

Property

High-Rise Segment Leads Residential Market In Aug 25; Sector Presales To Recover In 3Q25; Upgrade to MARKET WEIGHT

Highlights

- Residential activity in Aug 25 mainly underpinned by the high-rise segment.
- Sector presales expected to see a recovery in 3Q25.
- AP's and SPALI's presales are expected to be driven by new condo launches.

Analysis

- New launches driven by high-rise segment in Aug 25.** The Agency for Real Estate Affairs (AREA) reported a 9% mom increase in newly launched units, driven mainly by the high-rise segment, which surged 263% mom on the back of increased condominium launches. In contrast, newly launched low-rise units declined, with single-detached houses and townhouses down 52% and 55% mom, respectively. Total launch value in Aug 25 stood at Bt22.5b, down 35% yoy and 22% mom, due to product mix comprising a lower proportion of higher-end segment products.
- Sales of newly launched units and take-up rate improved.** In Aug 25, sales of newly launched units rose 112% mom. Although sales of newly launched low-rise units declined from the previous month, overall improvement was driven by strong sales of new condominium launches, reflecting resilient demand in selected projects located in prime areas of Bangkok as well as intermediate locations, particularly those with better access to transportation networks or shopping malls.
- Sector presales set to recover in 3Q25.** Despite multiple headwinds and intensifying competition, we expect sector presales in 3Q25 to recover from the low base in 2Q25, underpinned by new project launches across both low-rise and high-rise segments. We also foresee positive momentum in high-rise presales. Supalai (SPALI) launched Supalai Elite Sukhumvit 39, valued at Bt2.1b, which has been 100% sold. Meanwhile, AP Thailand (AP) launched Life Udomsuk Station, valued at Bt4.6b, and has achieved a 50% sales rate – exceeding the take-up rate of 30%. Both AP and SPALI are expected to see improvement in presales in 3Q25, compared to 2Q25.
- The worst has passed, but headwinds persist.** We expect presales momentum to have already bottomed in 2Q25, affected by the earthquake in Mar 25. However, developers are likely to continue facing multiple headwinds, including weaker purchasing power from high household debt and oversupply in certain low-rise areas, leading to intensified competition. We expect developers to remain cautious, relying on promotional campaigns, prioritising inventory liquidation, and focusing on strengthening liquidity.

Peer Comparison

| Company | Ticker | Rec | Price (Bt) | Target Price (Bt) | Upside To TP (%) | Last Year End | 2024A (x) | 2025E (x) | 2026E (x) | Yield 2025E (%) | ROE 2025E (%) | Market Cap. (Btm) | Price/ NAV ps (x) |
|-----------------|----------|------|---------------|-------------------------|------------------------|---------------------|--------------|--------------|--------------|-----------------------|---------------------|-------------------------|-------------------------|
| AP (Thailand) | AP TB | BUY | 8.70 | 9.60 | 10 | 12/24 | 5.5 | 5.6 | 5.3 | 6.2 | 10.8 | 27,369 | 0.6 |
| Land and Houses | LH TB | HOLD | 4.48 | 4.40 | -2 | 12/24 | 9.8 | 12.1 | 10.7 | 6.1 | 8.4 | 53,535 | 1.0 |
| LPN Development | LPN TB | SELL | 1.79 | 1.50 | -16 | 12/24 | 23.5 | 20.9 | 14.1 | 5.5 | 1.0 | 2,603 | 0.2 |
| Origin Property | ORI TB | HOLD | 3.08 | 1.90 | -38 | 12/24 | 7.2 | 7.3 | 6.5 | 3.4 | 4.7 | 7,559 | 0.3 |
| Pruksa Holding | PSH TB | SELL | 4.66 | 4.00 | -14 | 12/24 | 22.4 | 22.2 | 17.9 | 3.8 | 1.0 | 10,198 | 0.2 |
| Quality Houses | QH TB | HOLD | 1.45 | 1.30 | -10 | 12/24 | 7.2 | 9.6 | 8.4 | 5.7 | 5.5 | 15,536 | 0.5 |
| Supalai | SPALI TB | HOLD | 18.00 | 14.70 | -18 | 12/24 | 5.7 | 7.7 | 7.0 | 5.6 | 8.2 | 35,155 | 0.6 |

Source: Respective Companies, UOB Kay Hian

MARKET WEIGHT (Upgraded)

Analyst(s)

Kasemsun Koonnara

kasemsun@uobkayhian.co.th

662 0903356

Sector Picks

| Company | Ticker | Rec | Share Price (Bt) | Target Price (Bt) |
|-------------|--------|-----|---------------------|----------------------|
| AP Thailand | AP TB | BUY | 8.70 | 9.60 |

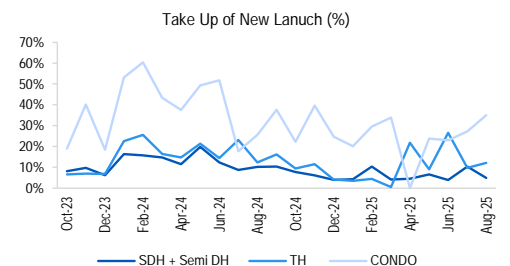
Source: Bloomberg, UOB Kay Hian

PE Band



Source: Bloomberg, UOB Kay Hia

Take-up Rate for New Launches



Source: AREA, UOB Kay Hia

- **Expectations of new stimulus measures.** The real estate associations intend to propose new stimulus measures for the residential market to the government eg expanding transfer and mortgage fee cuts through the removal of the current Bt7m price cap before end-25. We expect this to benefit developers with a high proportion of ready-to-move units (eg SPALI, ORI, and AP). Meanwhile, the government is also considering extending the land and building tax reduction measure for another year by 50% in 2026, which would benefit developers with high inventory exposure.

Valuation/Recommendation

- **We upgrade to MARKET WEIGHT from UNDERWEIGHT.** Although we remain cautious on the residential market due to persistent headwinds and developers continuing to face intensifying competition, we are more optimistic about presales momentum, which we expect to have already bottomed in 2Q25. Presales in 2H25 should outpace that of 1H25, underpinned by new project launches, government real estate measures and interest rate cut cycles.
- We recommend a selective BUY approach, focusing on market leaders with a positive presales outlook and solid fundamentals. Our top pick is AP, as presales momentum is expected to be supported by new project launches along with a stronger earnings outlook in 3Q25.

Sector Catalyst/Risk

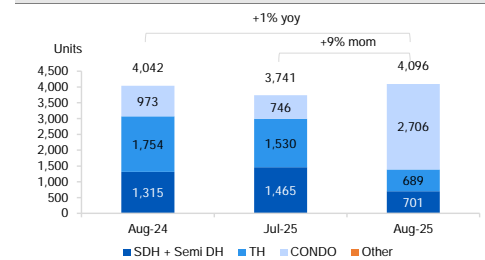
- Catalysts: a) Better-than-expected presales momentum, and b) real estate measures and interest rate cuts.
- Risks: a) Tightening bank policies, b) rising costs, and c) weaker-than-expected economic growth.

Presales, Transfers, Launches Target Summary

| | 2021 Actual | 2022 Actual | 2023 Actual | 2024 Act | 2025 Mgmt Beg Target | % Growth | 1H25 Actual | (%) to 2025 Target |
|-----------------------|----------------|----------------|----------------|-------------|-------------------------|-------------|----------------|-----------------------|
| Presale (Btm) | | | | | | | | |
| AP | 35,049 | 50,415 | 51,390 | 46,752 | 55,000 | 18 | 20,304 | 37 |
| LH | 28,636 | 30,244 | 23,013 | 18,756 | 23,000 | 23 | 7,588 | 33 |
| LPN | 8,893 | 8,388 | 9,966 | 8,459 | 8,000 | -5 | 3,416 | 43 |
| ORI | 30,257 | 41,032 | 47,265 | 35,442 | 30,000 | -15 | 14,048 | 47 |
| PSH | 25,427 | 17,013 | 18,540 | 14,000 | 23,000 | 64 | 5,379 | 23 |
| QH | 7,497 | 8,208 | 7,548 | 7,108 | 7,800 | 10 | 2,554 | 33 |
| SPALI | 24,069 | 32,433 | 28,864 | 26,743 | 32,000 | 20 | 11,860 | 37 |
| Total | 159,828 | 187,733 | 186,586 | 157,260 | 178,800 | 14 | 65,149 | 36 |
| Transfer (Btm) | | | | | | | | |
| AP | 39,101 | 48,372 | 47,639 | 45,467 | 51,600 | 13 | 20,342 | 39 |
| LH | 30,461 | 30,751 | 18,966 | 16,040 | 20,000 | 25 | 6,757 | 34 |
| LPN | 4,044 | 5,834 | 5,103 | 5,490 | 5,500 | 0 | 1,775 | 32 |
| ORI | 16,157 | 18,509 | 20,448 | 14,399 | 22,000 | 53 | 7,171 | 33 |
| PSH | 27,403 | 26,447 | 22,226 | 14,900 | 19,300 | 30 | 4,964 | 26 |
| QH | 7,502 | 8,227 | 7,619 | 6,957 | 7,700 | 11 | 2,356 | 31 |
| SPALI | 28,938 | 34,222 | 30,836 | 30,817 | 30,000 | -3 | 10,337 | 34 |
| Total | 153,605 | 172,361 | 152,838 | 134,070 | 156,100 | 16 | 53,701 | 34 |
| Launch (Btm) | | | | | | | | |
| AP | 22,540 | 63,600 | 76,000 | 48,020 | 65,000 | 35 | 11,650 | 18 |
| LH | 19,680 | 32,460 | 43,460 | 30,850 | 11,180 | -64 | 8,960 | 80 |
| LPN | 4,870 | 10,700 | 11,725 | 3,930 | 6,000 | 53 | 600 | 10 |
| ORI | 22,625 | 41,000 | 45,900 | 19,500 | 20,000 | 3 | 6,500 | 33 |
| PSH | 20,670 | 11,139 | 14,153 | 18,200 | 23,400 | 29 | 8,279 | 35 |
| QH | 2,553 | 7,598 | 8,589 | 9,804 | 6,886 | -30 | - | 0 |
| SPALI | 24,790 | 37,800 | 29,640 | 52,380 | 46,000 | -12 | 9,940 | 22 |
| Total | 117,728 | 204,297 | 229,467 | 182,684 | 178,466 | -2 | 45,929 | 26 |

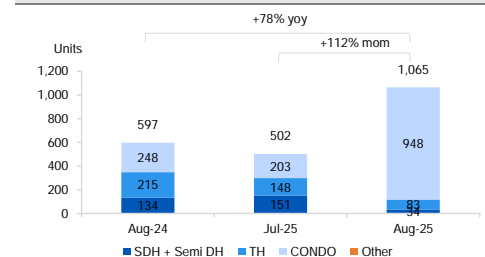
Source: Respective Companies, UOB Kay Hian

Unit Launch



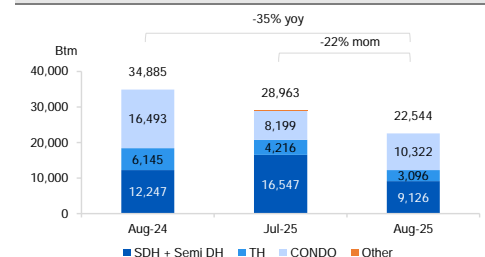
Source: AREA, UOB Kay Hian

Sales of Newly Launched Units



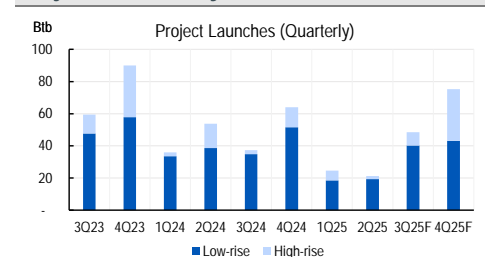
Source: AREA, UOB Kay Hia

Launch Value



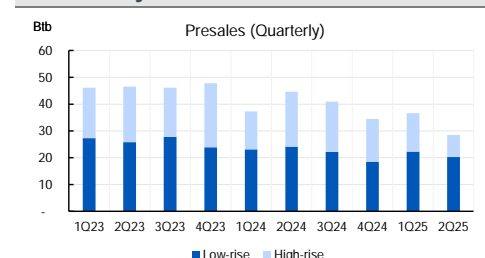
Source: AREA, UOB Kay Hia

Project Launch by Quarter



Source: Coverage Companies, UOB Kay Hia

Presales by Quarter



Source: Coverage Companies, UOB Kay Hia

Disclosures/Disclaimers

This report is prepared by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser in Singapore.

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities.

This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This report is confidential. This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person without the prior written consent of UOBKH. This report is not directed to or intended for distribution to or use by any person or any entity who is a citizen or resident of or located in any locality, state, country or any other jurisdiction as UOBKH may determine in its absolute discretion, where the distribution, publication, availability or use of this report would be contrary to applicable law or would subject UOBKH and its connected persons (as defined in the Financial Advisers Act 2001 of Singapore) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by UOBKH to be reliable. However, UOBKH makes no representation as to the accuracy or completeness of such sources or the Information and UOBKH accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. UOBKH and its connected persons may have issued other reports expressing views different from the Information and all views expressed in all reports of UOBKH and its connected persons are subject to change without notice. UOBKH reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) UOBKH, its connected persons and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) UOBKH, its connected persons and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; (3) the officers, employees and representatives of UOBKH may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business"); and (4) UOBKH may otherwise have an interest (including a proprietary interest) in the subject corporation(s) referred to in this report.

As of the date of this report, no analyst responsible for any of the content in this report has any proprietary position or material interest in the securities of the corporation(s) which are referred to in the content they respectively author or are otherwise responsible for.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by UOBKH, a company authorized, as noted above, to engage in securities activities in Singapore. UOBKH is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution by UOBKH (whether directly or through its US registered broker dealer affiliate named below) to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). All US persons that receive this document by way of distribution from or which they regard as being from UOBKH by their acceptance thereof represent and agree that they are a major institutional investor and understand the risks involved in executing transactions in securities.

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through UOB Kay Hian (U.S.) Inc ("UOBKHUS"), a registered broker-dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through UOBKH.

UOBKHUS accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to and intended to be received by a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of UOBKHUS and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Certification/Regulation AC

Each research analyst of UOBKH who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of UOBKH or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including UOBKH's total revenues, a portion of which are generated from UOBKH's business of dealing in securities.

Reports are distributed in the respective countries or jurisdictions by the respective entities and are subject to the additional restrictions listed in the following table.

| | |
|-----------------------------------|---|
| General | This report is not intended for distribution, publication to or use by any person or entity who is a citizen or resident of or located in any country or jurisdiction where the distribution, publication or use of this report would be contrary to applicable law or regulation. |
| Hong Kong | This report is distributed in Hong Kong by UOB Kay Hian (Hong Kong) Limited ("UOBKHHK"), which is regulated by the Securities and Futures Commission of Hong Kong. Neither the analyst(s) preparing this report nor his associate, has trading and financial interest and relevant relationship specified under Para. 16.4 of Code of Conduct in the listed corporation covered in this report. UOBKHHK does not have financial interests and business relationship specified under Para. 16.5 of Code of Conduct with the listed corporation covered in this report. Where the report is distributed in Hong Kong and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKHHK (and not the relevant foreign research house) in Hong Kong in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Hong Kong who is not a professional investor, or institutional investor, UOBKHHK accepts legal responsibility for the contents of the analyses or reports only to the extent required by law. |
| Indonesia | This report is distributed in Indonesia by PT UOB Kay Hian Sekuritas ("PT UOBKH"), which is regulated by Financial Services Authority of Indonesia ("OJK"). Where the report is distributed in Indonesia and contains research analyses or reports from a foreign research house, please note recipients of the analyses or reports are to contact PT UOBKH (and not the relevant foreign research house) in Indonesia in respect of any matters arising from, or in connection with, the analysis or report. |
| Malaysia | Where the report is distributed in Malaysia and contains research analyses or reports from a foreign research house, the recipients of the analyses or reports are to contact UOB Kay Hian (M) Sdn. Bhd. ("UOBKHM") (and not the relevant foreign research house) in Malaysia, at +603-21471988, in respect of any matters arising from, or in connection with, the analysis or report as UOBKHM is the registered person under CMSA to distribute any research analyses in Malaysia. |
| Singapore | This report is distributed in Singapore by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. Where the report is distributed in Singapore and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKH (and not the relevant foreign research house) in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, UOBKH accepts legal responsibility for the contents of the analyses or reports only to the extent required by law. |
| Thailand | This report is distributed in Thailand by UOB Kay Hian Securities (Thailand) Public Company Limited, which is regulated by the Securities and Exchange Commission of Thailand. |
| United Kingdom | This report is being distributed in the UK by UOB Kay Hian (U.K.) Limited, which is an authorised person in the meaning of the Financial Services and Markets Act and is regulated by The Financial Conduct Authority. Research distributed in the UK is intended only for institutional clients. |
| United States of America ('U.S.') | This report cannot be distributed into the U.S. or to any U.S. person or entity except in compliance with applicable U.S. laws and regulations. It is being distributed in the U.S. by UOB Kay Hian (US) Inc, which accepts responsibility for its contents. Any U.S. person or entity receiving this report and wishing to effect transactions in any securities referred to in the report should contact UOB Kay Hian (US) Inc. directly. |

Copyright 2025, UOB Kay Hian Pte Ltd. All rights reserved.

<http://research.uobkayhian.com>

RCB Regn. No. 197000447W