

Press Release

No. 90/2025
3 April 2025

TRIS Rating Places "Negative" CreditAlerts on MJD, ORI, BRI, NOBLE, SA and Maintains "Negative" Outlook on ANAN

TRIS Rating places "negative" CreditAlerts on five issuers: Major Development PLC (MJD), Origin Property PLC (ORI), Britania PLC (BRI), Noble Development PLC (NOBLE), and Siamese Asset PLC (SA) and maintains "negative" Outlook on Ananda Development PLC (ANAN) due to potential impacts from the earthquake occurring on 28 March 2025.

The "negative" CreditAlert/Outlook indicate increased credit risks for developers with a high portfolio concentration in high-rise condominium projects in Bangkok and surrounding areas. These developers have remaining units available for sale and backlogs in the condominium sector exceeding 60% of their portfolio and derived over 60% of their revenues or transfers from condominiums in 2024. Therefore, financial metrics of these developers could be materially impacted and weaker-than-expected if their sales and transfers decline significantly from the previous forecasts.

For BRI, the "BBB" ratings on its company and senior unsecured debentures are elevated from its stand-alone credit profile (SACP) of "bbb-" due to its status as a "highly strategic" subsidiary of ORI; therefore, the "negative" CreditAlert on ORI also applies to BRI.

The 7.7-magnitude earthquake with its epicenter in Myanmar on 28 March 2025 is expected to materially impact the operating performance of these developers over the next 6 to 12 months. The physical damages from the earthquake and the perceived risk of living in high-rise buildings may cause potential buyers to delay or cancel their purchases of condominium units or title transfers due to safety concerns. In addition, certain projects could face transfer delays due to the need for damage assessments and required inspections. The earthquake piles pressure on the property developers amid an already stagnant housing demand.

We anticipate that the impact of this natural disaster will be more severe than that of the 2011 flood crisis, as the effects of the flood were confined to some areas and the economy was not as fragile. At that time, the household debt to GDP ratio was approximately 70%-75%, which is significantly lower than the current level of around 90%. The GDP growth in 2012 was 7.2%, following a sharp recovery from 0.8% in 2011. Consequently, demand for landed properties in flood-free areas and condominiums remained resilient. In contrast, the earthquake represents a life-threatening event that has caused significant psychological impact on Thai buyers who are not used to earthquakes of such magnitude. It may take time for homebuyers to regain confidence in high-rise buildings. Developers may need to adjust their portfolios going forward, adapting to changing customer preferences.

Currently, TRIS Rating assigns the company ratings to 23 residential property developers. As of December 2024, the aggregate remaining value of housing units from these developers was THB1.05 trillion, with condominiums accounting for 30% of this total. The backlog amounted to THB236 billion, with condominiums constituting 80% of the backlog.

Homebuilders and Real Estate Developers Rated by TRIS Rating
(As of 3 April 2025)

	Company	Abbreviation	Rating	Outlook/ CreditAlert
1	Assetwise PLC	ASW	BBB-	Positive
2	Ananda Development PLC	ANAN	BB+	Negative
3	Noble Development PLC	NOBLE	BBB	Alert Negative
4	Siamese Asset PLC	SA	BB+	Alert Negative
5	Origin Property PLC	ORI	BBB+	Alert Negative
6	Major Development PLC	MJD	BB	Alert Negative
7	Charn Issara Development PLC	CI	BB	Stable
8	Sena Development PLC	SENA	BBB-	Stable
9	L.P.N. Development PLC	LPN	BBB-	Stable
10	Supalai PLC	SPALI	A	Stable
11	Sansiri PLC	SIRI	BBB+	Stable
12	AP (Thailand) PLC	AP	A	Stable
13	Pruksa Real Estate PLC	PS	BBB+	Stable
14	SC Asset Corporation PLC	SC	BBB+	Stable
15	Quality Houses PLC	QH	A-	Stable
16	Prinsiri PLC	PRIN	BBB-	Negative
17	Property Perfect PLC	PF	BB	Negative
18	Land and Houses PLC	LH	A	Stable
19	Britania PLC	BRI	BBB	Alert Negative
20	Golden Land Property Development PLC	GOLD	A	Stable
21	Lalin Property PLC	LALIN	BBB	Stable
22	M.K. Real Estate Development PLC	MK	BB-	Stable
23	Villa Kunalai PCL	KUN	BB-	Negative

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