>  | <b>9,878</b>  |
| <b>Operating EBITDA</b>                   | <b>1,490</b>  | <b>2,432</b>  | <b>3,853</b>  | <b>4,200</b>  | <b>4,580</b>  |
| Depreciation And Amortisation             | (429)         | (827)         | (960)         | (945)         | (1,019)       |
| <b>Operating EBIT</b>                     | <b>1,061</b>  | <b>1,605</b>  | <b>2,893</b>  | <b>3,255</b>  | <b>3,561</b>  |
| Financial Income/(Expense)                | (936)         | (1,108)       | (1,618)       | (1,694)       | (1,757)       |
| Pretax Income/(Loss) from Assoc.          | 791           | 429           | 150           | 223           | 103           |
| Non-Operating Income/(Expense)            | 1,050         | 1,058         | 713           | 729           | 758           |
| <b>Profit Before Tax (pre-EI)</b>         | <b>1,967</b>  | <b>1,984</b>  | <b>2,138</b>  | <b>2,514</b>  | <b>2,664</b>  |
| Exceptional Items                         |               |               |               |               |               |
| <b>Pre-tax Profit</b>                     | <b>1,967</b>  | <b>1,984</b>  | <b>2,138</b>  | <b>2,514</b>  | <b>2,664</b>  |
| <b>Taxation</b>                           | <b>(436)</b>  | <b>(739)</b>  | <b>(596)</b>  | <b>(687)</b>  | <b>(768)</b>  |
| Exceptional Income - post-tax             | 744           | 83            | 0             | 0             | 0             |
| <b>Profit After Tax</b>                   | <b>2,275</b>  | <b>1,328</b>  | <b>1,542</b>  | <b>1,826</b>  | <b>1,896</b>  |
| Minority Interests                        | 117           | 215           | 64            | 49            | 36            |
| Pref. & Special Div                       | 0             | 0             | 0             | 0             | 0             |
| FX Gain/(Loss) - post tax                 |               |               |               |               |               |
| Other Adjustments - post-tax              |               |               |               |               |               |
| <b>Net Profit</b>                         | <b>2,392</b>  | <b>1,543</b>  | <b>1,606</b>  | <b>1,875</b>  | <b>1,932</b>  |
| Recurring Net Profit                      | 1,648         | 1,460         | 1,606         | 1,875         | 1,932         |
| <b>Fully Diluted Recurring Net Profit</b> | <b>1,648</b>  | <b>1,460</b>  | <b>1,606</b>  | <b>1,875</b>  | <b>1,932</b>  |

### Cash Flow

| (THBm)                             | Dec-19A        | Dec-20A        | Dec-21F        | Dec-22F        | Dec-23F      |
|------------------------------------|----------------|----------------|----------------|----------------|--------------|
| <b>EBITDA</b>                      | <b>1,490</b>   | <b>2,432</b>   | <b>3,853</b>   | <b>4,200</b>   | <b>4,580</b> |
| Cash Flow from Inv. & Assoc.       |                |                |                |                |              |
| Change In Working Capital          | (24,500)       | (23,792)       | (2,896)        | (4,569)        | (1,466)      |
| Straight Line Adjustment           |                |                |                |                |              |
| (Incr)/Decr in Total Provisions    |                |                |                |                |              |
| Other Non-Cash (Income)/Expense    |                |                |                |                |              |
| Other Operating Cashflow           | 16,158         | 24,930         | (905)          | (964)          | (999)        |
| Net Interest (Paid)/Received       | (936)          | (1,108)        | (1,618)        | (1,694)        | (1,757)      |
| Tax Paid                           | (436)          | (739)          | (596)          | (687)          | (768)        |
| <b>Cashflow From Operations</b>    | <b>(8,223)</b> | <b>1,723</b>   | <b>(2,162)</b> | <b>(3,715)</b> | <b>(411)</b> |
| Capex                              | 0              | 0              | 0              | 0              | 0            |
| Disposals Of FAs/subsidiaries      |                |                |                |                |              |
| Disposals of Investment Properties |                |                |                |                |              |
| Acq. Of Subsidiaries/investments   |                |                |                |                |              |
| Other Investing Cashflow           | (1,112)        | 319            | (399)          | 338            | (897)        |
| <b>Cash Flow From Investing</b>    | <b>(1,112)</b> | <b>319</b>     | <b>(399)</b>   | <b>338</b>     | <b>(897)</b> |
| Debt Raised/(repaid)               | 10,196         | (7,133)        | 1,333          | 1,537          | 1,436        |
| Proceeds From Issue Of Shares      | (543)          | 5,642          | 0              | 0              | 0            |
| Shares Repurchased                 |                |                |                |                |              |
| Dividends Paid                     | (1,838)        | (848)          | (588)          | (672)          | (810)        |
| Preferred Dividends                |                |                |                |                |              |
| Other Financing Cashflow           | (178)          | 1,146          | 1,618          | 1,694          | 1,757        |
| <b>Cash Flow From Financing</b>    | <b>7,638</b>   | <b>(1,194)</b> | <b>2,363</b>   | <b>2,558</b>   | <b>2,384</b> |

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

## BY THE NUMBERS... cont'd

### Balance Sheet

| (THBm)                               | Dec-19A       | Dec-20A       | Dec-21F       | Dec-22F       | Dec-23F       |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Total Cash And Equivalents           | 2,132         | 3,007         | 2,809         | 1,991         | 3,066         |
| Properties Under Development         |               |               |               |               |               |
| Total Debtors                        | 1,970         | 1,667         | 2,231         | 2,391         | 2,532         |
| Inventories                          | 62,844        | 56,081        | 61,049        | 65,346        | 66,585        |
| Total Other Current Assets           | 7,637         | 8,155         | 7,337         | 7,850         | 8,304         |
| <b>Total Current Assets</b>          | <b>74,583</b> | <b>68,909</b> | <b>73,426</b> | <b>77,578</b> | <b>80,487</b> |
| Fixed Assets                         | 2,988         | 6,257         | 6,022         | 6,368         | 6,641         |
| <b>Total Investments</b>             | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| Intangible Assets                    | 0             | 0             | 0             | 0             | 0             |
| Total Other Non-Current Assets       | 30,765        | 37,466        | 37,290        | 35,883        | 35,592        |
| <b>Total Non-current Assets</b>      | <b>33,753</b> | <b>43,723</b> | <b>43,312</b> | <b>42,252</b> | <b>42,233</b> |
| Short-term Debt                      | 6,897         | 4,042         | 11,324        | 11,623        | 11,904        |
| Current Portion of Long-Term Debt    | 10,238        | 16,105        | 2,372         | 2,372         | 2,372         |
| Total Creditors                      | 11,105        | 10,566        | 12,386        | 12,787        | 13,154        |
| Other Current Liabilities            |               |               |               |               |               |
| <b>Total Current Liabilities</b>     | <b>28,240</b> | <b>30,713</b> | <b>26,082</b> | <b>26,782</b> | <b>27,430</b> |
| Total Long-term Debt                 | 45,476        | 38,911        | 46,695        | 47,932        | 49,088        |
| Hybrid Debt - Debt Component         |               |               |               |               |               |
| Total Other Non-Current Liabilities  | 2,745         | 3,810         | 3,810         | 3,810         | 3,810         |
| <b>Total Non-current Liabilities</b> | <b>48,221</b> | <b>42,722</b> | <b>50,505</b> | <b>51,742</b> | <b>52,898</b> |
| Total Provisions                     | 0             | 0             | 0             | 0             | 0             |
| <b>Total Liabilities</b>             | <b>76,461</b> | <b>73,435</b> | <b>76,587</b> | <b>78,525</b> | <b>80,328</b> |
| <b>Shareholders' Equity</b>          | <b>30,943</b> | <b>37,376</b> | <b>38,394</b> | <b>39,597</b> | <b>40,719</b> |
| Minority Interests                   | 931           | 1,822         | 1,757         | 1,708         | 1,672         |
| <b>Total Equity</b>                  | <b>31,875</b> | <b>39,197</b> | <b>40,151</b> | <b>41,305</b> | <b>42,391</b> |

### Key Ratios

|                           | Dec-19A | Dec-20A | Dec-21F | Dec-22F | Dec-23F |
|---------------------------|---------|---------|---------|---------|---------|
| Revenue Growth            | (7.4%)  | 39.2%   | (13.3%) | 7.0%    | 5.8%    |
| Operating EBITDA Growth   | (38.5%) | 63.2%   | 58.5%   | 9.0%    | 9.0%    |
| Operating EBITDA Margin   | 6.1%    | 7.2%    | 13.1%   | 13.4%   | 13.8%   |
| Net Cash Per Share (THB)  | (4.26)  | (3.85)  | (3.87)  | (4.03)  | (4.06)  |
| BVPS (THB)                | 2.18    | 2.57    | 2.58    | 2.66    | 2.74    |
| Gross Interest Cover      | 1.13    | 1.45    | 1.79    | 1.92    | 2.03    |
| Effective Tax Rate        | 22.2%   | 37.3%   | 27.9%   | 27.3%   | 28.8%   |
| Net Dividend Payout Ratio | 111%    | 58%     | 37%     | 36%     | 42%     |
| Accounts Receivables Days | 21.46   | 19.67   | 24.24   | 26.87   | 27.05   |
| Inventory Days            | 1,172   | 845     | 1,021   | 1,038   | 1,032   |
| Accounts Payables Days    | 38.05   | 31.30   | 37.46   | 35.30   | 35.54   |
| ROIC (%)                  | 1.05%   | 1.35%   | 2.34%   | 2.56%   | 2.71%   |
| ROCE (%)                  | 1.20%   | 1.67%   | 2.91%   | 3.19%   | 3.41%   |
| Return On Average Assets  | 2.24%   | 1.93%   | 2.47%   | 2.69%   | 2.72%   |

### Key Drivers

|                                         | Dec-19A  | Dec-20A  | Dec-21F  | Dec-22F  | Dec-23F  |
|-----------------------------------------|----------|----------|----------|----------|----------|
| Unbooked presales                       | 20,806.0 | 31,000.0 | 34,200.0 | 37,620.0 | 41,382.0 |
| Gross margin from residential sales (%) | 26.9%    | 25.0%    | 30.0%    | 30.5%    | 31.0%    |
| Gross margin - total (%)                | 23.7%    | 23.8%    | 28.7%    | 29.3%    | 29.7%    |
| SG&A to sales ratio (%)                 | 19.3%    | 19.1%    | 18.8%    | 18.9%    | 19.0%    |

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

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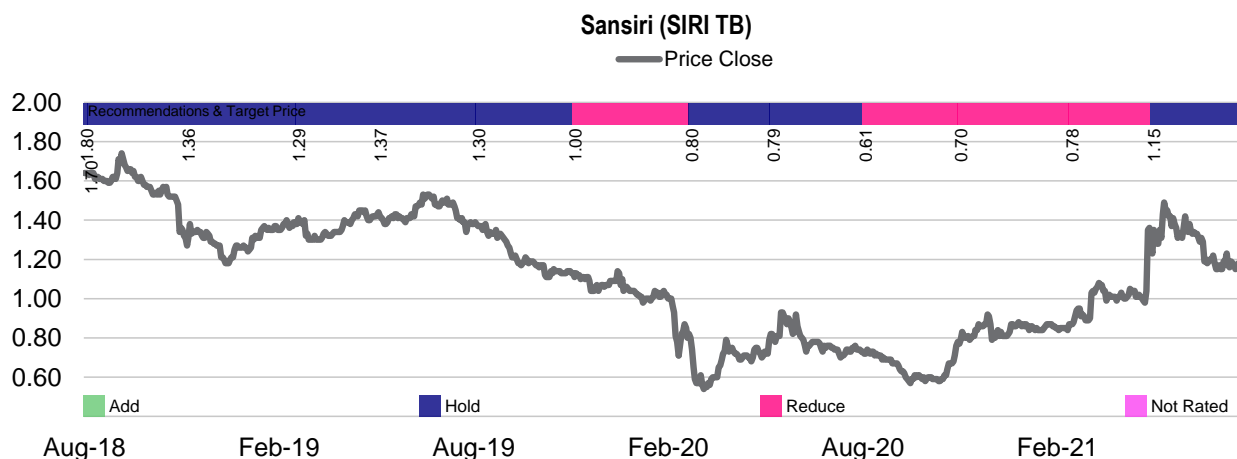
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| Distribution of stock ratings and investment banking clients for quarter ended on 30 June 2021 |                         |                                |
|------------------------------------------------------------------------------------------------|-------------------------|--------------------------------|
| 623 companies under coverage for quarter ended on 30 June 2021                                 |                         |                                |
|                                                                                                | Rating Distribution (%) | Investment Banking clients (%) |
| Add                                                                                            | 72.1%                   | 1.1%                           |
| Hold                                                                                           | 19.3%                   | 0.0%                           |
| Reduce                                                                                         | 8.7%                    | 0.0%                           |

## 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 2020, Anti-Corruption 2020

**ADVANC** – Excellent, Certified, **AMATA** – Excellent, Certified, **ANAN** – Excellent, n/a, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Excellent, n/a, **AU** – Good, n/a, **BAM** – Very Good, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BCP** – Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Excellent, n/a, **BEAUTY** – Good, n/a, **BH** – Good, n/a, **BJC** – Very Good, n/a, **BLA** – Excellent, Certified, **BTS** – Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – n/a, n/a, **CENTEL** – Excellent, Certified, **CHAYO** – Very Good, n/a, **CHG** – Very Good, n/a, **CK** – Excellent, n/a, **COM7** – Very Good, Certified, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** – Excellent, Certified, **CPNREIT** – n/a, n/a, **CRC** – Very Good, n/a, **DELTA** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – n/a, n/a, **DOHOME** – Very Good, n/a, **DREIT** – n/a, n/a, **DTAC** – Excellent, Certified, **ECL** – Excellent, Certified, **EGCO** – Excellent, Certified, **EPG** – Excellent, Certified, **ERW** – Very Good, Certified, **GFPT** – Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **HANA** – Excellent, Certified, **HMPRO** – Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Certified, **III** – Excellent, n/a, **INTUCH** – Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** – Excellent, Certified, **JASIF** – n/a, n/a, **JKN** – Excellent, Declared, **JMT** – Very Good, Declared, **KBANK** – Excellent, Certified, **KCE** – Excellent, Certified, **KEX** – n/a, n/a, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** – Excellent, Certified, **KTC** – Excellent, Certified, **LH** – Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MAKRO** – Excellent, Certified, **MC** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** – Excellent, Certified, **MTC** – Excellent, Certified, **NETBAY** – Very Good, n/a, **NRF** – n/a, n/a, **OR** – n/a, n/a, **ORI** – Excellent, Certified, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PRINC** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PTT** – Excellent, Certified, **PTTEP** – Excellent, Certified, **PTTGC** – Excellent, Certified, **QH** – Excellent, Certified, **RBF** – Good, n/a, **RS** – Excellent, n/a, **RSP** – Good, n/a, **S** – Excellent, n/a, **SAK** – n/a, n/a, **SAPPE** – Very Good, Certified, **SAWAD** – Very Good, n/a, **SCB** – Excellent, Certified, **SCC** – Excellent, Certified, **SCGP** – n/a, n/a, **SHR** – Very Good, n/a, **SIRI** – Excellent, Certified, **SPA** – Very Good, n/a, **SPALI** – Excellent, Declared, **SPRC** – Excellent, Certified, **SSP** – Good, Declared, **STEC** – n/a, n/a, **SVI** – Excellent, Certified, **SYNEX** – Very Good, n/a, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIDLOR** – n/a, n/a, **TISCO** – Excellent, Certified, **TKN** – Very Good, n/a, **TMB** – Excellent, Certified, **TOP** – Excellent, Certified, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Certified, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – n/a, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

- CG Score 2020 from Thai Institute of Directors Association (IOD)

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| 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.                                       |
| <i>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.</i> |                                                                                                                              |
| 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. |