## ORI: Product differentiation on strategic locations is a main key success





Positive view on ORI after 2Q19 analyst meeting at Park Origin Chula-Samyan, given significant achievement in 70% presales of Bt3.2bn after launch in 2Q19. We maintain our BUY rating with a target price of Bt10.2 based on 7xPE'19E, which represents a 20% discount to the average valuation of the top 10 stocks in the Thai Real Estate sector.

#### **Key takeaway:**

- Little impact from LTV policy. ORI has focused more on budget condominiums and low-rise projects which have competitive price and high turnover rate. These segments are also less attractive for target homebuyers with speculative purpose.
- No concern on unsold inventory of "Park Origin 24" of Bt6bn. This project is already completed construction with no interest expense burden.

Valuation table					
Year end Dec	17A	18A	19E	20E	21E
PE (x)	9.7	5.9	5.5	4.9	4.3
Recurring net profit growth (%)	217	65.2	7.6	12.5	14.9
Recurring EPS (Bt)	0.83	1.36	1.46	1.65	1.89
Recurring EPS growth (%)	203	63.3	7.4	12.5	14.9
PBV (x)	3.9	2.7	2.1	1.6	1.3
BVPS (Bt)	2.10	3.04	3.92	4.91	6.05
ROE (%)	55.2	53.2	42.2	37.4	34.6
DPS (Bt)	0.40	0.38	0.59	0.66	0.76
Dividend yield (%)	4.9	4.7	7.2	8.1	9.3
Enterprise value (Bt m)	28,123	30,594	33,238	34,194	34,092
EV-to-EBITDA (x)	13.4	7.4	7.0	6.1	5.2

#### Origin Property PCL

**Recommendation:** BUY

Current price\*: Bt8.3

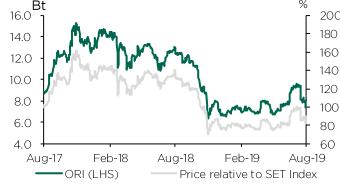
Target price: Bt10.2

Up/(downside): 23%

IOD: 4 out of 5

CAC: Declared

Stock data			
RIC code	ORI.BK		
Index	.SETI		
SET Index (16/08/2019)	1,631.40		
Market cap (Bt m)	19,883		
Shares outstanding (million)	2,455		
Par (Bt)	0.50		
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