



17 JUN, 2020

## Promotions boost Sansiri

Bangkok Post, Thailand

Page 1 of 2

# Promotions boost Sansiri

## Firm raises presales and transfer targets

**KANANA KATHARANGSIPORN**

Amid heavy promotions to clear stock, SET-listed developer Sansiri Plc has revised up presales and transfer targets by 6 billion baht each despite lower gross margins.

Chief operating officer Uthai Uthaisangsuk said the company now aims to have 39 billion baht in residential unit transfers and 35 billion baht in presales, up from 33 billion and 29 billion baht, respectively, earlier this year.

"The new targets are based on our strong confidence in a recovering economy, the return of foreign buyers and the growth of low-rise house demand," he said. "Low interest rates can boost sales of ready-to-transfer condo units."

The transfer target is expected to grow 26% from 31 billion baht last year and comprise 22 billion baht

from condo units, 13.5 billion baht from single houses and 3.5 billion baht from townhouses.

Of the 35 billion baht in presales, condos will make up 17 billion baht, with 13.7 billion baht from single houses and 4.3 billion baht from townhouses.

Mr Uthai said condo presales will be lower than those of low-rise houses, as the company cut the number of new projects being launched this year.

Sansiri earlier planned 18 projects worth 24 billion baht, then pared the total to 15 projects worth 20 billion baht.

The three projects delayed to next year will be condos, and as a result the company will launch only two condo projects this year. The other 10 will include three single-house projects and seven townhouse projects.

During the first five months, Sansiri recorded 18.2 billion baht in transfers of residential units and 22 billion baht in presales. The five-month presales jumped from 8.2 billion baht in the same period last year.

A key driver was heavy promotions offering payment in instalments for up to 24 months. The campaign started in early April and will run until the end of



**The new targets are based on our strong confidence in a recovering economy.**

**UTHAI UTHAISANGSUK**  
Chief operating officer, Sansiri Plc



17 JUN, 2020

## Promotions boost Sansiri

Bangkok Post, Thailand

Page 2 of 2

this month.

With the use of the promotions, Sansiri expects gross profit margin this year to fall by 3% to 27-29% as it drains inventory, Mr Uthai said.

Sansiri has unsold completed condo units worth 4 billion baht, which will be realised as revenue once sold. The figure is down from a peak of 12 billion baht at the end of last year.

Of the five-month presales, 800 million baht came from foreign buyers, compared with 4.2 billion baht in the first seven months last year, due to a travel ban during the pandemic.

“Public health management in Thailand is one of the best, which could attract foreign buyers in the fourth quarter,” Mr Uthai said.

Sansiri will introduce more single houses under a leasehold contract of 30 years plus 30 years in two top tourist destinations, Chiang Mai and Phuket, to foreign buyers, including Chinese and European.

In 2018-19, the company sold 40 units worth 250 million baht at Bursiri San Phi Suea in Chiang Mai under a leasehold ownership to Chinese.