

AP (Thailand) (AP TB)

1Q26 Presales Declines Slightly, Accounting For 23% Of Full-year Target Of Bt49b

Highlights

- AP reported slightly weaker 1Q26 presales, which accounted for 23% of its 2026 full-year target.
- During the quarter, AP launched three new projects worth Bt5.53b, which makes up 10% of its 2026 target.
- We maintain a positive view on AP's earnings outlook and continue to favour AP as it is a market leader. The attractive dividend yield of 5-6% (single payment) should help support the share price. AP will go XD on 6 May 26.
- We reiterate our BUY recommendation with a target price of Bt10.80

1Q26 Results Preview

Year to 31 Dec (Btm)	1Q25	4Q25	1Q26	yoy %	qoq %	2025	2026	yoy %
Sales and services	7,699	10,584	10,350	34.4	(2.2)	37,345	38,600	3.4
Operating EBIT	1,027	1,537	1,456	41.8	(5.3)	4,930	5,197	5.4
Equity income	143	146	162	13.1	11.3	690	969	40.5
Core profit	816	1,236	1,255	53.8	1.5	4,116	4,630	12.5
Net profit	864	1,292	1,255	45.3	(2.9)	4,317	4,858	12.5
Percent	1Q25	4Q25	1Q26	yoy ppt	qoq ppt	2025	2026	yoy ppt
Gross margin	33.6	31.6	31.8	(1.8)	0.2	31.9	32.1	0.2
SG&A to sales	20.2	17.1	17.7	(2.5)	0.6	18.6	18.6	(0.0)
EBIT margin	13.3	14.5	14.1	0.7	(0.5)	13.2	13.5	0.3
Net margin	11.2	12.2	12.1	0.9	(0.1)	11.6	12.6	1.0

Source: AP (Thailand), UOB Kay Hian

Analysis

- **AP reported slightly weaker 1Q26 presales, accounting for 23% of its 2026 net presales target of Bt49b.** We have a neutral view on AP's 1Q26 presales. The reported figure came in slightly above our estimate at Bt11.2b, down 7.4% yoy due to a high-base effect. The presales can be broken down into: a) Bt8,761m from low-rise projects (-26% qoq, -7% yoy) and, b) Bt2,453m from high-rise projects (+11% qoq, -7% yoy).
- **During the quarter, AP launched three new projects worth Bt5.53b** (-77% qoq, +70% yoy), accounting for 10% of its total project launches planned for 2026. The new launches comprise: a) two low-rise projects - Pleno Future-Rangsit (project value: Bt1.23b) and Pleno Town Thammasat-Rangsit (project value: Bt700m), and b) one high-rise JV condominium project - Life Ratchada-Rama 9 (project value Bt3.6b).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	36,988.4	37,344.6	38,599.5	40,162.2	40,873.3
EBITDA	5,773.7	5,166.3	5,453.9	5,910.9	6,296.3
Operating profit	5,498.7	4,930.3	5,196.8	5,648.4	6,008.3
Net profit (rep./act.)	5,020.1	4,316.7	4,857.8	5,230.4	5,530.2
Net profit (adj.)	5,013.7	4,316.7	4,857.8	5,230.4	5,530.2
EPS	1.6	1.4	1.5	1.7	1.8
PE (x)	5.9	6.8	6.1	5.6	5.4
P/B (x)	0.7	0.6	0.6	0.6	0.5
EV/EBITDA (x)	8.9	9.7	9.2	8.5	8.0
Dividend yield (%)	6.4	5.5	6.1	6.5	6.9
Net margin (%)	13.6	11.6	12.6	13.0	13.5
Net debt/(cash) to equity(%)	70.0	64.0	59.8	56.4	53.0
Interest cover (x)	8.5	8.4	8.8	9.4	9.8
ROE (%)	11.9	9.6	10.2	10.3	10.2
Consensus net profit	n.a	n.a	4,823.7	5,152.8	5,634.3
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: AP (Thailand), Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt8.50
Target Price	Bt10.80
Upside	21.3%

Analyst(s)

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Stock Data

GICS sector	Real Estate
Bloomberg ticker:	AP TB
Shares issued (m):	3,145.9
Market cap (Bt\$m):	27,054.7
Market cap (US\$m):	845.3
3-mth avg daily t'over (US\$m):	2.9

Price Performance (%)

52-week high/low	Bt9.6/Bt5.7				
1mth	3mth	6mth	1yr	YTD	
1.2	(4.4)	(3.4)	19.4	0.0	

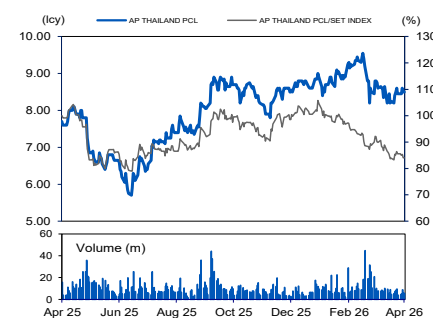
Major Shareholders

	%
MR. ANUPHONG ASSAVABHOKHIN	21.52
NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS 10 PCT ACCOUNT	10.08
Thai NVDR Company Limited	8.10

Balance Sheet Metrics

	%
FY26 NAV/Share (Bt)	15.6
FY26 Net Debt/Share (Bt)	9.4

Price Chart



Source: Bloomberg

Company Description

AP is a residential property developer with a portfolio spanning condominiums, townhouses, and detached housing, primarily concentrated in Bangkok and surrounding areas. The company frequently engages in joint development of condominium projects.

- **Presales momentum remains solid, with backlog increasing by 31% qoq despite tight mortgage lending conditions.** AP's backlog in 1Q26 stood at Bt47,151m (+31.2% qoq), primarily driven by the low-rise segment, which accounted for 52% of the total. This marked a significant increase from Bt35,937m in 4Q25, reflecting relatively strong sales momentum and potentially supporting transfers in the upcoming quarter.
- **The Middle East war has had some impact on earnings, albeit not yet significant.** We expect ongoing unrest in the Middle East to affect construction costs, particularly diesel prices, which have risen above Bt30 per litre within a short period. However, near-term condominium construction projects have not been materially impacted, as cost provisions and price contracts have typically been secured for 3-6 months. That said, a prolonged conflict could weigh on earnings going forward.

Valuation/Recommendation

- **We reiterate our BUY recommendation with a target price of Bt10.80,** based 6.7x 2026F PE, or approximately 0.5SD above its historical average.
- We maintain a positive view on AP's earnings outlook, continuing to favour the company as it is a market leader. We believe AP is pursuing a more aggressive strategy than its peers, which should help preserve market share and support profit growth amid industry consolidation. In addition, we expect an attractive dividend yield of 5-6% (single payment) to help underpin the share price. AP will go XD on 6 May 26 for a dividend of Bt0.52/share, with payment scheduled for 21 May 26. We recommend gradually accumulating the stock on price weakness.

Earnings Revision/Risk

- **Risks:** a) Presales, property transfers, and gross margin coming in below expectations; and b) tightening of bank lending policies.

Share Price Catalyst

- a) Presales exceeding expectations and unit transfers happening faster than expected; b) improvement in gross margin; and c) higher-than-expected equity income.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AA

Environmental

- AP has policies and projects to achieve the national environmental mission, including climate change, pollution, resource conservation and waste management.

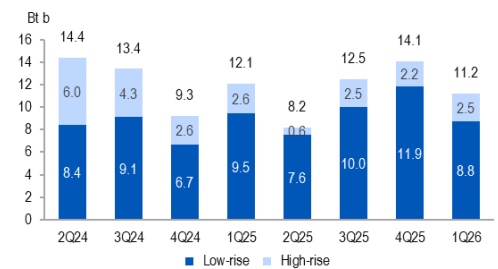
Social

- AP focuses on human resources, social activity, community development and environmentally friendly innovation. Its expertise has led it to prioritise knowledge sharing, improve society and develop environmental sustainability.

Governance

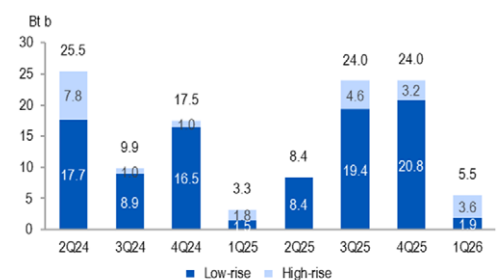
- The company has a strong corporate governance structure with a Board of Directors, an Audit Committee and sub-committees.

Quarterly Presales



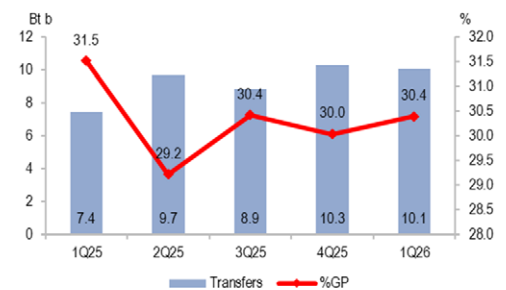
Source: AP, UOB Kay Hian

Quarterly Project Launches



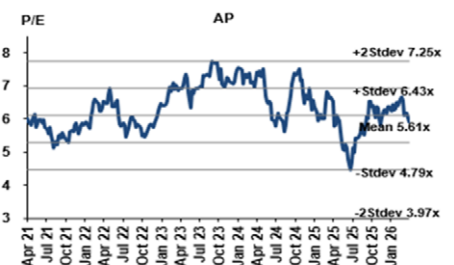
Source: AP, UOB Kay Hian

Transfers and Gross Margin



Source: AP, UOB Kay Hian

PE Band



Source: Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	37,345	38,600	40,162	40,873
EBITDA	5,166	5,454	5,911	6,296
Deprec. & amort.	236	257	262	288
EBIT	4,930	5,197	5,648	6,008
Total other non-operating income	251	285	285	285
Associate contributions	690	969	988	1,008
Net interest income/(expense)	(613)	(621)	(631)	(641)
Pre-tax profit	5,258	5,830	6,291	6,661
Tax	(942)	(972)	(1,061)	(1,131)
Minorities	1	0	0	0
Net profit	4,317	4,858	5,230	5,530
Net profit (adj.)	4,317	4,858	5,230	5,530

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	2,583	2,232	1,999	2,187
Pre-tax profit	5,258	5,830	6,291	6,661
Tax	(942)	(972)	(1,061)	(1,131)
Deprec. & amort.	236	257	262	288
Working capital changes	(1,781)	(714)	(634)	(695)
Non-cash items	(188)	(2,169)	(2,859)	(2,936)
Other operating cashflows	0	0	0	0
Investing	384	(461)	(369)	(286)
Capex (growth)	(146)	(360)	(255)	(265)
Investments	545	(116)	(145)	(35)
Others	(15)	15	31	14
Financing	(3,676)	(1,276)	(1,366)	(1,491)
Dividend payments	(1,888)	(1,717)	(1,866)	(1,991)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,793)	441	500	500
Others/interest paid	5	0	0	0
Net cash inflow (outflow)	(709)	495	264	410
Beginning cash & cash equivalent	2,565	1,856	2,351	2,615
Ending cash & cash equivalent	1,856	2,351	2,615	3,025

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	491	594	587	564
Other LT assets	8,906	9,022	9,167	9,202
Cash/ST investment	1,856	2,351	2,615	3,025
Other current assets	74,408	77,147	80,938	84,704
Total assets	85,661	89,114	93,307	97,495
ST debt	9,744	10,244	9,244	9,244
Other current liabilities	7,478	7,334	7,631	7,766
LT debt	21,604	21,545	23,045	23,545
Other LT liabilities	757	772	803	817
Shareholders' equity	46,094	49,235	52,599	56,138
Minority interest	(16)	(16)	(16)	(16)
Total liabilities & equity	85,661	89,114	93,307	97,495

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	13.8	14.1	14.7	15.4
Pre-tax margin	14.1	15.1	15.7	16.3
Net margin	11.6	12.6	13.0	13.5
ROA	5.1	5.6	5.7	5.8
ROE	9.6	10.2	10.3	10.2
Growth				
Turnover	1.0	3.4	4.0	1.8
EBITDA	(10.5)	5.6	8.4	6.5
Pre-tax profit	(14.8)	10.9	7.9	5.9
Net profit	(14.0)	12.5	7.7	5.7
Net profit (adj.)	(13.9)	12.5	7.7	5.7
EPS	(13.9)	12.5	7.7	5.7
Leverage				
Debt to total capital	68.0	64.6	61.4	58.4
Debt to equity	68.0	64.6	61.4	58.4
Net debt/(cash) to equity	64.0	59.8	56.4	53.0
Interest cover	8.4	8.8	9.4	9.8

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