Sector Weighting | **Neutral** (From: Underweight)

Thailand Property Sector

Improving outlook

Sector Valuation Company	BBG Code	Rec.	Current price (Bt)	Target price (Bt)	Market Cap (US$ m)	Norm EPS grw 2021F (%)	Norm EPS grw 2022F (%)	Norm PE 2021F (x)	Norm PE 2022F (x)	P/BV 2021F (x)	P/BV 2022F (x)	Div yield 2021F (%)	Div yield 2022F (%)
AP (Thailand)	AP TB	BUY	8.70	9.80	873	(10.3)	3.6	7.2	7.0	0.9	0.8	4.8	5.0
Land and Houses	LH TB	BUY	7.80	10.20	2,972	14.7	12.0	12.3	11.0	1.8	1.7	7.1	7.7
L.P.N. Development	LPN TB	SELL	5.00	3.70	235	(11.9)	15.2	11.7	10.1	0.7	0.7	5.1	5.9
Pruksa Holding	PSH TB	SELL	12.70	10.30	886	0.4	13.0	10.0	8.8	0.6	0.6	6.0	6.8
Quality Houses	QH TB	HOLD	2.22	2.40	759	5.9	9.6	10.6	9.7	0.8	0.8	5.7	6.2
Sansiri	SIRI TB	SELL	1.30	0.80	616	(11.6)	12.3	15.2	13.5	0.6	0.6	2.6	3.0
Supalai	SPALI TB	BUY	20.30	26.00	1,387	36.2	13.3	7.5	6.6	1.1	1.0	5.3	6.0

Source: Thanachart estimates based on 24 May 2021 closing prices.

We upgrade the property sector to Neutral as we foresee decent presales and an earnings recovery. Strong presales, a bottoming-out of gross margin and higher associates' equity income should drive the sector's core profit growth by 10-11% in 2021-22F. LH and SPALI are our top picks.

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1Q21 recap

In 1Q21, aggregate presales of the seven developers under our coverage beat our expectation at Bt39.6bn, rising by 16% y-y and 32% q-q, driven by strong demand for low-rise houses which grew by 36% y-y. The sector's normalized profit grew by 19% y-y (down 23% q-q on high seasonality in 4Q) along with property sales growth of 20% y-y. However, property gross margin continued to fall by 41bp y-y and 182bp q-q to 30.5%, after a sharp correction by 196bp last year to 31.1%.

Gross margin pressure continues

LPN, PSH and QH saw gross margin contract by 371-920bp y-y to 25.6-29.9%. Their market share losses over the past five years and current high inventory levels at 3.4-4.0x of yearly sales explain this. Those gaining market share, AP, LH and SPALI, are under no pressure to offer aggressive price discounts. SIRI should see the biggest gross margin jump this year to 30.0% as last year's price cuts brought gross margin down to 25.0%. Excluding SIRI, we estimate the sector's gross margin to fall further to 31.4%, from 32.1% in 2020 and 34.1% in 2019.

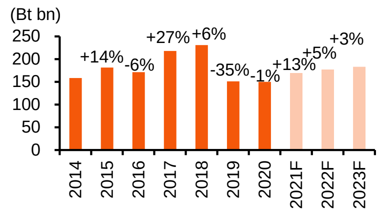
Upgrading to NEUTRAL, top picks are LH and SPALI

We raise our sector weighting to NEUTRAL from Underweight (see Ex 11 for details of our earnings and TP changes) as property demand seems to be resilient amid COVID with presales growth of 13% this year driving the sector's normalized profit growth of 10% in 2021F and 11% in 2022F vs. PE multiples of 10.6x and 9.5x in 2021-22F and average dividend yields of 5.2% and 5.8%. We like LH and SPALI the most for their high low-rise housing exposure, market share gain stories and double-digit normalized EPS growth in 2021-22F.

Diversification into non-property businesses

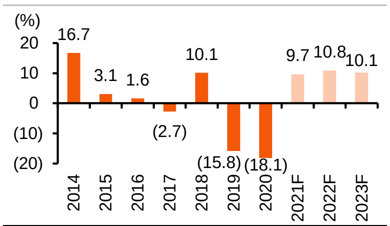
PSH has invested in a 51% stake in Theptarin Hospital and recently opened Vimut Hospital, expecting a profit in year five. We see this as positive for the long term and complementing PSH's housing customers. SIRI has invested 50% in a JV to develop an industrial estate in Bangpakong, Chachoengsao and plans to invest in a 15% holding in Xspring Capital Pcl (XPG TB). Given the huge investment size while returns could take time and are difficult to predict while gearing is also high, we don't like this move.

Property Presales



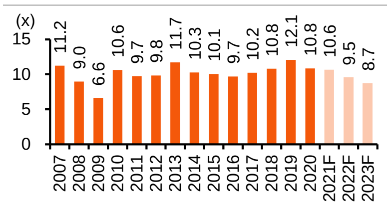
Sources: Company data; Thanachart estimates

Sector's Normalized Profit Growth



Sources: Company data; Thanachart estimates

Sector's PE



Sources: Company data; Thanachart estimates

Thanachart Securities

1Q21 recap

Solid 1Q21 presales, driven by low-rise segment

Property presales: 1Q21 presales came in strong despite the COVID second wave. The seven developers we cover disclosed total presales of Bt39.6bn, or growth of 16% y-y and 32% q-q, on track at 23% of developers' full-year presales target of Bt172.4bn, an increase of 15% this year. Low-rise houses continued to lead the growth, rising by 36% y-y and 19% q-q, and contributing 82% of total presales vs. 70% in 1Q20 and 65% in 2019 before COVID. This shows strong demand for landed property over condominiums as people are staying home more during the work-from-home and learn-from-home period, thus reducing condominium demand near mass transit routes and in the central business district. Condominium presales therefore fell by 32% y-y in 1Q21, following a 38% decline in 2020.

Ex 1: 1Q21 Presales By Product

(Bt m)	1Q21			1Q20			*(y-y%)*			4Q20			*(q-q%)*			2021	1Q21/
	Low-Rise	CD	Total	Low-Rise	CD	Total	*Low-Rise*	*CD*	*Total*	Low-Rise	CD	Total	*Low-Rise*	*CD*	*Total*	target	2021 target (%)
AP	7,293	674	7,967	5,096	949	6,045	*43*	*(29)*	*32*	6,925	660	7,585	*5*	*2*	*5*	35,500	22
LH	7,204	426	7,630	5,170	422	5,592	*39*	*1*	*36*	5,502	-189	5,313	*31*	*(325)*	*44*	28,000	27
LPN	586	1,490	2,076	752	1,868	2,620	*(22)*	*(20)*	*(21)*	643	1,516	2,159	*(9)*	*(2)*	*(4)*	10,000	21
PSH	5,562	1,378	6,940	3,988	2,081	6,069	*39*	*(34)*	*14*	5,423	385	5,808	*3*	*258*	*19*	32,000	22
QH	1,679	81	1,760	1,482	132	1,614	*13*	*(39)*	*9*	1,702	218	1,920	*(1)*	*(63)*	*(8)*	9,200	19
SIRI	4,692	1,349	6,041	3,419	3,207	6,626	*37*	*(58)*	*(9)*	4,258	-894	3,364	*10*	*(251)*	*80*	30,735	20
SPALI	5,600	1,629	7,229	4,000	1,690	5,690	*40*	*(4)*	*27*	3,058	896	3,954	*83*	*82*	*83*	27,000	27
Total	**32,616**	**7,027**	**39,643**	**23,907**	**10,349**	**34,256**	***36***	***(32)***	***16***	**27,511**	**2,592**	**30,103**	***19***	***171***	***32***	**172,435**	**23**

Sources: Company data, Thanachart estimates

Developers are being more active in new launches this year

Since property demand was not really hit by the COVID pandemic last year as presales dropped by only 1% y-y (solid low-rise housing demand offset weak condos), partly due to the most aggressive price cuts ever to clear finished inventories when housing affordability weakened, developers plan to launch 13% more projects this year, mainly low-rise housing projects. The presales growth target is an average of 15% and property sales revenue growth of 7% is expected by developers for 2021.

Ex 2: 2021 Business Targets

	Presales (Bt m)	*% growth*	Property sales (Bt m)	*% growth*	New launches (Bt m)	*% growth*
AP	35,500	*12*	30,100	*4*	43,000	*(4)*
LH	28,000	*5*	30,000	*9*	20,660	*(28)*
LPN	10,000	*(3)*	6,000	*(0)*	8,500	*1*
PSH	32,000	*46*	32,000	*9*	26,630	*69*
QH	9,200	*6*	9,200	*8*	5,321	*16*
SIRI	30,735	*18*	27,000	*(12)*	21,658	*45*
SPALI	27,000	*11*	27,300	*34*	34,000	*39*
Total	**172,435**	***15***	**161,600**	***7***	**159,769**	***13***

Sources: Company data, Thanachart estimates

Strong 1Q21 results, sign of earnings recovery

For 1Q21 operating results, normalized profit was up by 19% y-y but down 23% q-q. This was in line with property sales revenues which grew by 20% y-y but decreased by 20% q-q as the high season for the housing business is normally in the 4Q. However, property gross margin corrected by 41bp y-y and 182bp q-q to 30.5%, after a sharp drop of 196bp to 31.1% in 2020 vs. 33.1% in 2019.

Ex 3: Quarterly Presales

Presales (Bt m)	1Q20	2Q20	3Q20	4Q20	1Q21	(y-y%)	(q-q%)	2019	2020	2021F	2022F	1Q21/ 2021F (%)
AP	6,045	9,040	8,985	7,585	7,967	32	5	32,856	31,655	35,500	37,275	22
LH	5,592	8,022	7,675	5,313	7,630	36	44	25,356	26,602	28,399	30,135	27
LPN	2,620	3,160	2,400	2,159	2,076	(21)	(4)	6,703	10,339	8,084	8,488	26
PSH	6,069	3,507	6,584	5,808	6,940	14	19	35,601	21,968	30,126	31,112	23
QH	1,614	2,771	2,362	1,920	1,760	9	(8)	7,491	8,667	8,901	9,142	20
SIRI	6,626	12,915	3,250	3,365	6,041	(9)	80	20,806	26,156	30,018	31,261	20
SPALI	5,690	6,385	8,347	3,954	7,229	27	83	22,324	24,376	28,167	29,564	26
Total	**34,256**	**45,800**	**39,603**	**30,104**	**39,643**	**16**	**32**	**151,137**	**149,763**	**169,195**	**176,978**	**23**

Sources: Company data, Thanachart estimates

Ex 4: Quarterly Property Sales

Property sales (Bt m)	1Q20	2Q20	3Q20	4Q20	1Q21	(y-y%)	(q-q%)	2019	2020	2021F	2022F	1Q21/ 2021F (%)
AP	5,162	7,583	8,900	7,304	8,879	72	22	22,679	28,949	29,313	31,873	30
LH	5,048	7,230	7,617	7,586	7,140	41	(6)	25,151	27,481	29,176	29,765	24
LPN	1,494	1,226	1,007	2,274	1,057	(29)	(54)	8,717	6,001	6,071	6,237	17
PSH	7,143	6,166	6,353	9,584	6,888	(4)	(28)	39,885	29,244	30,020	31,305	23
QH	1,626	2,233	2,374	2,270	1,868	15	(18)	9,291	8,503	8,868	9,108	21
SIRI	5,383	10,338	7,635	7,203	6,044	12	(16)	19,126	30,559	25,988	27,108	23
SPALI	3,621	2,918	5,824	7,973	3,603	(0)	(55)	23,224	20,336	26,511	29,217	14
Total	**29,477**	**37,694**	**39,709**	**44,194**	**35,478**	**20**	**(20)**	**148,075**	**151,074**	**155,946**	**164,612**	**23**

Sources: Company data, Thanachart estimates

Ex 5: Quarterly Core Profit

Norm profit (Bt m)	1Q20	2Q20	3Q20	4Q20	1Q21	(y-y%)	(q-q%)	2019	2020	2021F	2022F	1Q21/ 2021F (%)
AP	618	1,215	1,450	942	1,403	127	49	3,006	4,227	3,790	3,926	37
LH	1,533	1,353	1,742	1,969	1,652	8	(16)	7,822	6,597	7,565	8,476	22
LPN	217	154	103	243	123	(43)	(50)	1,256	716	631	727	19
PSH	922	417	603	829	606	(34)	(27)	5,359	2,771	2,781	3,144	22
QH	511	457	574	579	431	(16)	(26)	2,847	2,121	2,246	2,462	19
SIRI	(65)	318	765	551	384	na	(30)	1,462	1,569	1,599	1,755	24
SPALI	750	420	1,217	1,865	741	(1)	(60)	5,403	4,251	5,789	6,556	13
Total	**4,485**	**4,334**	**6,454**	**6,979**	**5,340**	**19**	**(23)**	**27,154**	**22,252**	**24,401**	**27,046**	**22**

Sources: Company data, Thanachart estimates

Gross margin pressure continues

Gross margin pressure remains as price cuts continue…

…but we believe gross margin has hit bottom

In 2020, all developers experienced a gross margin decline as COVID impacted customers' purchasing power while the inventory level grew by a 7% three-year CAGR in 2016-19 to Bt339.8bn, equivalent to 3.4x of yearly sales. The degree of gross margin decline was different with a big hit for low-end developers, LPN and PSH, as low-income customers are more sensitive to the weak economy. SIRI saw its gross margin hit bottom at 25% from a normal 32-33% before 2019 given its stretched gearing of 1.9x in 2019. As a result of inventory clearance by property firms, inventory was down by 5% in 2020.

In 1Q21, the gross margin contraction continued, particularly for developers that have lost market share over the past five years while inventory remained high at above 3x yearly sales. LPN, PSH and QH experienced substantial gross margin falls of 371bp-920bp y-y to below 30%. SIRI saw the biggest margin improvement of 1,195bp y-y with gross margin back on par with peers' at nearly 30%.

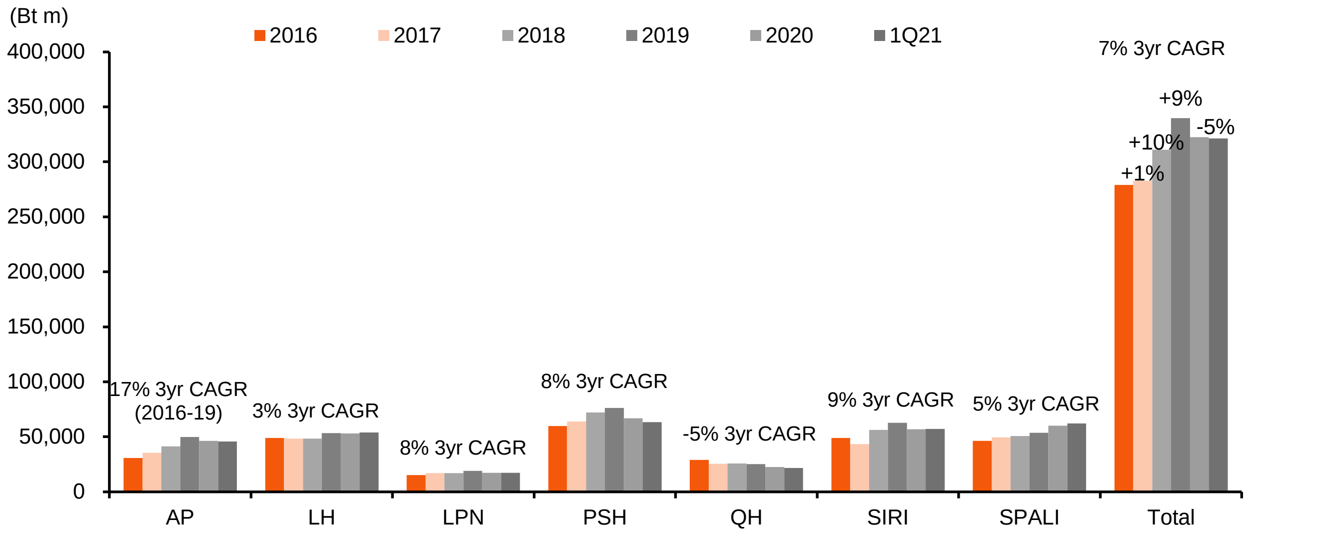
Those gaining market share such as AP, LH and SPALI have been under no pressure to offer aggressive price discounts and we forecast them to deliver better gross margins this year. As some still need to introduce price campaigns to regain market share and lower inventory, we project the sector's property gross margin to improve slightly this year to 31.2%, from the bottom of 31.1% last year. But excluding SIRI, we estimate average gross margin to fall further to 31.4% from 32.1% in 2020 and 34.1% in 2019.

Ex 6: Quarterly Gross Profit

Property GP (%)	1Q20	2Q20	3Q20	4Q20	1Q21	*(y-y%) (bp)*	*(q-q%) (bp)*	2019	2020	2021F	2022F
AP	32.6	28.3	30.0	30.4	31.5	*(113)*	*105*	32.1	30.1	31.2	31.7
LH	29.5	31.0	32.8	32.8	31.9	*236*	*(92)*	32.4	31.7	32.0	33.0
LPN	30.2	29.4	27.4	27.7	25.6	*(468)*	*(210)*	31.7	28.6	26.3	27.7
PSH	35.9	31.9	32.1	29.3	26.7	*(920)*	*(260)*	35.4	32.0	29.6	30.8
QH	33.6	31.5	30.8	32.9	29.9	*(371)*	*(306)*	33.5	32.1	30.2	30.7
SIRI	17.9	21.0	28.8	32.2	29.8	*1,195*	*(237)*	26.9	25.0	30.0	30.2
SPALI	36.5	35.9	36.6	40.8	38.0	*152*	*(274)*	39.4	38.1	39.3	39.7
Total	**30.9**	**29.8**	**31.2**	**32.3**	**30.5**	***(41)***	***(182)***	**33.1**	**31.1**	**31.2**	**32.0**

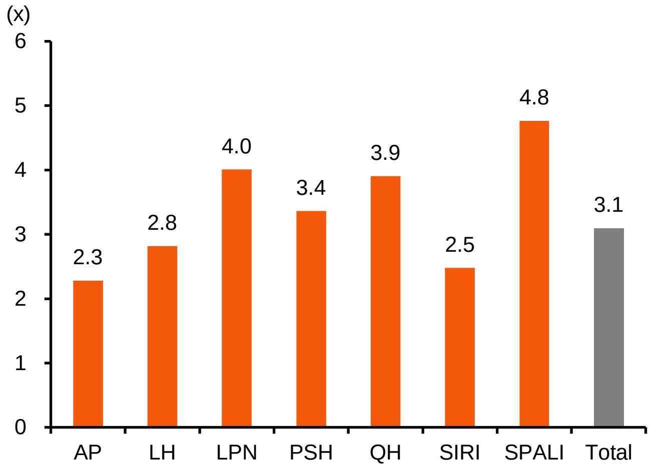
Sources: Company data, Thanachart estimates

Ex 7: Inventory



Sources: Company data, Thanachart estimates

Ex 8: Inventory/Yearly Sales (x) – 2020



Sources: Company data, Thanachart estimates

Ex 9: Presales Market Share

(%)	AP	LH	LPN	PSH	QH	SIRI	SPALI
2016	13.1	14.0	5.8	25.9	8.9	18.2	14.1
2017	19.7	12.1	8.2	21.8	6.4	17.7	14.1
2018	18.0	11.9	6.8	22.3	5.4	21.1	14.5
2019	21.7	16.8	4.4	23.6	5.0	13.8	14.8
2020	21.1	17.8	6.9	14.7	5.8	17.5	16.3
1Q21	20.1	19.2	5.2	17.5	4.4	15.2	18.2
Increase/ decrease (+/-)	+	+	-	-	-	-	+

Sources: Company data, Thanachart estimates

Upgrading to NEUTRAL

Upgrading to NEUTRAL on a presales and earnings recovery

The buoyant 1Q21 presales prompt us to revise up our sector presales assumptions by 8-11% in 2021-23F to presales growth of 13% in 2021F and 5% in 2022F. The bottoming-out of gross margin last year and the recovery in equity income at LH and QH, mainly from Home Product Center (HMPRO TB, BUY, Bt13.80), should also drive the sector's normalized profit to grow by 10% in 2021F and 11% in 2022F, which we believe justifies the current PE multiples of 10.6x and 9.5x in 2021-22F with decent dividend yields of 5.2% and 5.8% in those years. Given the decent presales and forecast earnings recovery, we upgrade our sector weighting to NEUTRAL from Underweight.

Ex 10: Changes In Our Presales Assumptions

Presales	New			Old			*Change (%)*		
(Bt m)	2021F	2022F	2023F	2021F	2022F	2023F	*2021F*	*2022F*	*2023F*
AP	35,500	37,275	39,139	31,030	32,581	34,210	*14*	*14*	*14*
LH	28,399	30,135	31,691	28,399	30,135	31,691	*0*	*0*	*0*
LPN	8,084	8,488	8,743	6,900	7,245	7,462	*17*	*17*	*17*
PSH	30,126	31,112	32,346	27,280	29,205	31,128	*10*	*7*	*4*
QH	8,901	9,142	9,391	8,901	9,142	9,391	*0*	*0*	*0*
SIRI	30,018	31,261	31,247	21,860	23,602	24,563	*37*	*32*	*27*
SPALI	28,167	29,564	30,600	28,167	29,564	30,600	*0*	*0*	*0*
Total presales	**169,195**	**176,978**	**183,157**	**152,536**	**161,474**	**169,045**	***11***	***10***	***8***

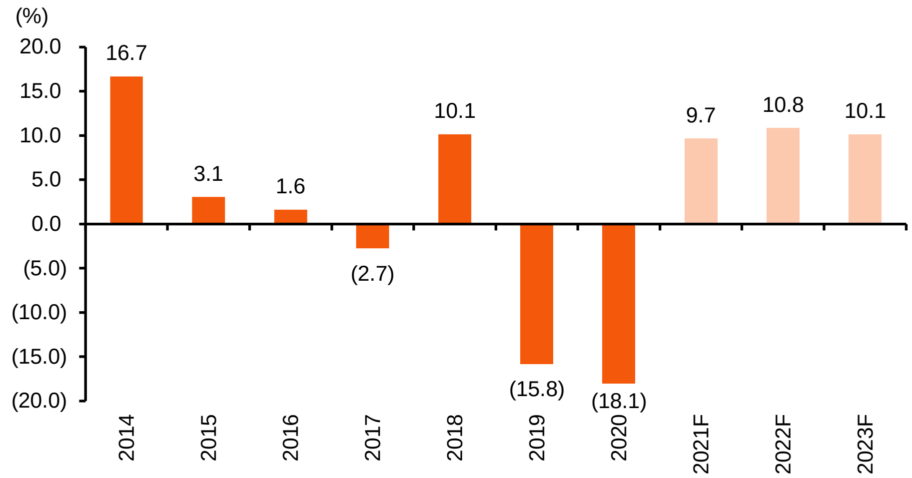
Source: Thanachart estimates

Ex 11: Earnings And TP Changes

Norm profit	2021F			2022F			2023F			TP (Bt/share)			Rating	
(Bt m)	New	Old	% chg	New	Old	% chg	New	Old	% chg	New	Old	% chg	New	Old
Sector	**24,401**	**23,941**	***1.9***	**27,046**	**26,459**	***2.2***	**29,786**	**28,981**	***2.8***				**Neutral**	**Underweight**
AP	3,790	3,334	*13.7*	3,926	3,657	*7.3*	4,387	3,897	*12.6*	9.80	7.70	*27.3*	BUY	BUY
LH	7,565	7,565	*0.0*	8,476	8,476	*0.0*	9,508	9,508	*0.0*	10.20	10.20	*0.0*	BUY	BUY
LPN	631	796	*(20.7)*	727	765	*(5.0)*	822	859	*(4.3)*	3.70	3.70	*0.0*	SELL	SELL
PSH	2,781	3,153	*(11.8)*	3,144	3,475	*(9.5)*	3,429	3,699	*(7.3)*	10.30	8.80	*17.0*	SELL	SELL
QH	2,246	2,398	*(6.3)*	2,462	2,596	*(5.2)*	2,812	2,915	*(3.6)*	2.40	2.60	*(7.7)*	HOLD	HOLD
SIRI	1,599	907	*76.3*	1,755	933	*88.2*	1,804	1,079	*67.2*	0.80	0.50	*60.0*	SELL	SELL
SPALI	5,789	5,789	*0.0*	6,556	6,556	*0.0*	7,024	7,024	*0.0*	26.00	26.00	*0.0*	BUY	BUY
Simple average			***7.3***			***10.8***			***9.2***			***13.8***		

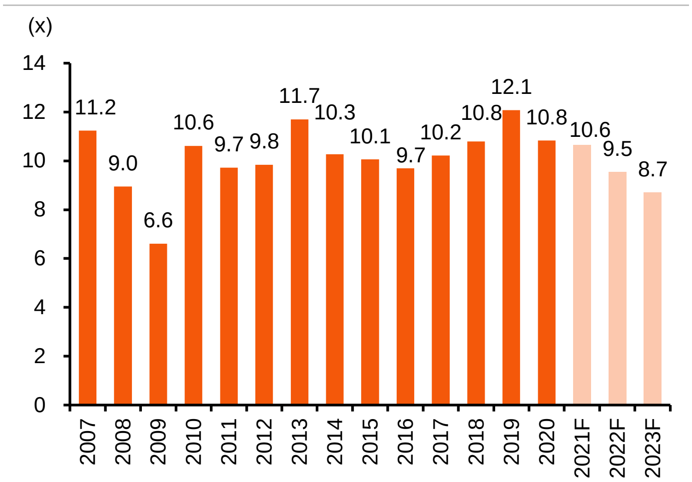
Source: Thanachart estimates

Ex 12: Sector's Normalized Profit Growth



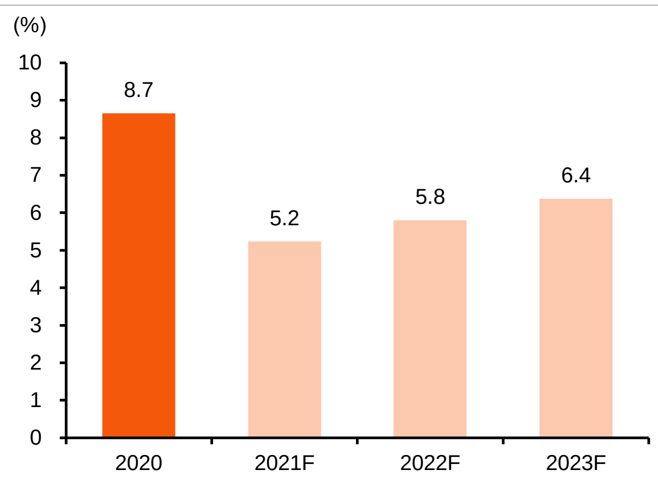
Sources: Company data, Thanachart estimates

Ex 13: Sector's PE



Sources: Company data, Thanachart estimates

Ex 14: Sector's Dividend Yield



Sources: Company data, Thanachart estimates

Diversification into non-property businesses

LH and QH have strong profit contributions from other businesses

Apart from LH and QH that have substantial equity income contributions from associates (39% of LH's 2021F profit and 77% of QH's 2021F profit) operating non-real estate businesses, PSH and SIRI have made moves into non-property businesses this year.

PSH, SIRI are expanding into non-property businesses this year

PSH is entering the hospital business, good for the long term in our view

PSH acquired a 51% stake in Theptanyapa Co Ltd, operator of Theptarin Hospital, on 1 Feb and opened Vimut Hospital on 1 May. PSH was once the market leader in the property business but has been losing market share for many years. Therefore, it has been eyeing expansion into the healthcare business which has more stable recurring income. Although we don't expect any material profit contributions in the coming five years, we believe it is a good long-term diversification strategy given PSH's large and growing customer base while hospital services are vital for people. PSH has guided for Vimut Hospital to turn EBITDA positive in year four and make a profit in year five. It roughly estimates a net loss from Vimut of Bt300m in 2021, Bt200m in 2022 and Bt100m in 2023 based on revenue projections of Bt300m this year (eight months of operations), Bt800m in 2022 and Bt1bn in 2023. In 1Q21, Vimut contributed a net loss of Bt60m. This year, it targets to operate 100 beds with a total bed capacity of 236.

Theptarin Hospital made net profits of Bt15m-35m/year in 2015-18 and a net loss of Bt5m in 2019. In 1Q21, PSH booked Bt107m in one-time equity income from this investment as the fair value was above the Bt709m purchase price. In normal years when the hospital generates profit, contribution to PSH is minimal given PSH's earnings base of Bt3bn/year. Nonetheless, healthcare service synergies can be expected between its two hospitals.

Ex 15: Theptanyapa's Historical Performance

Bt m (YE: December)	2019	2018	2017	2016	2015
Net sales	622	626	601	540	520
Total other income	25	24	23	22	23
Total revenue	648	650	624	562	543
Cost of sales/services	512	503	470	434	410
Gross profit (loss)	110	123	131	106	110
Total operating expenses	138	121	110	106	105
Operating income (loss)	(28)	2	21	0	5
Income (loss) before depreciation and amortization	(3)	26	44	22	28
Income (loss) before interest and income taxes	(3)	26	44	22	28
Interest expenses	2	3	4	5	4
Income taxes	0	2	6	2	5
Net income (loss)	**(5)**	**21**	**35**	**15**	**19**

Sources: Company data, BOL

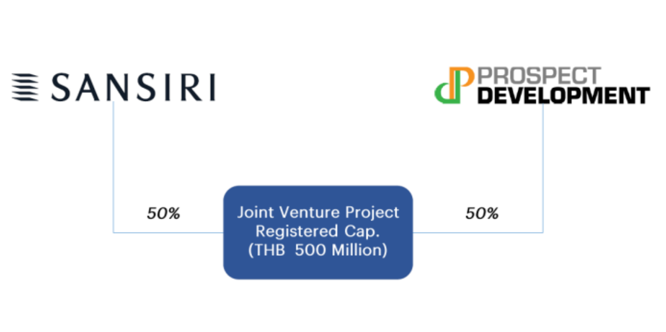
SIRI is diversifying into an industrial estate and a financing service

SIRI has announced two investment deals – the first is a 50:50 JV with Prospect Development Co Ltd, a subsidiary of M.K. Real Estate Development Pcl (MK TB, non-rated) to undertake an industrial estate business and the second is a 15% investment in Xspring Capital Pcl (XPG TB, non-rated).

Industrial estate business: SIRI in April invested in a 50% stake in a JV to develop an industrial estate/factory and warehouse for rent in Bangpakong, Chachoengsao province. As for the accounting treatment, it plans to book the 50% profit contribution as equity income. Since it is still raw land and it will take time to develop the industrial estate, we have yet to factor in any shared profit in our projections.

The plan is to develop a 535-rai land plot located on Bangna-Trad Km.53 in Chachoengsao province into 185 rai of land for sale and 309 rai for factories/warehouses for rent. It expects to begin the project development this year and the first phase of factories/warehouses should be rented out by early next year. Financing would be via 70% project financing and a targeted maximum equity injection of Bt1.2bn with Bt600-700m to be spent this year. The company expects the project's IRR to be at 15-16%.

Ex 16: SIRI's 50:50 JV With Prospect Development

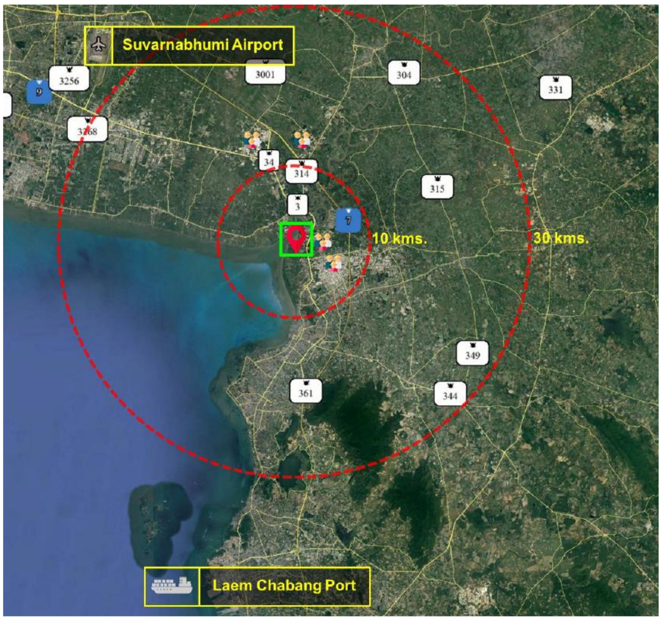


Source: Company data

Ex 17: Prospect Development Profile

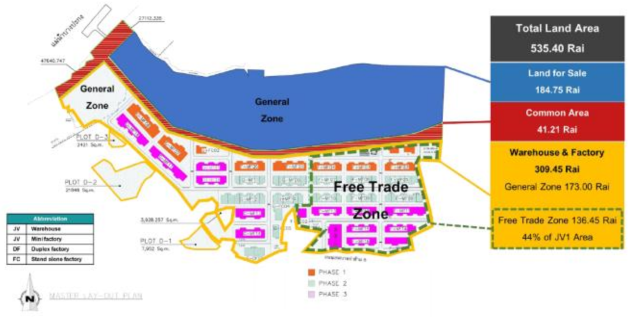
Source: Company data

Ex 18: Project Location – Bangpakong



Source: Company data

Ex 19: Bangpakong Project Details



Source: Company data

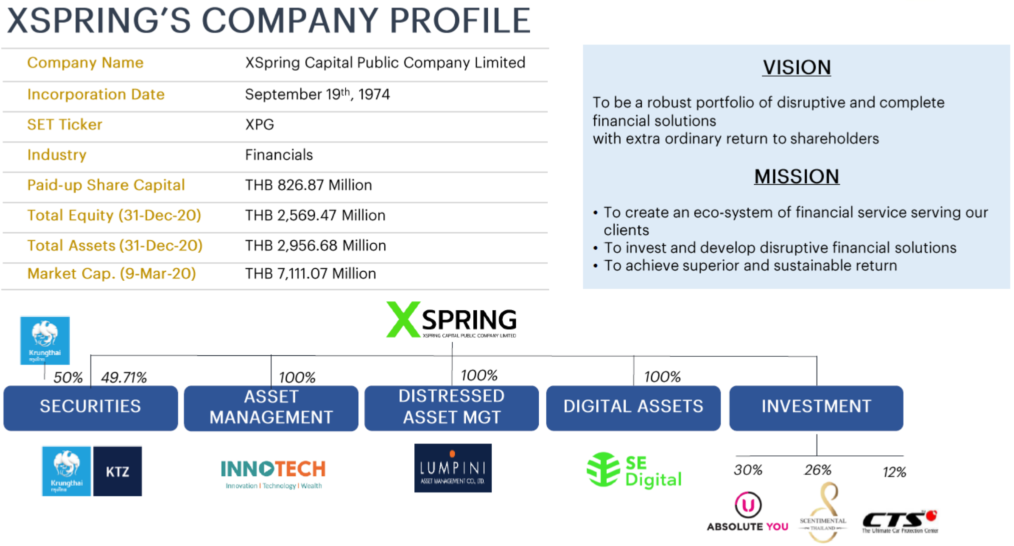
Financing business: In 3Q21, SIRI plans to invest in a 15% stake in Xspring Capital Pcl (XPG TB) by subscribing to private placement shares in July and later on rights offering shares in August with a total investment of Bt2,057m. The objective is to gain exposure to the financial business where Xspring's current major profit contribution is from its 49.71% stake in Krungthai Zmico Securities Co Ltd and future opportunities from XPG's other businesses such as asset management and digital asset (ICO issuance).

Despite the 15% investment which normally receives a return as dividend income, SIRI plans to book shared profit under the equity method and it is still subject to auditor's approval. Based on the historical records, XPG omitted dividend payments for three consecutive years in 2018-20. From its past profit/loss, if it were to book 15% of shared profit, contribution would be immaterial ranging from a Bt29m loss to a Bt34m profit compared to SIRI's net profit of Bt1.5bn/year.

We don't like SIRI's move given the huge investment costs

As the investment cost in these two businesses is huge (Bt2.7bn this year) amid high gearing of 1.4x as of 1Q21 (plus Bt5.05bn in perpetual bonds) and profit from the existing business is small regardless of the dilution from XPG's capital increase while contributions from the new financing businesses are difficult to predict, we don't see this business diversification as positive.

Ex 20: Xspring Capital's Businesses



Source: Company data

Ex 21: Investment Objective In Xspring

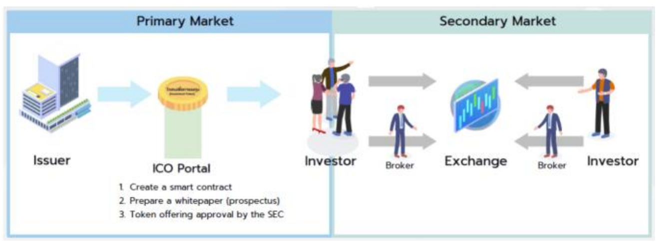
Source: Company data

Ex 22: Xspring's Capital Increase

	No. of Shares	Exercise Price	Amount (Baht)	% Shareholding after PP
Sansiri PLC	403,379,000.00	4.1	1,653,853,900.00	15.00%
Viriya Insurance PLC	268,918,000.00	4.1	1,102,563,800.00	10.00%
Khun Mongkol Prakitchaiwattana	363,041,000.00	4.1	1,488,468,100.00	13.50%
Total PP	1,035,338,000.00	4.1	4,244,885,800.00	
RO (1 RO : 2 Shares)				
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	
Viriya Insurance PLC	537,836,000.00	0.5	268,918,000.00	
Khun Mongkol Prakitchaiwattana	726,082,000.00	0.5	363,041,000.00	
Total RO	5,378,379,344.00	0.5	2,689,189,672.00	
Total PP + RO	6,413,717,344.00		6,934,075,472.00	

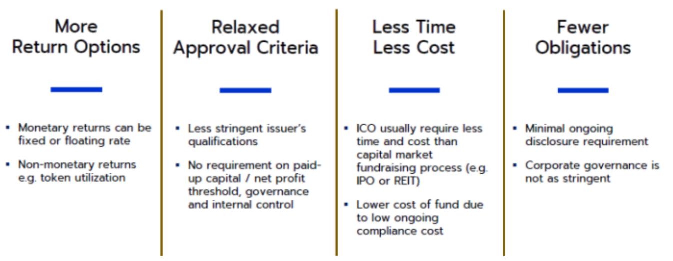
Source: Company data

Ex 23: ICO's Process



Source: Company data

Ex 24: ICO Benefits



Source: Company data

Ex 25: Xspring Capital's Profit (Loss)

(Bt m)	1Q21	2020	2019	2018	2017	2016
Net profit (loss)	50	(17)	81	(196)	10	227
Assume 15% shared profit	8	(2)	12	(29)	1	34

Sources: Company data, Thanachart

Our stock preferences

Prefer low-rise housing developers over condos

As low-rise housing demand has been strong and will likely continue to trend upward, we prefer developers with high low-rise exposure and which have gained more low-rise market share: LH (90% low-rise revenues in 2021F), AP (78% low-rise revenues in 2021F, including 51% of condo JV revenues in total sales), and SPALI (54% low-rise revenues in 2021F). Though the latter two don't have such a high low-rise housing sales mix as LH, we expect both to achieve record low-rise housing presales this year. While gaining share in the Bangkok market from having more products in more diversified locations, both are also doing well in the upcountry market.

Our top picks are LH and SPALI

Our top sector picks are LH and SPALI for double-digit normalized EPS growth in 2021-22F. Our next preferred stock is AP, given solid presales momentum, as this year's earnings may not match the high base achieved last year on falling JV equity income. QH is a HOLD for a 10% three-year EPS CAGR backed by equity income from associates, while we wait for a turnaround in its property business.

We rate PSH, LPN and SIRI as SELLs. PSH has started to regain market share but at the expense of gross margin. We see the loss contribution from Vimut Hospital as a medium-term earnings drag. LPN is still suffering tough demand conditions for low-end condominiums. SIRI is a SELL as investors have chased up the share price on the back of what we regard as overly high expectations for its new investments.

Ex 26: Recommendation Summary

Stock	Rating	Reasons
LH	BUY	High landed property mix, strong brand, high recurring income, no inventory pressure, 30% stake in HMPRO, high dividend yield.
SPALI	BUY	Sector-best EPS growth in 2021F, record-high low-rise presales, low PE, a low-geared company, decent yield.
AP	BUY	Strong low-rise presales with a record level this year, huge JV condo backlog, low PE.
QH	HOLD	High recurring income, a 10% EPS CAGR in 2020-23F backed by equity income supports decent dividends.
PSH	SELL	Slowly regaining market share at the expense of gross margin. New business, hospitals, is a medium-term drag.
LPN	SELL	High-risk budget condo segment, low growth visibility due to low backlog, declining EPS forecast this year.
SIRI	SELL	Overpriced in our view on new investment (IE, Xspring Capital) expectations, high gearing, low ROE.

Source: Thanachart

Ex 27: LH TB - BUY, Price Bt7.80, TP Bt10.20

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	29,898	32,521	33,932	36,079
Net profit	7,145	7,565	8,476	9,508
Norm profit	6,597	7,565	8,476	9,508
Norm EPS (Bt)	0.6	0.6	0.7	0.8
Norm EPS grw (%)	(15.7)	14.7	12.0	12.2
Norm PE (x)	14.1	12.3	11.0	9.8
EV/EBITDA (x)	22.8	19.8	18.0	16.3
P/BV (x)	1.9	1.8	1.7	1.7
Div yield (%)	6.4	7.1	7.7	8.3
ROE (%)	12.9	14.9	16.1	17.4
Net D/E (%)	95.5	86.4	87.4	81.8

Sources: Company data, Thanachart estimates

Ex 28: SPALI TB - BUY, Price Bt20.30, TP Bt26.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	20,588	26,788	29,521	31,042
Net profit	4,251	5,789	6,556	7,024
Norm profit	4,251	5,789	6,556	7,024
Norm EPS (Bt)	2.0	2.7	3.1	3.3
Norm EPS grw (%)	(21.3)	36.2	13.3	7.1
Norm PE (x)	10.2	7.5	6.6	6.2
EV/EBITDA (x)	11.9	9.4	8.2	6.7
P/BV (x)	1.2	1.1	1.0	0.9
Div yield (%)	4.9	5.3	6.0	6.5
ROE (%)	11.5	15.1	15.5	15.1
Net D/E (%)	53.5	57.1	50.3	29.9

Sources: Company data, Thanachart estimates

Ex 29: AP TB - BUY, Price Bt8.70, TP Bt9.80

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	29,888	30,272	32,686	33,721
Net profit	4,227	3,790	3,926	4,387
Norm profit	4,227	3,790	3,926	4,387
Norm EPS (Bt)	1.3	1.2	1.2	1.4
Norm EPS grw (%)	40.6	(10.3)	3.6	11.7
Norm PE (x)	6.5	7.2	7.0	6.2
EV/EBITDA (x)	13.4	12.4	12.2	11.3
P/BV (x)	0.9	0.9	0.8	0.7
Div yield (%)	5.2	4.8	5.0	5.6
ROE (%)	15.2	12.4	11.9	12.3
Net D/E (%)	69.0	70.7	76.8	74.3

Sources: Company data, Thanachart estimates

Ex 30: QH TB - HOLD, Price Bt2.22, TP Bt2.40

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	9,138	9,695	10,135	10,524
Net profit	2,123	2,246	2,462	2,812
Norm profit	2,121	2,246	2,462	2,812
Norm EPS (Bt)	0.2	0.2	0.2	0.3
Norm EPS grw (%)	(25.5)	5.9	9.6	14.2
Norm PE (x)	11.2	10.6	9.7	8.5
EV/EBITDA (x)	27.0	37.1	38.6	35.2
P/BV (x)	0.9	0.8	0.8	0.8
Div yield (%)	5.4	5.7	6.2	7.1
ROE (%)	7.9	8.2	8.6	9.4
Net D/E (%)	54.7	57.8	59.4	59.1

Sources: Company data, Thanachart estimates

Ex 31: PSH TB - SELL, Price Bt12.70, TP Bt10.30

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	29,244	30,020	31,305	32,801
Net profit	2,771	2,781	3,144	3,429
Norm profit	2,771	2,781	3,144	3,429
Norm EPS (Bt)	1.3	1.3	1.4	1.6
Norm EPS grw (%)	(48.3)	0.4	13.0	9.1
Norm PE (x)	10.0	10.0	8.8	8.1
EV/EBITDA (x)	11.7	11.1	9.9	9.2
P/BV (x)	0.6	0.6	0.6	0.6
Div yield (%)	7.6	6.0	6.8	7.4
ROE (%)	6.4	6.4	7.1	7.5
Net D/E (%)	54.1	44.2	43.5	44.1

Sources: Company data, Thanachart estimates

Ex 32: LPN TB - SELL, Price Bt5.00, TP Bt3.70

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	7,363	7,534	7,744	8,105
Net profit	716	631	727	822
Norm profit	716	631	727	822
Norm EPS (Bt)	0.5	0.4	0.5	0.6
Norm EPS grw (%)	(43.0)	(11.9)	15.2	13.0
Norm PE (x)	10.3	11.7	10.1	9.0
EV/EBITDA (x)	14.6	14.5	12.5	11.0
P/BV (x)	0.6	0.7	0.7	0.7
Div yield (%)	28.0	5.1	5.9	6.7
ROE (%)	5.7	5.7	6.9	7.5
Net D/E (%)	66.3	71.5	63.8	58.4

Sources: Company data, Thanachart estimates

Ex 33: SIRI TB - SELL, Price Bt1.30, TP Bt0.80

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	33,833	28,627	30,001	31,196
Net profit	1,673	1,599	1,755	1,804
Norm profit	1,569	1,599	1,755	1,804
Norm EPS (Bt)	0.1	0.1	0.1	0.1
Norm EPS grw (%)	(1.5)	(11.6)	12.3	3.4
Norm PE (x)	13.4	15.2	13.5	13.1
EV/EBITDA (x)	33.4	22.8	22.6	21.6
P/BV (x)	0.5	0.6	0.6	0.5
Div yield (%)	3.1	2.6	3.0	3.1
ROE (%)	4.6	4.5	5.1	5.1
Net D/E (%)	137.2	147.4	153.4	147.6

Sources: Company data, Thanachart estimates

Ex 34: Sector Valuation Comparison

		AP	LH	LPN	PSH	QH	SIRI	SPALI	Average
Rating		**BUY**	**BUY**	**SELL**	**SELL**	**HOLD**	**SELL**	**BUY**	
Target price (Bt)	**Thanachart**	**9.80**	**10.20**	**3.70**	**10.30**	**2.40**	**0.80**	**26.00**	
	Consensus	9.50	9.50	4.10	11.40	2.50	0.90	24.50	
Consensus rec.	Buy	18	20	1	1	5	0	17	
	Hold	3	3	4	8	11	6	3	
	Sell	0	0	14	11	5	5	1	
Sales (Bt m)	2020	29,888	29,898	7,363	29,244	9,138	33,833	20,588	159,953
	2021F	30,272	32,521	7,534	30,020	9,695	28,627	26,788	165,457
	2022F	32,686	33,932	7,744	31,305	10,135	30,001	29,521	175,324
	2023F	33,721	36,079	8,105	32,801	10,524	31,196	31,042	183,469
Norm profits (Bt m)	2020	4,227	6,597	716	2,771	2,121	1,569	4,251	22,252
	2021F	3,790	7,565	631	2,781	2,246	1,599	5,789	24,401
	2022F	3,926	8,476	727	3,144	2,462	1,755	6,556	27,046
	2023F	4,387	9,508	822	3,429	2,812	1,804	7,024	29,786
Sales growth (%)	2020	25.6	(0.5)	(26.0)	(26.7)	(14.4)	39.2	(12.6)	(2.2)
	2021F	1.3	8.8	2.3	2.7	6.1	(15.4)	30.1	5.1
	2022F	8.0	4.3	2.8	4.3	4.5	4.8	10.2	5.6
	2023F	3.2	6.3	4.7	4.8	3.8	4.0	5.2	4.6
Norm profit growth (%)	2020	40.6	(15.7)	(43.0)	(48.3)	(25.5)	7.3	(21.3)	(15.1)
	2021F	(10.3)	14.7	(11.9)	0.4	5.9	1.9	36.2	5.3
	2022F	3.6	12.0	15.2	13.0	9.6	9.8	13.3	10.9
	2023F	11.7	12.2	13.0	9.1	14.2	2.8	7.1	10.0
Norm EPS growth (%)	2020	40.6	(15.7)	(43.0)	(48.3)	(25.5)	(1.5)	(21.3)	(16.4)
	2021F	(10.3)	14.7	(11.9)	0.4	5.9	(11.6)	36.2	3.3
	2022F	3.6	12.0	15.2	13.0	9.6	12.3	13.3	11.3
	2023F	11.7	12.2	13.0	9.1	14.2	3.4	7.1	10.1
Gross margin (%)	2020	31.6	30.6	29.9	32.0	30.9	23.8	38.1	31.0
	2021F	32.6	30.9	29.9	29.6	28.8	28.1	39.2	31.3
	2022F	32.7	32.2	31.0	30.8	29.3	28.4	39.6	32.0
	2023F	33.2	32.9	31.8	31.5	30.0	28.5	39.3	32.5
SG&A/sales (%)	2020	20.6	13.1	17.1	18.6	19.6	19.1	12.6	17.2
	2021F	20.0	13.0	18.0	17.0	20.0	19.0	13.0	17.1
	2022F	20.0	13.0	18.0	17.0	21.0	19.0	12.5	17.2
	2023F	19.5	13.0	18.0	17.0	21.0	19.0	11.7	17.0

Sources: Company data, Thanachart estimates

Ex 34: Sector Valuation Comparison (Con't)

		AP	LH	LPN	PSH	QH	SIRI	SPALI	Average
Rating		**BUY**	**BUY**	**SELL**	**SELL**	**HOLD**	**SELL**	**BUY**	
Target price (Bt)	**Thanachart**	**9.80**	**10.20**	**3.70**	**10.30**	**2.40**	**0.80**	**26.00**	
	Consensus	9.50	9.50	4.10	11.40	2.50	0.90	24.50	
Consensus rec.	Buy	18	20	1	1	5	0	17	
	Hold	3	3	4	8	11	6	3	
	Sell	0	0	14	11	5	5	1	
Net margin (%)	2020	7.6	13.3	9.9	9.7	6.5	2.7	20.0	10.0
	2021F	9.4	14.2	8.4	9.3	5.4	4.9	21.2	10.4
	2022F	9.2	15.2	9.4	10.4	5.2	5.2	21.9	10.9
	2023F	9.8	15.9	10.2	10.9	5.8	5.3	22.4	11.4
ROE (%)	2020	15.2	12.9	5.7	6.4	7.9	4.6	11.5	9.2
	2021F	12.4	14.9	5.7	6.4	8.2	4.5	15.1	9.6
	2022F	11.9	16.1	6.9	7.1	8.6	5.1	15.5	10.2
	2023F	12.3	17.4	7.5	7.5	9.4	5.1	15.1	10.6
ROIC (%)	2020	4.7	4.2	3.6	4.2	1.5	1.0	8.1	3.9
	2021F	6.1	4.7	3.6	4.5	1.6	2.0	9.9	4.6
	2022F	6.1	5.4	4.5	5.4	1.5	2.3	10.1	5.0
	2023F	6.0	5.7	5.0	5.8	1.6	2.3	10.2	5.2
Norm PE (x)	2020	6.5	14.1	10.3	10.0	11.2	13.4	10.2	10.8
	2021F	7.2	12.3	11.7	10.0	10.6	15.2	7.5	10.6
	2022F	7.0	11.0	10.1	8.8	9.7	13.5	6.6	9.5
	2023F	6.2	9.8	9.0	8.1	8.5	13.1	6.2	8.7
Dividend yield (%)	2020	5.2	6.4	28.0	7.6	5.4	3.1	4.9	8.7
	2021F	4.8	7.1	5.1	6.0	5.7	2.6	5.3	5.2
	2022F	5.0	7.7	5.9	6.8	6.2	3.0	6.0	5.8
	2023F	5.6	8.3	6.7	7.4	7.1	3.1	6.5	6.4
Net D/E (x)	2020	0.7	1.0	0.7	0.5	0.5	1.4	0.5	0.8
	2021F	0.7	0.9	0.7	0.4	0.6	1.5	0.6	0.8
	2022F	0.8	0.9	0.6	0.4	0.6	1.5	0.5	0.8
	2023F	0.7	0.8	0.6	0.4	0.6	1.5	0.3	0.7

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 35: Valuation Comparison With Regional Peers

Name	BBG Code	Country	EPS growth 21F (%)	EPS growth 22F (%)	PE 21F (x)	PE 22F (x)	P/BV 21F (x)	P/BV 22F (x)	EV/EBITDA 21F (x)	EV/EBITDA 22F (x)	Div yield 21F (%)	Div yield 22F (%)
Poly Real Estate Group	600048 CH	China	3.0	11.1	4.9	4.4	0.8	0.7	7.9	7.3	5.9	6.6
Agile Property Holdings	3383 HK	China	11.4	13.3	4.6	4.0	0.7	0.6	5.2	4.6	8.8	9.9
Country Garden Holdings	2007 HK	China	(4.2)	11.9	5.5	4.9	1.1	0.9	4.8	4.4	5.3	5.9
China Overseas Land & Invest	688 HK	Hong Kong	10.9	8.0	4.1	3.8	0.5	0.5	4.8	4.3	7.5	8.3
China Resources Land	1109 HK	Hong Kong	10.9	13.1	9.5	8.4	1.2	1.1	6.8	5.8	3.8	4.3
Hang Lung Properties	101 HK	Hong Kong	13.2	10.9	17.8	16.0	0.6	0.6	18.5	16.7	4.0	4.2
Henderson Land Development	12 HK	Hong Kong	(2.8)	4.8	12.3	11.8	0.5	0.5	22.8	21.0	5.1	5.2
Shimao Property Holdings	813 HK	Hong Kong	10.5	15.7	5.5	4.7	0.8	0.7	5.8	5.1	7.4	8.3
Sun Hung Kai Properties	16 HK	Hong Kong	1.8	5.0	11.0	10.5	0.6	0.6	10.6	10.4	4.2	4.4
Sino Land	83 HK	Hong Kong	100.2	(13.6)	9.3	10.8	0.6	0.5	5.6	6.1	4.9	5.0
CapitaLand	CAPL SP	Singapore	26.8	22.1	17.4	14.2	0.8	0.8	19.4	18.1	2.9	3.3
City Developments	CIT SP	Singapore	109.4	55.6	21.1	13.5	0.8	0.8	22.0	17.4	1.8	2.2
Guocoland	GUOL SP	Singapore	(51.7)	(29.9)	18.3	26.1	0.4	0.4	32.8	32.0	3.8	4.4
Asian Property Devt *	AP TB	Thailand	(10.3)	3.6	7.2	7.0	0.9	0.8	12.4	12.2	4.8	5.0
Land and Houses *	LH TB	Thailand	14.7	12.0	12.3	11.0	1.8	1.7	19.8	18.0	7.1	7.7
LPN Development *	LPN TB	Thailand	(11.9)	15.2	11.7	10.1	0.7	0.7	14.5	12.5	5.1	5.9
Pruksa Holding *	PSH TB	Thailand	0.4	13.0	10.0	8.8	0.6	0.6	11.1	9.9	6.0	6.8
Quality Houses *	QH TB	Thailand	5.9	9.6	10.6	9.7	0.8	0.8	37.1	38.6	5.7	6.2
Sansiri *	SIRI TB	Thailand	(11.6)	12.3	15.2	13.5	0.6	0.6	22.8	22.6	2.6	3.0
Supalai *	SPALI TB	Thailand	36.2	13.3	7.5	6.6	1.1	1.0	9.4	8.2	5.3	6.0
Average			**13.1**	**10.3**	**10.8**	**10.0**	**0.8**	**0.7**	**14.7**	**13.8**	**5.1**	**5.6**

Sources: Bloomberg consensus, *Thanachart estimates

Based on 24 May 2021 closing prices

STOCK PERFORMANCE

	Absolute (%)				Rel SET (%)			
	1M	3M	12M	YTD	1M	3M	12M	YTD
SET INDEX	**(0.1)**	**4.1**	**19.0**	**7.1**	**—**	**—**	**—**	**—**
Property Sector	**1.9**	**10.7**	**35.2**	**11.8**	**2.0**	**6.6**	**16.2**	**4.8**
AP	4.1	19.0	83.0	20.7	4.2	14.9	64.0	13.6
LH	(6.6)	0.0	14.7	(1.9)	(6.5)	(4.1)	(4.3)	(9.0)
LPN	0.0	6.4	(1.0)	7.3	0.1	2.3	(20.0)	0.2
PSH	0.0	0.0	17.6	1.6	0.1	(4.1)	(1.4)	(5.5)
QH	(9.8)	(5.1)	6.7	(4.3)	(9.6)	(9.2)	(12.3)	(11.4)
SIRI	30.0	52.9	80.6	60.5	30.1	48.9	61.5	53.4
SPALI	(4.2)	1.5	45.0	(1.0)	(4.1)	(2.6)	26.0	(8.0)

Source: Bloomberg

SECTOR - SWOT ANALYSIS

S — Strength

- Market consolidation with leading developers having advantages – easy access to project financing, brand reputation, economies of scale.
- Strong financials with low net D/E ratios.

W — Weakness

- Low barriers to entry.
- Higher land prices.

O — Opportunity

- Low interest rate environment.
- Growing demand upcountry.

T — Threat

- Small players normally return during market booms.
- Natural disasters.
- Land and building tax, windfall tax.

REGIONAL COMPARISON

	EPS growth		— PE —		— P/BV —		– EV/EBITDA –		— Div. Yield —	
Name	**21F**	**22F**	**21F**	**22F**	**21F**	**22F**	**21F**	**22F**	**21F**	**22F**
China	3.4	12.1	5.0	4.5	0.9	0.8	6.0	5.4	6.7	7.5
Hong Kong	20.7	6.3	9.9	9.4	0.7	0.6	10.7	9.9	5.3	5.7
Singapore	28.2	15.9	18.9	17.9	0.7	0.7	24.7	22.5	2.8	3.3
Thailand	3.3	11.3	10.6	9.5	0.9	0.9	18.2	17.4	5.2	5.8
Average	**13.9**	**11.4**	**11.1**	**10.3**	**0.8**	**0.7**	**14.9**	**13.8**	**5.0**	**5.6**
AP	(10.3)	3.6	7.2	7.0	0.9	0.8	12.4	12.2	4.8	5.0
LH	14.7	12.0	12.3	11.0	1.8	1.7	19.8	18.0	7.1	7.7
LPN	(11.9)	15.2	11.7	10.1	0.7	0.7	14.5	12.5	5.1	5.9
PSH	0.4	13.0	10.0	8.8	0.6	0.6	11.1	9.9	6.0	6.8
QH	5.9	9.6	10.6	9.7	0.8	0.8	37.1	38.6	5.7	6.2
SIRI	(11.6)	12.3	15.2	13.5	0.6	0.6	22.8	22.6	2.6	3.0
SPALI	36.2	13.3	7.5	6.6	1.1	1.0	9.4	8.2	5.3	6.0
Average *- Thailand	**3.3**	**11.3**	**10.6**	**9.5**	**0.9**	**0.9**	**18.2**	**17.4**	**5.2**	**5.8**

Source: Bloomberg consensus

Note: Thanachart estimates – using normalized EPS

Asian Property Development

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	23,802	29,888	30,272	32,686	33,721
Cost of sales	15,627	20,458	20,414	21,985	22,523
Gross profit	**8,176**	**9,430**	**9,858**	**10,701**	**11,198**
% gross margin	34.3%	31.6%	32.6%	32.7%	33.2%
Selling & administration expenses	5,443	6,160	6,054	6,537	6,576
Operating profit	**2,732**	**3,270**	**3,803**	**4,164**	**4,623**
% operating margin	11.5%	10.9%	12.6%	12.7%	13.7%
Depreciation & amortization	118	269	207	228	245
EBITDA	**2,851**	**3,540**	**4,010**	**4,392**	**4,868**
% EBITDA margin	12.0%	11.8%	13.2%	13.4%	14.4%
Non-operating income	88	70	191	73	76
Non-operating expenses	(13)	(6)	0	0	0
Interest expense	(247)	(367)	(395)	(445)	(497)
Pre-tax profit	**2,560**	**2,968**	**3,599**	**3,792**	**4,201**
Income tax	566	690	756	796	882
After-tax profit	**1,994**	**2,278**	**2,844**	**2,996**	**3,319**
% net margin	8.4%	7.6%	9.4%	9.2%	9.8%
Shares in affiliates' Earnings	1,009	1,948	947	930	1,068
Minority interests	4	1	0	0	0
Extraordinary items	61	0	0	0	0
NET PROFIT	**3,068**	**4,227**	**3,790**	**3,926**	**4,387**
Normalized profit	**3,006**	**4,227**	**3,790**	**3,926**	**4,387**
EPS (Bt)	1.0	1.3	1.2	1.2	1.4
Normalized EPS (Bt)	1.0	1.3	1.2	1.2	1.4

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	51,470	49,897	52,454	59,681	64,228
Cash & cash equivalent	570	2,740	752	985	1,000
Account receivables	169	80	415	448	462
Inventories	49,715	46,140	50,337	57,222	61,707
Others	1,016	938	950	1,026	1,058
Investments & loans	5,453	6,462	6,462	6,462	6,462
Net fixed assets	468	409	399	370	325
Other assets	1,403	1,955	1,971	2,028	2,020
Total assets	**58,794**	**58,724**	**61,285**	**68,541**	**73,036**
LIABILITIES:					
Current liabilities:	17,057	13,256	13,525	15,469	16,064
Account payables	1,753	1,824	1,958	2,108	2,160
Bank overdraft & ST loans	8,180	3,113	3,469	4,091	4,300
Current LT debt	4,500	4,600	4,521	5,331	5,604
Others current liabilities	2,623	3,719	3,577	3,939	4,000
Total LT debt	**14,927**	**15,221**	**15,136**	**17,849**	**18,762**
Others LT liabilities	514	983	987	986	959
Total liabilities	**32,498**	**29,461**	**29,647**	**34,304**	**35,785**
Minority interest	(17)	(18)	(18)	(18)	(18)
Preferreds shares	0	0	0	0	0
Paid-up capital	3,146	3,146	3,146	3,146	3,146
Share premium	89	89	89	89	89
Warrants	0	0	0	0	0
Surplus	(0)	0	0	0	0
Retained earnings	**23,078**	**26,046**	**28,421**	**31,020**	**34,033**
Shareholders' equity	26,313	29,281	31,656	34,255	37,268
Liabilities & equity	**58,794**	**58,724**	**61,285**	**68,541**	**73,036**

Sources: Company data; Thanachart estimates

Asian Property Development

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	2,560	2,968	3,599	3,792	4,201
Tax paid	(633)	(683)	(730)	(790)	(868)
Depreciation & amortization	118	269	207	228	245
Chg In w orking capital	(8,457)	3,736	(4,399)	(6,768)	(4,448)
Chg In other CA & CL / minorities	597	2,594	372	765	585
Cash flow from operations	**(5,816)**	**8,884**	**(951)**	**(2,772)**	**(284)**
Capex	(152)	(172)	(100)	(100)	(100)
Right of use	0	(555)	(55)	(6)	(6)
ST loans & investments	0	0	0	0	0
LT loans & investments	(956)	(1,009)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	469	953	342	292	383
Cash flow from investments	**(639)**	**(783)**	**187**	**186**	**278**
Debt financing	7,332	(4,673)	192	4,145	1,396
Capital increase	0	0	0	0	0
Dividends paid	(1,258)	(1,258)	(1,416)	(1,327)	(1,374)
Warrants & other surplus	(0)	0	0	0	0
Cash flow from financing	**6,074**	**(5,931)**	**(1,224)**	**2,818**	**21**
Free cash flow	**(5,968)**	**8,712**	**(1,051)**	**(2,872)**	**(384)**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	9.1	6.5	7.2	7.0	6.2
Normalized PE - at target price (x)	10.3	7.3	8.1	7.9	7.0
PE (x)	8.9	6.5	7.2	7.0	6.2
PE - at target price (x)	10.1	7.3	8.1	7.9	7.0
EV/EBITDA (x)	19.1	13.4	12.4	12.2	11.3
EV/EBITDA - at target price (x)	20.3	14.4	13.3	13.0	12.0
P/BV (x)	1.0	0.9	0.9	0.8	0.7
P/BV - at target price (x)	1.2	1.1	1.0	0.9	0.8
P/CFO (x)	(4.7)	3.1	(28.8)	(9.9)	(96.2)
Price/sales (x)	1.1	0.9	0.9	0.8	0.8
Dividend yield (%)	4.6	5.2	4.8	5.0	5.6
FCF Yield (%)	(21.8)	31.8	(3.8)	(10.5)	(1.4)
(Bt)					
Normalized EPS	1.0	1.3	1.2	1.2	1.4
EPS	1.0	1.3	1.2	1.2	1.4
DPS	0.4	0.5	0.4	0.4	0.5
BV/share	8.4	9.3	10.1	10.9	11.8
CFO/share	(1.8)	2.8	(0.3)	(0.9)	(0.1)
FCF/share	(1.9)	2.8	(0.3)	(0.9)	(0.1)

Sources: Company data; Thanachart estimates

Asian Property Development

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(12.7)	25.6	1.3	8.0	3.2
Net profit (%)	(22.6)	37.8	(10.3)	3.6	11.7
EPS (%)	(22.6)	37.8	(10.3)	3.6	11.7
Normalized profit (%)	(24.0)	40.6	(10.3)	3.6	11.7
Normalized EPS (%)	(24.0)	40.6	(10.3)	3.6	11.7
Dividend payout ratio (%)	41.0	33.5	35.0	35.0	35.0
Operating performance					
Gross margin (%)	34.3	31.6	32.6	32.7	33.2
Operating margin (%)	11.5	10.9	12.6	12.7	13.7
EBITDA margin (%)	12.0	11.8	13.2	13.4	14.4
Net margin (%)	8.4	7.6	9.4	9.2	9.8
D/E (incl. minor) (x)	1.0	0.8	0.7	0.8	0.8
Net D/E (incl. minor) (x)	1.0	0.7	0.7	0.8	0.7
Interest coverage - EBIT (x)	11.0	8.9	9.6	9.4	9.3
Interest coverage - EBITDA (x)	11.5	9.6	10.1	9.9	9.8
ROA - using norm profit (%)	5.6	7.2	6.3	6.0	6.2
ROE - using norm profit (%)	11.8	15.2	12.4	11.9	12.3
DuPont					
ROE - using after tax profit (%)	7.8	8.2	9.3	9.1	9.3
- asset turnover (x)	0.4	0.5	0.5	0.5	0.5
- operating margin (%)	11.8	11.2	13.2	13.0	13.9
- leverage (x)	2.1	2.1	2.0	2.0	2.0
- interest burden (%)	91.2	89.0	90.1	89.5	89.4
- tax burden (%)	77.9	76.8	79.0	79.0	79.0
WACC (%)	9.6	9.6	9.6	9.6	9.6
ROIC (%)	4.9	4.7	6.1	6.1	6.0
NOPAT (Bt m)	2,128	2,510	3,005	3,289	3,652
invested capital (Bt m)	53,350	49,476	54,030	60,541	64,935

Sources: Company data; Thanachart estimates

Land & Houses

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	30,058	29,898	32,521	33,932	36,079
Cost of sales	20,356	20,744	22,473	23,017	24,192
Gross profit	**9,702**	**9,154**	**10,048**	**10,915**	**11,887**
% gross margin	32.3%	30.6%	30.9%	32.2%	32.9%
Selling & administration expenses	4,071	3,904	4,228	4,411	4,690
Operating profit	**5,631**	**5,250**	**5,820**	**6,504**	**7,196**
% operating margin	18.7%	17.6%	17.9%	19.2%	19.9%
Depreciation & amortization	739	951	1,187	1,302	1,378
EBITDA	**6,370**	**6,202**	**7,007**	**7,806**	**8,574**
% EBITDA margin	21.2%	20.7%	21.5%	23.0%	23.8%
Non-operating income	831	718	839	849	898
Non-operating expenses	0	0	0	0	0
Interest expense	(835)	(888)	(897)	(894)	(944)
Pre-tax profit	**5,627**	**5,080**	**5,762**	**6,459**	**7,151**
Income tax	1,165	1,095	1,152	1,292	1,430
After-tax profit	**4,462**	**3,985**	**4,609**	**5,167**	**5,721**
% net margin	14.8%	13.3%	14.2%	15.2%	15.9%
Shares in affiliates' Earnings	3,383	2,588	2,930	3,282	3,759
Minority interests	(23)	23	25	26	28
Extraordinary items	2,203	548	0	0	0
NET PROFIT	**10,025**	**7,145**	**7,565**	**8,476**	**9,508**
Normalized profit	**7,822**	**6,597**	**7,565**	**8,476**	**9,508**
EPS (Bt)	0.8	0.6	0.6	0.7	0.8
Normalized EPS (Bt)	0.7	0.6	0.6	0.7	0.8

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	60,510	63,355	64,368	65,430	64,994
Cash & cash equivalent	4,570	7,113	5,312	4,875	4,615
Account receivables	224	187	203	212	226
Inventories	53,374	52,893	55,414	56,755	56,338
Others	2,342	3,162	3,439	3,589	3,816
Investments & loans	30,442	23,964	23,964	23,964	23,964
Net fixed assets	14,312	11,562	15,102	17,537	18,897
Other assets	7,875	23,690	24,181	23,872	23,778
Total assets	**113,139**	**122,571**	**127,615**	**130,803**	**131,633**
LIABILITIES:					
Current liabilities:	22,838	25,091	26,867	27,597	27,474
Account payables	3,806	3,140	3,694	3,784	3,977
Bank overdraft & ST loans	470	6,845	10,112	10,458	10,177
Current LT debt	15,207	11,226	8,089	8,366	8,142
Others current liabilities	3,355	3,880	4,972	4,989	5,178
Total LT debt	**34,218**	**37,384**	**32,357**	**33,466**	**32,568**
Others LT liabilities	2,899	9,495	16,036	15,510	15,047
Total liabilities	**59,956**	**71,970**	**75,260**	**76,572**	**75,089**
Minority interest	720	697	672	646	618
Preferreds shares	0	0	0	0	0
Paid-up capital	11,950	11,950	11,950	11,950	11,950
Share premium	15,453	15,453	15,453	15,453	15,453
Warrants	0	0	0	0	0
Surplus	2,211	(189)	0	0	0
Retained earnings	**22,850**	**22,690**	**24,280**	**26,182**	**28,524**
Shareholders' equity	52,463	49,904	51,683	53,585	55,926
Liabilities & equity	**113,139**	**122,571**	**127,615**	**130,803**	**131,633**

Sources: Company data; Thanachart estimates

Land & Houses

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	5,627	5,080	5,762	6,459	7,151
Tax paid	(1,251)	(1,092)	(1,112)	(1,267)	(1,395)
Depreciation & amortization	739	951	1,187	1,302	1,378
Chg In working capital	(5,021)	(148)	(1,983)	(1,261)	596
Chg In other CA & CL / minorities	554	1,072	1,963	1,225	1,681
Cash flow from operations	**648**	**5,863**	**5,817**	**6,459**	**9,411**
Capex	219	1,798	(4,000)	(3,000)	(2,000)
Right of use	0	(14,911)	(447)	(13)	(13)
ST loans & investments	0	0	0	0	0
LT loans & investments	(1,162)	6,479	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	5,305	7,456	7,513	959	913
Cash flow from investments	**4,362**	**823**	**3,066**	**(2,055)**	**(1,101)**
Debt financing	(785)	5,562	(4,898)	1,733	(1,403)
Capital increase	0	0	0	0	0
Dividends paid	(7,766)	(7,170)	(5,975)	(6,574)	(7,166)
Warrants & other surplus	222	(2,535)	189	0	0
Cash flow from financing	**(8,329)**	**(4,143)**	**(10,683)**	**(4,841)**	**(8,570)**
Free cash flow	**867**	**7,662**	**1,817**	**3,459**	**7,411**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	11.9	14.1	12.3	11.0	9.8
Normalized PE - at target price (x)	15.6	18.5	16.1	14.4	12.8
PE (x)	9.3	13.0	12.3	11.0	9.8
PE - at target price (x)	12.2	17.1	16.1	14.4	12.8
EV/EBITDA (x)	21.7	22.8	19.8	18.0	16.3
EV/EBITDA - at target price (x)	26.2	27.4	23.9	21.7	19.6
P/BV (x)	1.8	1.9	1.8	1.7	1.7
P/BV - at target price (x)	2.3	2.4	2.4	2.3	2.2
P/CFO (x)	143.9	15.9	16.0	14.4	9.9
Price/sales (x)	3.1	3.1	2.9	2.7	2.6
Dividend yield (%)	9.0	6.4	7.1	7.7	8.3
FCF Yield (%)	0.9	8.2	1.9	3.7	8.0
(Bt)					
Normalized EPS	0.7	0.6	0.6	0.7	0.8
EPS	0.8	0.6	0.6	0.7	0.8
DPS	0.7	0.5	0.6	0.6	0.7
BV/share	4.4	4.2	4.3	4.5	4.7
CFO/share	0.1	0.5	0.5	0.5	0.8
FCF/share	0.1	0.6	0.2	0.3	0.6

Sources: Company data; Thanachart estimates

Land & Houses

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(12.2)	(0.5)	8.8	4.3	6.3
Net profit (%)	(4.3)	(28.7)	5.9	12.0	12.2
EPS (%)	(4.3)	(28.7)	5.9	12.0	12.2
Normalized profit (%)	(15.1)	(15.7)	14.7	12.0	12.2
Normalized EPS (%)	(15.1)	(15.7)	14.7	12.0	12.2
Dividend payout ratio (%)	83.4	83.6	86.9	84.6	81.7
Operating performance					
Gross margin (%)	32.3	30.6	30.9	32.2	32.9
Operating margin (%)	18.7	17.6	17.9	19.2	19.9
EBITDA margin (%)	21.2	20.7	21.5	23.0	23.8
Net margin (%)	14.8	13.3	14.2	15.2	15.9
D/E (incl. minor) (x)	0.9	1.1	1.0	1.0	0.9
Net D/E (incl. minor) (x)	0.9	1.0	0.9	0.9	0.8
Interest coverage - EBIT (x)	6.7	5.9	6.5	7.3	7.6
Interest coverage - EBITDA (x)	7.6	7.0	7.8	8.7	9.1
ROA - using norm profit (%)	7.0	5.6	6.0	6.6	7.2
ROE - using norm profit (%)	15.3	12.9	14.9	16.1	17.4
DuPont					
ROE - using after tax profit (%)	8.7	7.8	9.1	9.8	10.4
- asset turnover (x)	0.3	0.3	0.3	0.3	0.3
- operating margin (%)	21.5	20.0	20.5	21.7	22.4
- leverage (x)	2.2	2.3	2.5	2.5	2.4
- interest burden (%)	87.1	85.1	86.5	87.8	88.3
- tax burden (%)	79.3	78.5	80.0	80.0	80.0
WACC (%)	7.3	7.3	7.3	7.3	7.3
ROIC (%)	4.8	4.2	4.7	5.4	5.7
NOPAT (Bt m)	4,466	4,119	4,656	5,203	5,757
invested capital (Bt m)	97,789	98,246	96,929	101,000	102,198

Sources: Company data; Thanachart estimates

L.P.N. Development

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	9,954	7,363	7,534	7,744	8,105
Cost of sales	6,754	5,158	5,281	5,342	5,530
Gross profit	**3,200**	**2,205**	**2,253**	**2,402**	**2,575**
% gross margin	32.2%	29.9%	29.9%	31.0%	31.8%
Selling & administration expenses	1,695	1,259	1,356	1,394	1,459
Operating profit	**1,505**	**946**	**897**	**1,008**	**1,116**
% operating margin	15.1%	12.8%	11.9%	13.0%	13.8%
Depreciation & amortization	84	93	122	133	144
EBITDA	**1,589**	**1,039**	**1,019**	**1,141**	**1,260**
% EBITDA margin	16.0%	14.1%	13.5%	14.7%	15.6%
Non-operating income	86	95	84	86	91
Non-operating expenses	0	0	0	0	0
Interest expense	(4)	(98)	(180)	(171)	(166)
Pre-tax profit	**1,587**	**943**	**801**	**922**	**1,042**
Income tax	321	217	168	194	219
After-tax profit	**1,266**	**726**	**633**	**729**	**823**
% net margin	12.7%	9.9%	8.4%	9.4%	10.2%
Shares in affiliates' Earnings	(6)	(8)	0	0	0
Minority interests	(4)	(1)	(1)	(1)	(2)
Extraordinary items	0	0	0	0	0
NET PROFIT	**1,256**	**716**	**631**	**727**	**822**
Normalized profit	**1,256**	**716**	**631**	**727**	**822**
EPS (Bt)	0.9	0.5	0.4	0.5	0.6
Normalized EPS (Bt)	0.9	0.5	0.4	0.5	0.6

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	19,940	18,564	16,332	15,936	15,910
Cash & cash equivalent	501	917	650	800	1,000
Account receivables	326	357	365	376	393
Inventories	19,044	17,166	15,192	14,636	14,393
Others	69	125	125	125	125
Investments & loans	90	61	61	61	61
Net fixed assets	2,863	4,395	4,785	5,165	5,535
Other assets	580	599	617	637	664
Total assets	**23,473**	**23,619**	**21,795**	**21,798**	**22,169**
LIABILITIES:					
Current liabilities:	5,444	7,947	7,538	7,242	7,177
Account payables	1,845	1,267	1,302	1,317	1,364
Bank overdraft & ST loans	3,468	4,601	4,247	4,025	3,943
Current LT debt	0	1,980	1,827	1,732	1,697
Others current liabilities	131	99	162	167	174
Total LT debt	**4,165**	**2,168**	**2,001**	**1,897**	**1,858**
Others LT liabilities	705	1,682	1,868	1,922	2,009
Total liabilities	**10,314**	**11,797**	**11,407**	**11,060**	**11,044**
Minority interest	24	0	2	3	5
Preferreds shares	0	0	0	0	0
Paid-up capital	1,476	1,476	1,476	1,476	1,476
Share premium	442	442	442	442	442
Warrants	0	0	0	0	0
Surplus	(93)	(104)	(104)	(104)	(104)
Retained earnings	**11,311**	**10,008**	**8,574**	**8,922**	**9,308**
Shareholders' equity	13,135	11,822	10,387	10,736	11,121
Liabilities & equity	**23,473**	**23,619**	**21,795**	**21,798**	**22,169**

Sources: Company data; Thanachart estimates

L.P.N. Development

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	1,587	943	801	922	1,042
Tax paid	(321)	(217)	(168)	(194)	(219)
Depreciation & amortization	84	93	122	133	144
Chg In working capital	(2,485)	1,269	2,001	562	272
Chg In other CA & CL / minorities	(295)	(295)	(34)	(87)	(82)
Cash flow from operations	**(1,430)**	**1,793**	**2,721**	**1,336**	**1,157**
Capex	(121)	(1,626)	(500)	(500)	(500)
Right of use	0	(215)	(22)	(22)	(22)
ST loans & investments	(35)	(56)	0	0	0
LT loans & investments	(41)	29	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	344	1,405	274	135	158
Cash flow from investments	**148**	**(463)**	**(248)**	**(386)**	**(364)**
Debt financing	2,383	1,115	(674)	(421)	(156)
Capital increase	0	0	0	0	0
Dividends paid	(877)	(2,035)	(2,066)	(379)	(436)
Warrants & other surplus	(145)	5	0	0	0
Cash flow from financing	**1,362**	**(914)**	**(2,740)**	**(800)**	**(593)**
Free cash flow	**(1,551)**	**167**	**2,221**	**836**	**657**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	5.9	10.3	11.7	10.1	9.0
Normalized PE - at target price (x)	4.3	7.6	8.6	7.5	6.6
PE (x)	5.9	10.3	11.7	10.1	9.0
PE - at target price (x)	4.3	7.6	8.6	7.5	6.6
EV/EBITDA (x)	9.1	14.6	14.5	12.5	11.0
EV/EBITDA - at target price (x)	7.9	12.8	12.7	10.8	9.5
P/BV (x)	0.6	0.6	0.7	0.7	0.7
P/BV - at target price (x)	0.4	0.5	0.5	0.5	0.5
P/CFO (x)	(5.2)	4.1	2.7	5.5	6.4
Price/sales (x)	0.7	1.0	1.0	1.0	0.9
Dividend yield (%)	12.0	28.0	5.1	5.9	6.7
FCF Yield (%)	(21.0)	2.3	30.1	11.3	8.9
(Bt)					
Normalized EPS	0.9	0.5	0.4	0.5	0.6
EPS	0.9	0.5	0.4	0.5	0.6
DPS	0.6	1.4	0.3	0.3	0.3
BV/share	8.9	8.0	7.0	7.3	7.5
CFO/share	(1.0)	1.2	1.8	0.9	0.8
FCF/share	(1.1)	0.1	1.5	0.6	0.4

Sources: Company data; Thanachart estimates

L.P.N. Development

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(11.5)	(26.0)	2.3	2.8	4.7
Net profit (%)	(8.1)	(43.0)	(11.9)	15.2	13.0
EPS (%)	(8.1)	(43.0)	(11.9)	15.2	13.0
Normalized profit (%)	(8.1)	(43.0)	(11.9)	15.2	13.0
Normalized EPS (%)	(8.1)	(43.0)	(11.9)	15.2	13.0
Dividend payout ratio (%)	70.5	288.4	60.0	60.0	60.0
Operating performance					
Gross margin (%)	32.2	29.9	29.9	31.0	31.8
Operating margin (%)	15.1	12.8	11.9	13.0	13.8
EBITDA margin (%)	16.0	14.1	13.5	14.7	15.6
Net margin (%)	12.7	9.9	8.4	9.4	10.2
D/E (incl. minor) (x)	0.6	0.7	0.8	0.7	0.7
Net D/E (incl. minor) (x)	0.5	0.7	0.7	0.6	0.6
Interest coverage - EBIT (x)	348.7	9.7	5.0	5.9	6.7
Interest coverage - EBITDA (x)	368.1	10.6	5.7	6.7	7.6
ROA - using norm profit (%)	5.6	3.0	2.8	3.3	3.7
ROE - using norm profit (%)	9.6	5.7	5.7	6.9	7.5
DuPont					
ROE - using after tax profit (%)	9.7	5.8	5.7	6.9	7.5
- asset turnover (x)	0.4	0.3	0.3	0.4	0.4
- operating margin (%)	16.0	14.1	13.0	14.1	14.9
- leverage (x)	1.7	1.9	2.0	2.1	2.0
- interest burden (%)	99.7	90.6	81.6	84.3	86.3
- tax burden (%)	79.8	76.9	79.0	79.0	79.0
WACC (%)	7.1	7.1	7.1	7.1	7.1
ROIC (%)	6.8	3.6	3.6	4.5	5.0
NOPAT (Bt m)	1,201	728	708	796	882
invested capital (Bt m)	20,268	19,654	17,812	17,589	17,618

Sources: Company data; Thanachart estimates

Pruksa Holding

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	39,885	29,244	30,020	31,305	32,801
Cost of sales	25,754	19,876	21,137	21,660	22,467
Gross profit	**14,131**	**9,368**	**8,884**	**9,645**	**10,334**
% gross margin	35.4%	32.0%	29.6%	30.8%	31.5%
Selling & administration expenses	7,060	5,437	5,103	5,322	5,576
Operating profit	**7,071**	**3,931**	**3,780**	**4,323**	**4,758**
% operating margin	17.7%	13.4%	12.6%	13.8%	14.5%
Depreciation & amortization	451	455	493	522	547
EBITDA	**7,522**	**4,386**	**4,273**	**4,845**	**5,305**
% EBITDA margin	18.9%	15.0%	14.2%	15.5%	16.2%
Non-operating income	267	269	282	296	311
Non-operating expenses	0	0	0	0	0
Interest expense	(324)	(515)	(519)	(483)	(563)
Pre-tax profit	**7,014**	**3,685**	**3,543**	**4,136**	**4,506**
Income tax	1,555	858	744	869	946
After-tax profit	**5,459**	**2,827**	**2,799**	**3,268**	**3,560**
% net margin	13.7%	9.7%	9.3%	10.4%	10.9%
Shares in affiliates' Earnings	(0)	0	107	10	12
Minority interests	(100)	(56)	(125)	(134)	(143)
Extraordinary items	0	0	0	0	0
NET PROFIT	**5,359**	**2,771**	**2,781**	**3,144**	**3,429**
Normalized profit	**5,359**	**2,771**	**2,781**	**3,144**	**3,429**
EPS (Bt)	2.5	1.3	1.3	1.4	1.6
Normalized EPS (Bt)	2.5	1.3	1.3	1.4	1.6

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	79,756	69,853	66,642	68,624	71,162
Cash & cash equivalent	1,774	1,337	1,245	1,578	1,600
Account receivables	0	0	0	0	0
Inventories	76,244	66,863	63,700	65,276	67,708
Others	1,737	1,653	1,697	1,769	1,854
Investments & loans	819	826	826	826	826
Net fixed assets	5,238	6,010	6,529	7,020	7,486
Other assets	969	1,585	1,616	1,646	1,682
Total assets	**86,782**	**78,273**	**75,614**	**78,115**	**81,156**
LIABILITIES:					
Current liabilities:	24,574	16,065	17,301	17,735	18,456
Account payables	2,191	1,277	1,390	1,365	1,231
Bank overdraft & ST loans	6,000	1,500	4,188	4,335	4,541
Current LT debt	7,150	6,950	5,026	5,202	5,449
Others current liabilities	9,233	6,337	6,697	6,833	7,235
Total LT debt	**17,950**	**16,557**	**11,728**	**12,138**	**12,714**
Others LT liabilities	466	1,865	1,994	2,042	2,099
Total liabilities	**42,990**	**34,487**	**31,023**	**31,915**	**33,270**
Minority interest	736	740	864	999	1,142
Preferreds shares	0	0	0	0	0
Paid-up capital	2,189	2,189	2,187	2,187	2,187
Share premium	1,873	1,873	1,873	1,873	1,873
Warrants	0	0	0	0	0
Surplus	(106)	(115)	(115)	(115)	(115)
Retained earnings	**39,101**	**39,100**	**39,782**	**41,257**	**42,800**
Shareholders' equity	43,056	43,047	43,727	45,202	46,745
Liabilities & equity	**86,782**	**78,273**	**75,614**	**78,115**	**81,156**

Sources: Company data; Thanachart estimates

Pruksa Holding

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	7,014	3,685	3,543	4,136	4,506
Tax paid	(1,697)	(1,124)	(673)	(888)	(914)
Depreciation & amortization	451	455	493	522	547
Chg In w orking capital	(4,376)	8,467	3,275	(1,601)	(2,565)
Chg In other CA & CL / minorities	(1,097)	(3,204)	(74)	(302)	(163)
Cash flow from operations	**294**	**8,278**	**6,565**	**1,868**	**1,411**
Capex	(950)	(1,226)	(1,000)	(1,000)	(1,000)
Right of use	0	(629)	(19)	(1)	(1)
ST loans & investments	0	0	0	0	0
LT loans & investments	(5)	(7)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	465	2,019	529	401	469
Cash flow from investments	**(490)**	**157**	**(490)**	**(600)**	**(531)**
Debt financing	4,000	(6,093)	(4,065)	733	1,029
Capital increase	0	0	(2)	0	0
Dividends paid	(3,502)	(2,758)	(2,099)	(1,669)	(1,886)
Warrants & other surplus	27	(22)	0	0	0
Cash flow from financing	**526**	**(8,873)**	**(6,166)**	**(935)**	**(858)**
Free cash flow	**(656)**	**7,052**	**5,565**	**868**	**411**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	5.2	10.0	10.0	8.8	8.1
Normalized PE - at target price (x)	4.2	8.1	8.1	7.2	6.6
PE (x)	5.2	10.0	10.0	8.8	8.1
PE - at target price (x)	4.2	8.1	8.1	7.2	6.6
EV/EBITDA (x)	7.6	11.7	11.1	9.9	9.2
EV/EBITDA - at target price (x)	6.9	10.5	9.9	8.8	8.2
P/BV (x)	0.6	0.6	0.6	0.6	0.6
P/BV - at target price (x)	0.5	0.5	0.5	0.5	0.5
P/CFO (x)	94.4	3.4	4.2	14.9	19.7
Price/sales (x)	0.7	1.0	0.9	0.9	0.8
Dividend yield (%)	12.2	7.6	6.0	6.8	7.4
FCF Yield (%)	(2.4)	25.4	20.0	3.1	1.5
(Bt)					
Normalized EPS	2.5	1.3	1.3	1.4	1.6
EPS	2.5	1.3	1.3	1.4	1.6
DPS	1.6	1.0	0.8	0.9	0.9
BV/share	19.7	19.7	20.0	20.7	21.4
CFO/share	0.1	3.8	3.0	0.9	0.6
FCF/share	(0.3)	3.2	2.5	0.4	0.2

Sources: Company data; Thanachart estimates

Pruksa Holding

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(11.2)	(26.7)	2.7	4.3	4.8
Net profit (%)	(11.0)	(48.3)	0.4	13.0	9.1
EPS (%)	(11.0)	(48.3)	0.4	13.0	9.1
Normalized profit (%)	(11.0)	(48.3)	0.4	13.0	9.1
Normalized EPS (%)	(11.0)	(48.3)	0.4	13.0	9.1
Dividend payout ratio (%)	63.2	75.8	60.0	60.0	60.0
Operating performance					
Gross margin (%)	35.4	32.0	29.6	30.8	31.5
Operating margin (%)	17.7	13.4	12.6	13.8	14.5
EBITDA margin (%)	18.9	15.0	14.2	15.5	16.2
Net margin (%)	13.7	9.7	9.3	10.4	10.9
D/E (incl. minor) (x)	0.7	0.6	0.5	0.5	0.5
Net D/E (incl. minor) (x)	0.7	0.5	0.4	0.4	0.4
Interest coverage - EBIT (x)	21.8	7.6	7.3	9.0	8.5
Interest coverage - EBITDA (x)	23.2	8.5	8.2	10.0	9.4
ROA - using norm profit (%)	6.4	3.4	3.6	4.1	4.3
ROE - using norm profit (%)	12.7	6.4	6.4	7.1	7.5
DuPont					
ROE - using after tax profit (%)	13.0	6.6	6.5	7.3	7.7
- asset turnover (x)	0.5	0.4	0.4	0.4	0.4
- operating margin (%)	18.4	14.4	13.5	14.8	15.5
- leverage (x)	2.0	1.9	1.8	1.7	1.7
- interest burden (%)	95.6	87.7	87.2	89.6	88.9
- tax burden (%)	77.8	76.7	79.0	79.0	79.0
WACC (%)	9.9	9.9	9.9	9.9	9.9
ROIC (%)	8.2	4.2	4.5	5.4	5.8
NOPAT (Bt m)	5,504	3,016	2,986	3,415	3,759
invested capital (Bt m)	72,381	66,717	63,424	65,300	67,849

Sources: Company data; Thanachart estimates

Quality Houses

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	10,680	9,138	9,695	10,135	10,524
Cost of sales	7,083	6,318	6,899	7,170	7,364
Gross profit	**3,596**	**2,820**	**2,796**	**2,965**	**3,160**
% gross margin	33.7%	30.9%	28.8%	29.3%	30.0%
Selling & administration expenses	2,255	1,790	1,939	2,128	2,210
Operating profit	**1,341**	**1,030**	**857**	**837**	**950**
% operating margin	12.6%	11.3%	8.8%	8.3%	9.0%
Depreciation & amortization	223	390	221	230	239
EBITDA	**1,564**	**1,420**	**1,078**	**1,067**	**1,189**
% EBITDA margin	14.6%	15.5%	11.1%	10.5%	11.3%
Non-operating income	263	237	252	264	274
Non-operating expenses	0	0	0	0	0
Interest expense	(390)	(392)	(416)	(432)	(450)
Pre-tax profit	**1,214**	**875**	**693**	**668**	**774**
Income tax	294	284	173	139	163
After-tax profit	**920**	**591**	**520**	**530**	**611**
% net margin	8.6%	6.5%	5.4%	5.2%	5.8%
Shares in affiliates' Earnings	1,927	1,530	1,727	1,932	2,201
Minority interests	0	0	0	0	0
Extraordinary items	7	2	0	0	0
NET PROFIT	**2,854**	**2,123**	**2,246**	**2,462**	**2,812**
Normalized profit	**2,847**	**2,121**	**2,246**	**2,462**	**2,812**
EPS (Bt)	0.3	0.2	0.2	0.2	0.3
Normalized EPS (Bt)	0.3	0.2	0.2	0.2	0.3

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	27,507	25,227	28,432	30,604	32,608
Cash & cash equivalent	2,212	2,510	2,734	2,913	3,156
Account receivables	98	37	39	41	42
Inventories	25,040	22,545	25,515	27,500	29,253
Others	157	136	144	151	156
Investments & loans	11,652	11,430	11,430	11,430	11,430
Net fixed assets	9,065	8,805	9,146	9,479	9,803
Other assets	2,679	2,205	2,258	2,264	2,261
Total assets	**50,902**	**47,667**	**51,266**	**53,776**	**56,101**
LIABILITIES:					
Current liabilities:	10,860	8,663	9,647	10,239	10,658
Account payables	630	502	662	687	706
Bank overdraft & ST loans	500	998	949	1,014	1,060
Current LT debt	8,027	5,400	6,310	6,740	7,049
Others current liabilities	1,703	1,762	1,726	1,798	1,843
Total LT debt	**12,088**	**10,639**	**11,719**	**12,518**	**13,091**
Others LT liabilities	1,090	1,797	1,815	1,820	1,818
Total liabilities	**24,038**	**21,099**	**23,181**	**24,577**	**25,567**
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	10,714	10,714	10,714	10,714	10,714
Share premium	379	379	379	379	379
Warrants	0	0	0	0	0
Surplus	(87)	(556)	0	0	0
Retained earnings	**15,856**	**16,031**	**16,992**	**18,106**	**19,440**
Shareholders' equity	26,863	26,568	28,085	29,199	30,534
Liabilities & equity	**50,902**	**47,667**	**51,266**	**53,776**	**56,101**

Sources: Company data; Thanachart estimates

Quality Houses

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	1,214	875	693	668	774
Tax paid	(525)	(253)	(189)	(123)	(165)
Depreciation & amortization	223	390	221	230	239
Chg In working capital	175	2,428	(2,813)	(1,960)	(1,736)
Chg In other CA & CL / minorities	87	1,219	1,315	1,583	1,827
Cash flow from operations	**1,173**	**4,659**	**(773)**	**398**	**938**
Capex	2,499	65	(500)	(500)	(500)
Right of use	0	(1,011)	(30)	(1)	(1)
ST loans & investments	0	0	0	0	0
LT loans & investments	(341)	222	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(978)	2,360	316	336	354
Cash flow from investments	**1,181**	**1,636**	**(214)**	**(165)**	**(147)**
Debt financing	(1,686)	(3,578)	1,941	1,293	929
Capital increase	0	0	0	0	0
Dividends paid	(2,250)	(1,821)	(1,286)	(1,348)	(1,477)
Warrants & other surplus	(26)	(597)	556	0	0
Cash flow from financing	**(3,963)**	**(5,997)**	**1,212**	**(54)**	**(548)**
Free cash flow	**3,672**	**4,724**	**(1,273)**	**(102)**	**438**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	8.4	11.2	10.6	9.7	8.5
Normalized PE - at target price (x)	9.0	12.1	11.4	10.4	9.1
PE (x)	8.3	11.2	10.6	9.7	8.5
PE - at target price (x)	9.0	12.1	11.4	10.4	9.1
EV/EBITDA (x)	27.0	27.0	37.1	38.6	35.2
EV/EBITDA - at target price (x)	28.2	28.3	38.9	40.4	36.8
P/BV (x)	0.9	0.9	0.8	0.8	0.8
P/BV - at target price (x)	1.0	1.0	0.9	0.9	0.8
P/CFO (x)	20.3	5.1	(30.8)	59.7	25.4
Price/sales (x)	2.2	2.6	2.5	2.3	2.3
Dividend yield (%)	9.0	5.4	5.7	6.2	7.1
FCF Yield (%)	15.4	19.9	(5.4)	(0.4)	1.8
(Bt)					
Normalized EPS	0.3	0.2	0.2	0.2	0.3
EPS	0.3	0.2	0.2	0.2	0.3
DPS	0.2	0.1	0.1	0.1	0.2
BV/share	2.5	2.5	2.6	2.7	2.8
CFO/share	0.1	0.4	(0.1)	0.0	0.1
FCF/share	0.3	0.4	(0.1)	(0.0)	0.0

Sources: Company data; Thanachart estimates

Quality Houses

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(32.8)	(14.4)	6.1	4.5	3.8
Net profit (%)	(24.9)	(25.6)	5.8	9.6	14.2
EPS (%)	(24.9)	(25.6)	5.8	9.6	14.2
Normalized profit (%)	(24.9)	(25.5)	5.9	9.6	14.2
Normalized EPS (%)	(24.9)	(25.5)	5.9	9.6	14.2
Dividend payout ratio (%)	75.1	60.5	60.0	60.0	60.0
Operating performance					
Gross margin (%)	33.7	30.9	28.8	29.3	30.0
Operating margin (%)	12.6	11.3	8.8	8.3	9.0
EBITDA margin (%)	14.6	15.5	11.1	10.5	11.3
Net margin (%)	8.6	6.5	5.4	5.2	5.8
D/E (incl. minor) (x)	0.8	0.6	0.7	0.7	0.7
Net D/E (incl. minor) (x)	0.7	0.5	0.6	0.6	0.6
Interest coverage - EBIT (x)	3.4	2.6	2.1	1.9	2.1
Interest coverage - EBITDA (x)	4.0	3.6	2.6	2.5	2.6
ROA - using norm profit (%)	5.4	4.3	4.5	4.7	5.1
ROE - using norm profit (%)	10.7	7.9	8.2	8.6	9.4
DuPont					
ROE - using after tax profit (%)	3.5	2.2	1.9	1.8	2.0
- asset turnover (x)	0.2	0.2	0.2	0.2	0.2
- operating margin (%)	15.0	13.9	11.4	10.9	11.6
- leverage (x)	2.0	1.8	1.8	1.8	1.8
- interest burden (%)	75.7	69.1	62.5	60.7	63.2
- tax burden (%)	75.8	67.6	75.0	79.2	78.9
WACC (%)	8.8	8.8	8.8	8.8	8.8
ROIC (%)	2.3	1.5	1.6	1.5	1.6
NOPAT (Bt m)	1,016	696	643	644	731
invested capital (Bt m)	45,267	41,096	44,329	46,558	48,578

Sources: Company data; Thanachart estimates

Sansiri Pcl

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	24,310	33,833	28,627	30,001	31,196
Cost of sales	18,552	25,768	20,578	21,492	22,318
Gross profit	**5,759**	**8,065**	**8,049**	**8,509**	**8,878**
% gross margin	23.7%	23.8%	28.1%	28.4%	28.5%
Selling & administration expenses	4,697	6,460	5,439	5,700	5,927
Operating profit	**1,061**	**1,605**	**2,610**	**2,809**	**2,951**
% operating margin	4.4%	4.7%	9.1%	9.4%	9.5%
Depreciation & amortization	257	583	528	522	505
EBITDA	**1,318**	**2,187**	**3,138**	**3,331**	**3,455**
% EBITDA margin	5.4%	6.5%	11.0%	11.1%	11.1%
Non-operating income	1,050	1,058	561	604	627
Non-operating expenses	0	0	0	0	0
Interest expense	(936)	(978)	(1,164)	(1,194)	(1,227)
Pre-tax profit	**1,176**	**1,685**	**2,007**	**2,219**	**2,350**
Income tax	622	760	602	666	705
After-tax profit	**554**	**925**	**1,405**	**1,553**	**1,645**
% net margin	2.3%	2.7%	4.9%	5.2%	5.3%
Shares in affiliates' Earnings	791	429	112	116	69
Minority interests	117	215	82	86	90
Extraordinary items	931	104	0	0	0
NET PROFIT	**2,392**	**1,673**	**1,599**	**1,755**	**1,804**
Normalized profit	**1,462**	**1,569**	**1,599**	**1,755**	**1,804**
EPS (Bt)	0.2	0.1	0.1	0.1	0.1
Normalized EPS (Bt)	0.1	0.1	0.1	0.1	0.1

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	74,583	68,909	69,211	72,542	71,862
Cash & cash equivalent	2,473	3,007	4,344	4,907	4,789
Account receivables	1,969	1,667	1,410	1,478	1,537
Inventories	62,844	56,809	56,378	58,881	58,089
Others	7,297	7,427	7,078	7,276	7,448
Investments & loans	6,299	495	495	495	495
Net fixed assets	2,988	6,257	6,828	7,407	8,004
Other assets	24,466	36,971	31,526	32,853	33,995
Total assets	**108,336**	**112,632**	**108,060**	**113,297**	**114,356**
LIABILITIES:					
Current liabilities:	28,240	30,713	34,309	35,908	36,386
Account payables	2,193	2,214	2,255	2,355	2,446
Bank overdraft & ST loans	6,897	2,919	11,318	12,174	12,023
Current LT debt	10,238	15,929	11,318	12,174	12,023
Others current liabilities	8,912	9,651	9,418	9,204	9,893
Total LT debt	**42,060**	**37,921**	**33,955**	**36,523**	**36,070**
Others LT liabilities	6,161	4,801	4,353	4,393	4,417
Total liabilities	**76,461**	**73,435**	**72,617**	**76,825**	**76,872**
Minority interest	931	1,822	1,740	1,653	1,564
Preferreds shares	0	0	0	0	0
Paid-up capital	15,903	15,903	15,903	15,903	15,903
Share premium	2,296	2,355	2,355	2,355	2,355
Warrants	0	0	0	0	0
Surplus	(1,441)	4,627	0	0	0
Retained earnings	**14,186**	**14,491**	**15,445**	**16,561**	**17,662**
Shareholders' equity	30,943	37,376	33,703	34,818	35,920
Liabilities & equity	**108,336**	**112,632**	**108,060**	**113,297**	**114,356**

Sources: Company data; Thanachart estimates

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CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	1,176	1,685	2,007	2,219	2,350
Tax paid	(599)	(873)	(534)	(702)	(675)
Depreciation & amortization	257	583	528	522	505
Chg In working capital	(7,101)	6,359	728	(2,470)	824
Chg In other CA & CL / minorities	118	1,295	(863)	(1,719)	(944)
Cash flow from operations	**(6,150)**	**9,049**	**1,865**	**(2,150)**	**2,060**
Capex	(757)	(3,667)	(1,000)	(1,000)	(1,000)
Right of use	0	(2,021)	(61)	(2)	(2)
ST loans & investments	131	(857)	(400)	0	0
LT loans & investments	(4,723)	5,804	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(1,050)	(10,107)	6,382	73	282
Cash flow from investments	**(6,398)**	**(10,847)**	**4,921**	**(929)**	**(720)**
Debt financing	11,016	(2,427)	(178)	4,281	(756)
Capital increase	0	59	0	0	0
Dividends paid	(1,432)	(848)	(645)	(639)	(702)
Warrants & other surplus	(866)	5,548	(4,627)	0	0
Cash flow from financing	**8,719**	**2,332**	**(5,449)**	**3,642**	**(1,458)**
Free cash flow	**(6,906)**	**5,382**	**865**	**(3,150)**	**1,060**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	13.2	13.4	15.2	13.5	13.1
Normalized PE - at target price (x)	8.1	8.3	9.3	8.3	8.1
PE (x)	8.1	12.5	15.2	13.5	13.1
PE - at target price (x)	5.0	7.7	9.3	8.3	8.1
EV/EBITDA (x)	57.7	33.4	22.8	22.6	21.6
EV/EBITDA - at target price (x)	52.1	30.0	20.4	20.4	19.5
P/BV (x)	0.6	0.5	0.6	0.6	0.5
P/BV - at target price (x)	0.4	0.3	0.4	0.3	0.3
P/CFO (x)	(3.1)	2.1	10.4	(9.0)	9.4
Price/sales (x)	0.8	0.6	0.7	0.6	0.6
Dividend yield (%)	6.2	3.1	2.6	3.0	3.1
FCF Yield (%)	(35.7)	27.9	4.5	(16.3)	5.5
(Bt)					
Normalized EPS	0.1	0.1	0.1	0.1	0.1
EPS	0.2	0.1	0.1	0.1	0.1
DPS	0.1	0.0	0.0	0.0	0.0
BV/share	2.1	2.5	2.3	2.3	2.4
CFO/share	(0.4)	0.6	0.1	(0.1)	0.1
FCF/share	(0.5)	0.4	0.1	(0.2)	0.1

Sources: Company data; Thanachart estimates

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FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(7.4)	39.2	(15.4)	4.8	4.0
Net profit (%)	16.9	(30.1)	(4.4)	9.8	2.8
EPS (%)	16.9	(35.5)	(17.6)	12.3	3.4
Normalized profit (%)	(31.4)	7.3	1.9	9.8	2.8
Normalized EPS (%)	(31.4)	(1.5)	(11.6)	12.3	3.4
Dividend payout ratio (%)	49.7	38.5	40.0	40.0	40.0
Operating performance					
Gross margin (%)	23.7	23.8	28.1	28.4	28.5
Operating margin (%)	4.4	4.7	9.1	9.4	9.5
EBITDA margin (%)	5.4	6.5	11.0	11.1	11.1
Net margin (%)	2.3	2.7	4.9	5.2	5.3
D/E (incl. minor) (x)	1.9	1.4	1.6	1.7	1.6
Net D/E (incl. minor) (x)	1.8	1.4	1.5	1.5	1.5
Interest coverage - EBIT (x)	1.1	1.6	2.2	2.4	2.4
Interest coverage - EBITDA (x)	1.4	2.2	2.7	2.8	2.8
ROA - using norm profit (%)	1.4	1.4	1.4	1.6	1.6
ROE - using norm profit (%)	4.7	4.6	4.5	5.1	5.1
DuPont					
ROE - using after tax profit (%)	1.8	2.7	4.0	4.5	4.7
- asset turnover (x)	0.2	0.3	0.3	0.3	0.3
- operating margin (%)	8.7	7.9	11.1	11.4	11.5
- leverage (x)	3.3	3.2	3.1	3.2	3.2
- interest burden (%)	55.7	63.3	63.3	65.0	65.7
- tax burden (%)	47.1	54.9	70.0	70.0	70.0
WACC (%)	5.8	5.8	5.8	5.8	5.8
ROIC (%)	0.7	1.0	2.0	2.3	2.3
NOPAT (Bt m)	500	881	1,827	1,966	2,066
invested capital (Bt m)	87,666	91,138	85,950	90,784	91,248

Sources: Company data; Thanachart estimates

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INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	23,557	20,588	26,788	29,521	31,042
Cost of sales	14,280	12,754	16,278	17,818	18,852
Gross profit	**9,277**	**7,834**	**10,510**	**11,704**	**12,190**
% gross margin	39.4%	38.1%	39.2%	39.6%	39.3%
Selling & administration expenses	2,855	2,589	3,482	3,690	3,632
Operating profit	**6,422**	**5,246**	**7,027**	**8,014**	**8,558**
% operating margin	27.3%	25.5%	26.2%	27.1%	27.6%
Depreciation & amortization	118	117	119	119	125
EBITDA	**6,540**	**5,363**	**7,146**	**8,133**	**8,684**
% EBITDA margin	27.8%	26.0%	26.7%	27.5%	28.0%
Non-operating income	400	381	393	404	417
Non-operating expenses	0	0	0	0	0
Interest expense	(233)	(242)	(310)	(336)	(301)
Pre-tax profit	**6,589**	**5,384**	**7,110**	**8,082**	**8,674**
Income tax	1,355	1,266	1,422	1,616	1,735
After-tax profit	**5,234**	**4,118**	**5,688**	**6,466**	**6,939**
% net margin	22.2%	20.0%	21.2%	21.9%	22.4%
Shares in affiliates' Earnings	234	209	200	200	200
Minority interests	(65)	(76)	(99)	(109)	(115)
Extraordinary items	0	0	0	0	0
NET PROFIT	**5,403**	**4,251**	**5,789**	**6,556**	**7,024**
Normalized profit	**5,403**	**4,251**	**5,789**	**6,556**	**7,024**
EPS (Bt)	2.5	2.0	2.7	3.1	3.3
Normalized EPS (Bt)	2.5	2.0	2.7	3.1	3.3

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	55,984	62,401	69,456	73,891	73,334
Cash & cash equivalent	1,321	1,334	1,100	1,500	4,500
Account receivables	21	17	22	24	25
Inventories	53,535	59,945	66,897	70,783	67,143
Others	1,106	1,104	1,437	1,584	1,665
Investments & loans	2,251	1,942	1,942	1,942	1,942
Net fixed assets	382	354	535	716	891
Other assets	1,894	3,510	4,567	5,033	5,292
Total assets	**60,511**	**68,207**	**76,500**	**81,582**	**81,459**
LIABILITIES:					
Current liabilities:	17,768	23,882	27,320	28,047	24,830
Account payables	2,318	2,397	2,230	2,441	2,582
Bank overdraft & ST loans	993	2,992	3,692	3,657	2,919
Current LT debt	8,207	11,963	13,597	13,469	10,751
Others current liabilities	6,250	6,529	7,801	8,480	8,578
Total LT debt	**4,497**	**6,376**	**7,322**	**7,253**	**5,789**
Others LT liabilities	397	552	719	792	833
Total liabilities	**22,662**	**30,811**	**35,360**	**36,091**	**31,452**
Minority interest	763	817	916	1,025	1,140
Preferreds shares	0	0	0	0	0
Paid-up capital	2,143	2,143	2,146	2,146	2,146
Share premium	1,499	1,499	1,499	1,499	1,499
Warrants	0	0	0	0	0
Surplus	(199)	(2,895)	(2,895)	(2,895)	(2,895)
Retained earnings	**33,643**	**35,832**	**39,475**	**43,716**	**48,118**
Shareholders' equity	37,086	36,579	40,225	44,466	48,868
Liabilities & equity	**60,511**	**68,207**	**76,500**	**81,582**	**81,459**

Sources: Company data; Thanachart estimates

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CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	6,589	5,384	7,110	8,082	8,674
Tax paid	(1,426)	(1,138)	(1,331)	(1,457)	(1,722)
Depreciation & amortization	118	117	119	119	125
Chg In w orking capital	(2,256)	(6,326)	(7,125)	(3,677)	3,780
Chg In other CA & CL / minorities	(191)	(185)	472	(52)	(355)
Cash flow from operations	**2,833**	**(2,148)**	**(755)**	**3,015**	**10,502**
Capex	(110)	(89)	(300)	(300)	(300)
Right of use	0	0	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	11	309	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	276	(936)	(314)	232	340
Cash flow from investments	**177**	**(716)**	**(614)**	**(68)**	**40**
Debt financing	(1,071)	7,635	3,278	(231)	(4,920)
Capital increase	0	0	3	0	0
Dividends paid	(2,143)	(2,160)	(2,146)	(2,315)	(2,623)
Warrants & other surplus	(159)	(2,598)	0	0	0
Cash flow from financing	**(3,373)**	**2,877**	**1,135**	**(2,547)**	**(7,543)**
Free cash flow	**2,723**	**(2,237)**	**(1,055)**	**2,715**	**10,202**

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	8.1	10.2	7.5	6.6	6.2
Normalized PE - at target price (x)	10.3	13.1	9.6	8.5	7.9
PE (x)	8.1	10.2	7.5	6.6	6.2
PE - at target price (x)	10.3	13.1	9.6	8.5	7.9
EV/EBITDA (x)	8.6	11.9	9.4	8.2	6.7
EV/EBITDA - at target price (x)	10.4	14.1	11.1	9.7	8.1
P/BV (x)	1.2	1.2	1.1	1.0	0.9
P/BV - at target price (x)	1.5	1.5	1.4	1.3	1.1
P/CFO (x)	15.4	(20.3)	(57.7)	14.4	4.1
Price/sales (x)	1.8	2.1	1.6	1.5	1.4
Dividend yield (%)	4.9	4.9	5.3	6.0	6.5
FCF Yield (%)	6.3	(5.1)	(2.4)	6.2	23.4
(Bt)					
Normalized EPS	2.5	2.0	2.7	3.1	3.3
EPS	2.5	2.0	2.7	3.1	3.3
DPS	1.0	1.0	1.1	1.2	1.3
BV/share	17.3	17.0	18.7	20.7	22.8
CFO/share	1.3	(1.0)	(0.4)	1.4	4.9
FCF/share	1.3	(1.0)	(0.5)	1.3	4.8

Sources: Company data; Thanachart estimates

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FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(7.8)	(12.6)	30.1	10.2	5.2
Net profit (%)	(6.4)	(21.3)	36.2	13.3	7.1
EPS (%)	(7.7)	(21.3)	36.2	13.3	7.1
Normalized profit (%)	(6.4)	(21.3)	36.2	13.3	7.1
Normalized EPS (%)	(7.7)	(21.3)	36.2	13.3	7.1
Dividend payout ratio (%)	39.7	50.5	40.0	40.0	40.0
Operating performance					
Gross margin (%)	39.4	38.1	39.2	39.6	39.3
Operating margin (%)	27.3	25.5	26.2	27.1	27.6
EBITDA margin (%)	27.8	26.0	26.7	27.5	28.0
Net margin (%)	22.2	20.0	21.2	21.9	22.4
D/E (incl. minor) (x)	0.4	0.6	0.6	0.5	0.4
Net D/E (incl. minor) (x)	0.3	0.5	0.6	0.5	0.3
Interest coverage - EBIT (x)	27.6	21.6	22.6	23.8	28.4
Interest coverage - EBITDA (x)	28.1	22.1	23.0	24.2	28.9
ROA - using norm profit (%)	9.1	6.6	8.0	8.3	8.6
ROE - using norm profit (%)	15.2	11.5	15.1	15.5	15.1
DuPont					
ROE - using after tax profit (%)	14.7	11.2	14.8	15.3	14.9
- asset turnover (x)	0.4	0.3	0.4	0.4	0.4
- operating margin (%)	29.0	27.3	27.7	28.5	28.9
- leverage (x)	1.7	1.7	1.9	1.9	1.7
- interest burden (%)	96.6	95.7	95.8	96.0	96.6
- tax burden (%)	79.4	76.5	80.0	80.0	80.0
WACC (%)	8.6	8.6	8.6	8.6	8.6
ROIC (%)	10.8	8.1	9.9	10.1	10.2
NOPAT (Bt m)	5,101	4,012	5,622	6,411	6,847
invested capital (Bt m)	49,462	56,577	63,735	67,345	63,826

Sources: Company data; Thanachart estimates

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