

INDEX LIVING MALL ILM TB
THAILAND / COMMERCE

BUY

UNCHANGED

กำไรสุทธิ 2023 ATH 1Q24 คาดยอดขายยังโต y-y

- ผู้บริหารตั้งเป้ารายได้ปี 2024 เติบโตเป็นเลข 2 หลัก (เรคาดโต 7.8%) หนุนจากการฟื้นตัวของภาคท่องเที่ยว ยอดขายสาขาเดิมและช่องทางออนไลน์สูงขึ้น
- ปรับประมาณการกำไรสุทธิปี 2024-25E ขึ้น 2.0%, 2.2% ตามลำดับ
- คงคำแนะนำซื้อ คงราคาเป้าหมายที่ 26.70 บาท (DCF; WACC 8.4%, TG 2%)

TARGET PRICE	THB26.70
CLOSE	THB20.70
UP/DOWNSIDE	+29.0%
PRIOR TP	THB26.70
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-2.8%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	9,309	10,039	10,811	11,452
Net profit	726	786	854	908
EPS (THB)	1.44	1.56	1.69	1.80
vs Consensus (%)	-	(3.7)	(4.5)	(6.2)
EBITDA	1,933	2,081	2,241	2,377
Recurring net profit	726	786	854	908
Core EPS (THB)	1.44	1.56	1.69	1.80
Chg. In EPS est. (%)	nm	2.0	2.2	nm
EPS growth (%)	10.2	8.3	8.6	6.3
Core P/E (x)	14.4	13.3	12.2	11.5
Dividend yield (%)	4.8	5.2	5.7	6.0
EV/EBITDA (x)	7.3	7.0	6.4	6.0
Price/book (x)	1.8	1.7	1.6	1.6
Net debt/Equity (%)	60.8	65.4	61.0	55.6
ROE (%)	12.5	12.9	13.5	13.8

ผู้บริหารให้เป้ารายได้ปี 2024 เติบโต 2 หลัก (Double-digit growth)

ผู้บริหารให้เป้ารายได้ปี 2024 เติบโต Double digits (เรคาดโต 7.8%) หนุนจากสาขาในพื้นที่ท่องเที่ยว 6 สาขา ตามการฟื้นตัวของภาคท่องเที่ยว ซึ่งปัจจุบันมีสัดส่วนรายได้ราว 35-40% ของรายได้รวม และการขยายสาขาใหม่ 2 สาขาที่รัตนนิเบศร์ และ DecorScape ร้านเฟอร์นิเจอร์ระดับ Luxury ที่ทองหล่อ รวมถึงยอดขายออนไลน์ที่ยังเติบโตต่อเนื่อง รวมถึงรายได้จากการให้เช่าที่ได้รับการตอบรับที่ดีจาก 2 สาขาล่าสุด ที่มี Occupancy rate 100% และจะรับ LittleWalk กรุงเทพมหานครเต็มปี (เปิด ต.ค. 23)

2024 ยัง Focus ที่ช่องทางขายหน้าร้านและออนไลน์

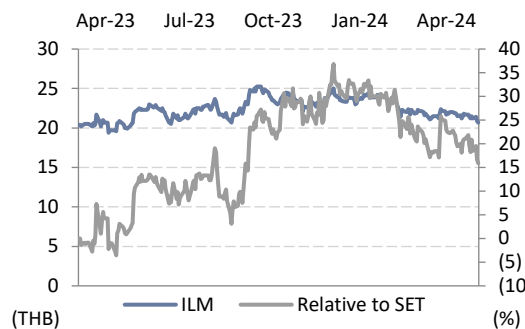
ปี 2024 นอกจากการเติบโตของสาขาเดิม บริษัทยังมีแผนที่จะขยายสาขาใหม่ 2 สาขา รัตนนิเบศร์ (ทดแทนสาขาเดิม) แบ่งเป็นร้าน Index Living Mall พื้นที่ขายราว 7,000 ตร.ม. และ LittleWalk อีกราว 10,000 ตร.ม. ซึ่งคาดว่าจะเปิดในช่วง ธ.ค. 2024 และการเปิด DecorScape ร้านเฟอร์นิเจอร์ระดับ Luxury ที่ทองหล่อ คาดว่าจะเปิดในช่วงเดือน ก.ย. 2024 ทั้งนี้บริษัทมีแผนขยายสาขา Index Living Mall และ LittleWalk อย่างละ 1-2 สาขา ในแต่ละปี โดยปี 2025 มีแผนเปิด Index Living Mall ที่สระบุรีในรูปแบบอาคารประหยัดพลังงาน และ LittleWalk รามคำแหง คาดว่าจะเปิดในช่วง 1Q25

ปรับกำไรสุทธิปี 2024-25E ขึ้น จากปี 2023 ที่ดีกว่าที่คาด

กำไรสุทธิปี 2023 เท่ากับ 726 ลบ. (+10% y-y) ดีกว่าที่เรคาด 5% ถือเป็นปีที่ทำสถิติกำไรสุทธิสูงสุดนับตั้งแต่ก่อตั้ง โดยเฉพาะในพื้นที่จังหวัดท่องเที่ยว รวมถึงช่องทางออนไลน์ที่เติบโตต่อเนื่อง เราปรับประมาณการปี 2024-25E ขึ้น 2% จากกำไรสุทธิปี 2023 ดีกว่าที่คาด โดยปี 2024 คาดกำไรสุทธิ 786 ลบ. (+8.3% y-y) หนุนจากยอดขายหน้าร้านโดยเฉพาะในสาขาท่องเที่ยว คาด SSSG ที่ 6% และยอดขายออนไลน์ที่ยังเติบโตต่อเนื่อง โดยคาดกำไรสุทธิปี 2024-26E เติบโตเฉลี่ย 7.7% CAGR

คงคำแนะนำซื้อ และคงราคาเป้าหมายที่ 26.70 บาท

คงคำแนะนำซื้อ ราคาเป้าหมาย 26.70 บาท ปัจจุบัน Valuation ยังไม่แพง เทียบกับ 2024E P/E 13.3 เท่า ระยะสั้น 1Q24E คาด SSSG เติบโตได้ 7-8% สูงสุดในกลุ่ม Commerce ที่เราศึกษาอยู่ หนุนจากการฟื้นตัวของภาคการท่องเที่ยว



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(6.8)	(13.4)	(1.9)
Relative to country (%)	(7.3)	(10.0)	14.1
Mkt cap (USD m)	285		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	25		
Major shareholder	Krobkrua Thammada Panich Co Ltd (40%)		
12m high/low (THB)	26.00/19.20		
Issued shares (m)	505.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

ILM มีผลประกอบการเติบโตต่อเนื่อง หากไม่รวมช่วง Covid-19 โดยมีช่องทางขายที่หลากหลายทั้งในรูปแบบหน้าร้าน (physical stores), งานโครงการ (Project), ออนไลน์ (online channels) รวมถึงเป็น Distributor ในการขายต่างประเทศ บริษัทได้อนิสงค์ต่อการฟื้นตัวของภาคท่องเที่ยว โดยสัดส่วนรายได้จากสาขาท่องเที่ยวคิดเป็น 30-40% ของรายได้รวม บริษัทมีแผนการขยายสาขา 2-3 สาขาต่อปี นอกจากนี้ บริษัทยังมีรายได้จากการให้เช่าภายใต้แบรนด์ The Walk และ Little Walk ซึ่งเป็นศูนย์การค้าแบบเปิด หรือ Community Mall โดยได้รับการตอบรับที่ดี โดยมีอัตราการเช่าเฉลี่ย (Occupancy rate) มากกว่า 85% โดย 2 สาขาล่าสุดคือ Little Walk ลาดกระบังและกรุงเทพมหานคร มี Occupancy rate 100%

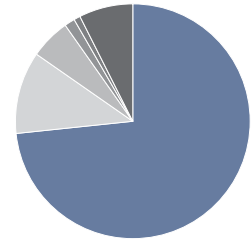
Company profile

ILM ประกอบธุรกิจร้านค้าปลีกจำหน่ายเฟอร์นิเจอร์และของตกแต่งบ้านครบวงจรในประเทศไทย ภายใต้แบรนด์ร้านค้า "Index Living Mall" และแบรนด์อื่น ๆ รวมทั้งจำหน่ายสินค้าผ่านช่องทางอื่นๆ ทั้งออนไลน์และออฟไลน์ ที่ครอบคลุมลูกค้าทั้งในประเทศไทย และต่างประเทศ นอกจากนี้ยังมีธุรกิจพื้นที่ให้เช่าภายใต้รูปแบบคอมมูนิตี้ออลล์ ภายใต้แบรนด์ "The Walk" "Little Walk" และ "Index Mall" รวมถึงพื้นที่เช่าในสาขาของ Index Living Mall

www.indexlivingmall.com

Principal activities (revenue, 2023)

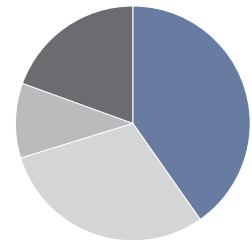
- Retail - 73.3 %
- Online - 11.3 %
- Project - 5.6 %
- Oversea - 1.4 %
- Dealer - 0.9 %
- Rental - 7.4 %



Source: Index Living Mall

Major shareholders

- Krobkrua Thammada Panich Co Ltd - 40.3 %
- Patamasatayasonthi Family - 30.0 %
- Udomma huntisuk Family - 10.3 %
- Others - 19.5 %



Source: Index Living Mall

Catalysts

ปัจจัยสนับสนุนสำหรับ ILM ได้แก่ 1) การฟื้นตัวของการบริโภคและการท่องเที่ยวในประเทศ 2) การฟื้นตัวของภาคอสังหาริมทรัพย์

Risks to our call

ความเสี่ยง 1) Same-store sales growth (SSSG) เติบโตน้อยกว่าที่คาด 2) GPM ต่ำกว่าที่คาด 3) ค่าใช้จ่ายในการขายและบริหารสูงกว่าที่คาด

Event calendar

Date	Event
10 May 2024	Ex-dividend date
May 2024	1Q24 results announcement

Key assumptions

	2023A	2024E	2025E	2026E
Revenues (THB m)	9,309	10,039	10,811	11,452
- Sales	8,617	9,272	9,913	10,486
- Rental	692	768	898	966
SSSG (%)	9.9	6.1	3.8	3.8
Gross margin (%)	46.0	46.1	46.2	46.2
- GPM sales	45.7	45.8	45.8	45.9
- GPM Rental	50.4	50.4	50.4	50.4
SG&A to sales	35.6	35.9	35.9	36.0
Net profit (THB m)	726	786	854	908

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in SSSG, we estimate 2024 net profit to rise by 1%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2024 net profit to rise by 5.5%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2024 net profit to fall by 5.9%, and vice versa, all else being equal.

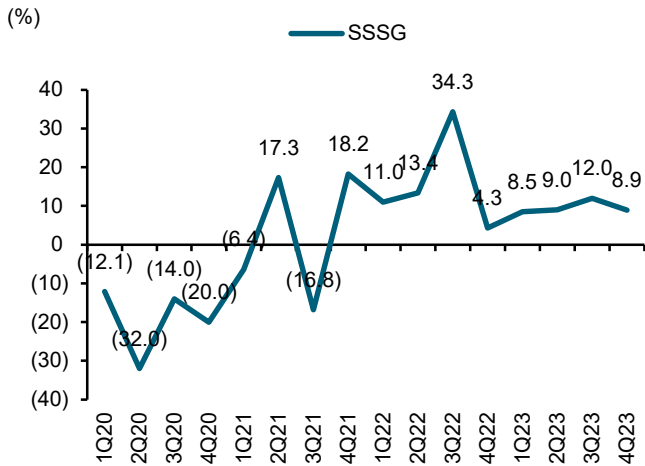
Source: FSSIA estimates

Exhibit 1: 4Q23 results summary and 2024 forecast

Year to Dec 31	4Q22	1Q23	2Q23	3Q23	4Q23	----- Change -----		2023	Change	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	(THB m)	(y-y%)
Total revenue	2,435	2,188	2,184	2,396	2,541	6.1	4.3	9,309	4.7	10,039	7.8
- Retail sales	2,274	2,023	2,012	2,222	2,361	6.2	3.8	8,617	4.4	9,272	7.6
- Rental and services	161	165	172	174	181	3.9	12.1	692	8.4	768	11.0
Core COGS	(1,377)	(1,159)	(1,147)	(1,309)	(1,410)	7.7	2.4	(5,026)	3.0	(5,407)	7.6
- COGS	(1,296)	(1,075)	(1,065)	(1,220)	(1,323)	8.5	2.1	(4,683)	2.6	(5,027)	7.3
- Cost of Rental	(82)	(84)	(83)	(89)	(87)	(2.7)	6.6	(343)	10.1	(381)	11.0
Gross profit	1,058	1,029	1,037	1,086	1,131	4.1	6.9	4,283	6.8	4,632	8.1
Operating costs	(823)	(793)	(820)	(827)	(872)	5.5	6.0	(3,312)	5.6	(3,605)	8.8
Operating profit	236	236	217	259	259	(0.2)	9.8	971	11.0	1,027	5.7
Other income	35	24	32	22	29	31.6	(16.1)	107	(10.9)	112	4.4
Interest expense	(55)	(52)	(54)	(55)	(55)	0.3	1.0	(216)	0.7	(207)	(4.1)
Profit before tax	216	208	195	226	233	2.8	7.9	862	10.4	932	8.1
Tax	(32)	(34)	(31)	(37)	(38)	1.7	16.5	(140)	14.6	(146)	4.1
Minority interests	-	-	-	(2)	(1)	(34.6)	n/a	(3)	n/a	-	n/a
Non-recurring items	-	-	-	-	-	n/a	n/a	-	n/a	-	n/a
Reported net profit	183	174	164	191	197	2.7	7.1	726	10.2	786	8.3
Recurring net profit	183	174	164	191	197	2.7	7.1	726	10.2	786	8.3
EPS (THB)	0.36	0.35	0.32	0.38	0.39	2.7	7.1	1.43	10.2	1.56	8.3
Recurring EPS (THB)	0.36	0.35	0.32	0.38	0.39	2.7	7.1	1.44	10.2	1.56	8.3
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(ppt)	(%)	(ppt)
Gross margin	43.5	47.0	47.5	45.3	44.5	(0.8)	1.1	46.0	0.9	46.1	0.1
- Retail	43.0	46.9	47.1	45.1	43.9	(1.1)	0.9	45.7	1.0	45.8	0.1
- Rental and services	49.3	49.2	52.0	48.5	51.8	3.3	2.5	50.4	(0.7)	50.4	-
Operating margin	11.1	11.9	11.4	11.7	11.3	(0.4)	0.2	11.6	0.4	11.3	(0.2)
Recurring net margin	7.5	8.0	7.5	8.0	7.7	(0.3)	0.2	7.8	0.4	7.8	0.0
SG&A / Sales	33.8	36.3	37.5	34.5	34.3	(0.2)	0.5	35.6	0.3	35.9	0.3
Operating statistics	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(%)	(ppt)	(%)	(y-y%)
SSSG (%y-y)	4.3	8.5	9.0	12.0	8.9			9.9		6.1	
Retails Sales (THB m)	1,646	1,675	1,671	1,682	1,800	7.0	9.4	6,827	9.6	7,381	8.1
Project Sales (THB m)	321	58	58	195	207	6.5	(35.3)	518	(33.0)	510	(1.5)
Oversea Sales (THB m)	64	40	25	42	26	(38.3)	(59.4)	134	(47.2)	136	1.5
Dealer Sales (THB m)	25	22	23	17	21	20.3	(15.9)	83	(10.5)	84	1.2
Online Sales (THB m)	220	228	235	286	307	7.1	39.6	1,056	16.9	1,161	10.0
Retails (% to sales)	73	83	83	76	76			79		80	
Project (% to sales)	13	3	3	9	9			6		6	
Oversea (% to sales)	3	2	1	2	1			2		1	
Dealer (% to sales)	1	1	1	1	1			1		1	
Online (% to sales)	10	11	12	13	13			12		13	

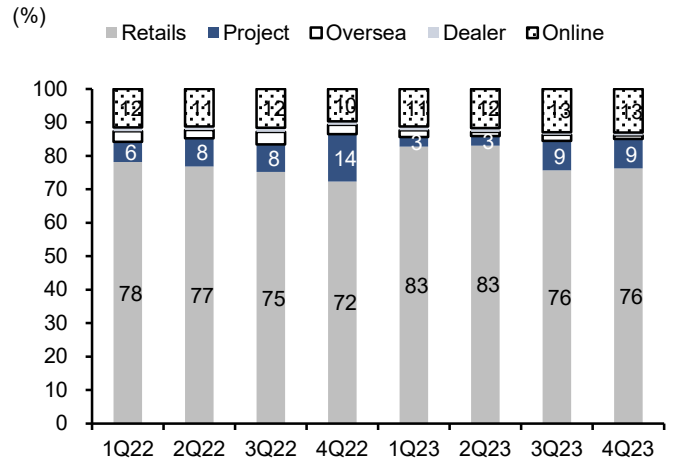
Sources: ILM; FSSIA estimates

Exhibit 2: Quarterly SSSG



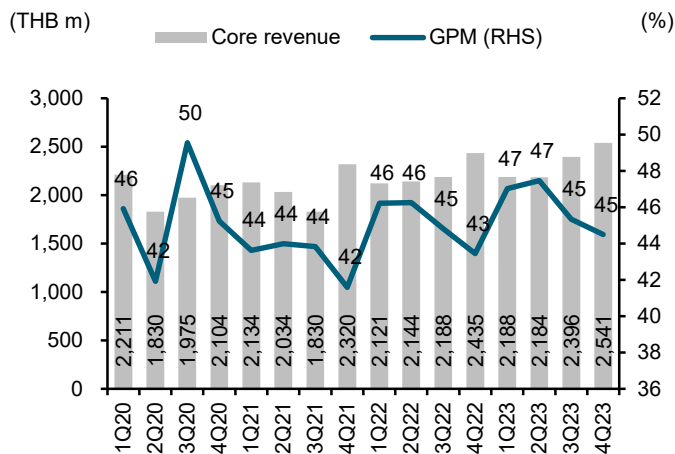
Sources: ILM; FSSIA's compilation

Exhibit 3: Sales breakdown by channel



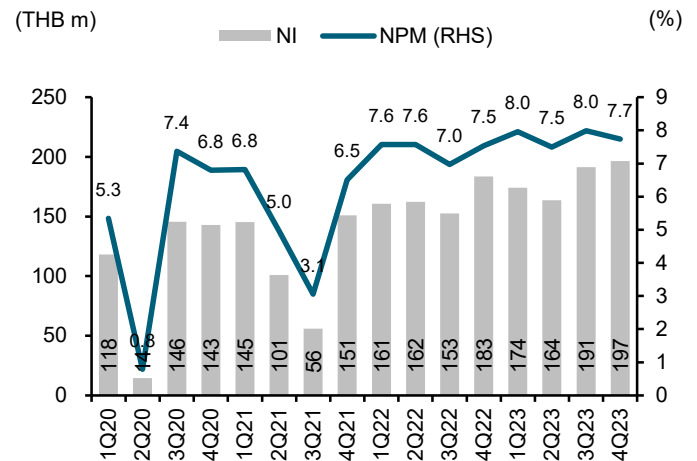
Sources: ILM; FSSIA's compilation

Exhibit 4: Quarter revenue and margin



Sources: ILM; FSSIA's compilation

Exhibit 5: Quarter net profit and margin



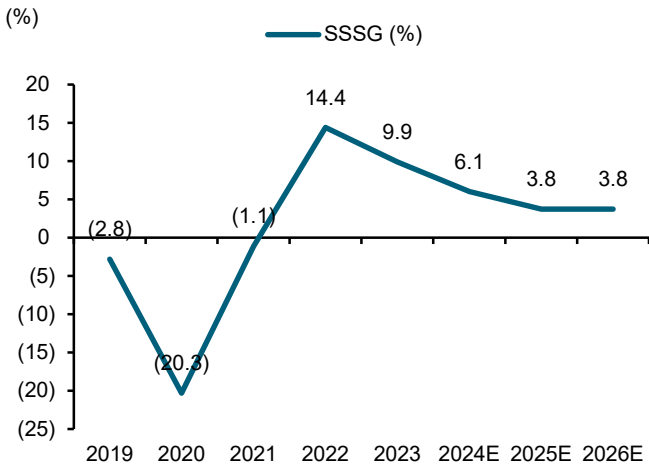
Sources: ILM; FSSIA's compilation

Exhibit 6: earnings revised up

	Actual	Current			Previous			Change		
	2023A	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Revenues (THB m)	9,309	10,039	10,811	11,452	10,779	11,396	n/a	(6.9)	(5.1)	n/a
- Sales	8,617	9,272	9,913	10,486	10,033	10,607	n/a	(7.6)	(6.5)	n/a
- Rental	692	768	898	966	746	789	n/a	2.9	13.8	n/a
SSSG (%)	9.9	6.1	3.8	3.8	6.1	3.8	n/a	0.0	0.0	n/a
Average Occ rate (%)	88.7	88.7	88.5	88.6	87.4	88.6	n/a	1.3	(0.1)	n/a
Gross margin (%)	46.0	46.1	46.2	46.2	45.9	46.1	n/a	0.2	0.1	n/a
- GPM sales	45.7	45.8	45.8	45.9	46	46	n/a	0.2	(0.0)	n/a
- GPM Rental	50.4	50.4	50.4	50.4	49.9	49.6	n/a	0.5	0.8	n/a
SG&A to sales	35.6	35.9	35.9	36.0	36.4	36.6	n/a	(0.5)	(0.6)	n/a
Net profit (THB m)	726	786	854	908	771	836	n/a	2.0	2.2	n/a

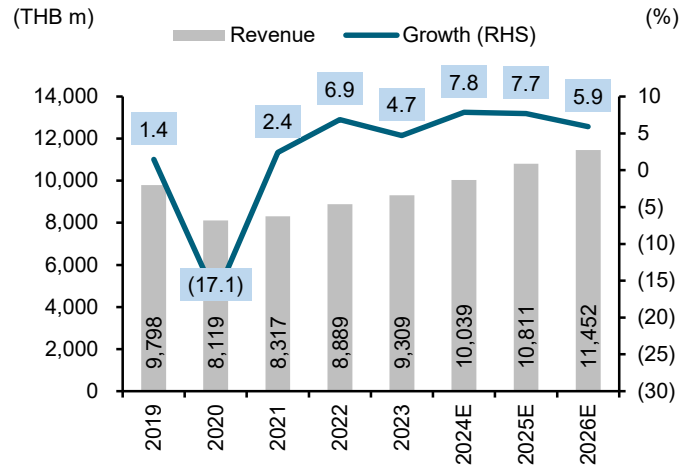
Sources: ILM; FSSIA estimates

Exhibit 7: Same-store sales growth



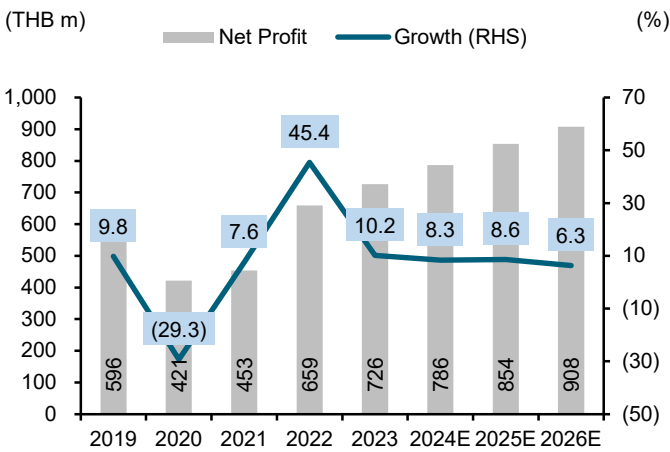
Sources: ILM; FSSIA estimates

Exhibit 8: Yearly revenue and growth



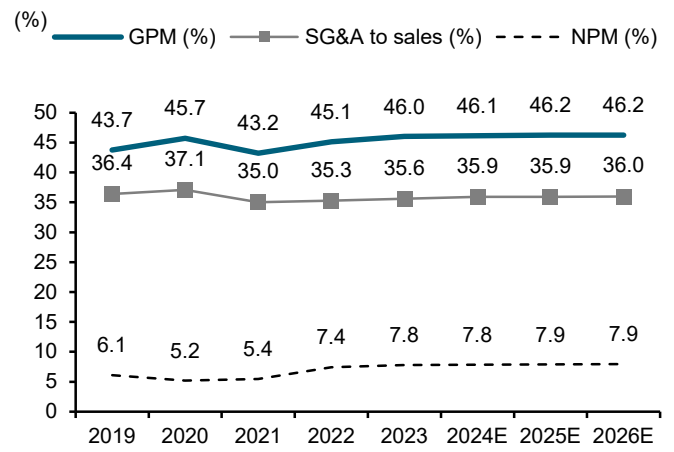
Sources: ILM; FSSIA estimates

Exhibit 9: Yearly net profit and growth



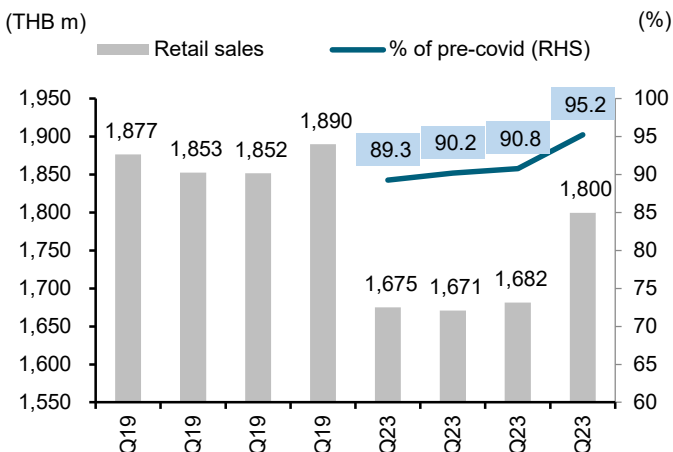
Sources: ILM; FSSIA estimates

Exhibit 10: Profitability



Sources: ILM; FSSIA estimates

Exhibit 11: Potential recovery to pre-covid level



Sources: ILM; FSSIA's compilation

Exhibit 12: Upcoming projects - Ratanatibate



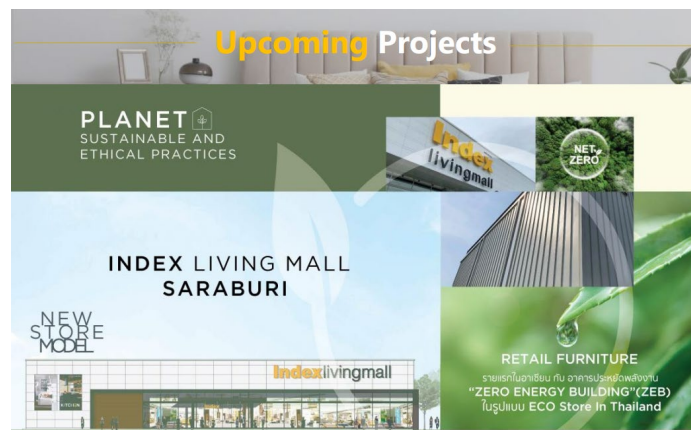
Source: ILM

Exhibit 13: Upcoming projects – DecorScope@Thonglor



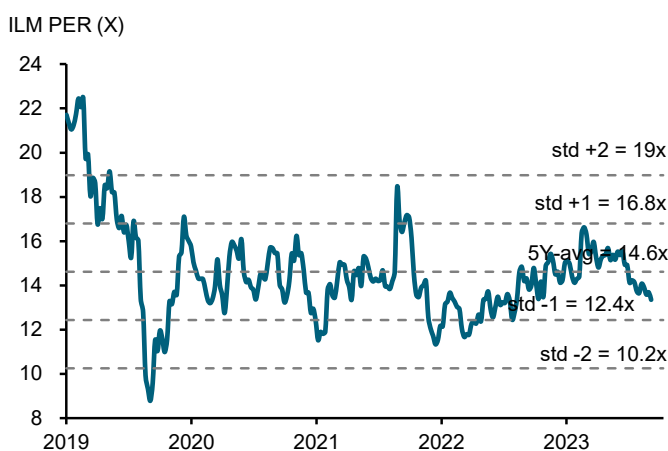
Source: ILM

Exhibit 14: Upcoming projects – Eco store Saraburi



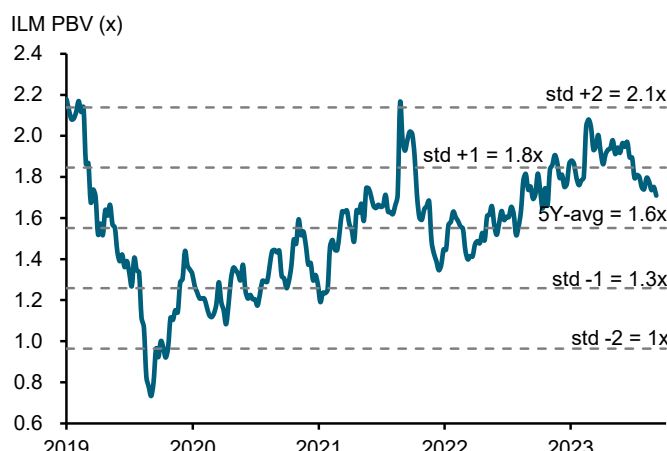
Source: ILM

Exhibit 15: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 16: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 17: Commerce peers as of 3 April 2024

Company	BBG	Rec	Share price			Market Cap (USD m)	PE		ROE		PBV		EV/EBITDA	
			Current (LCY)	Target (LCY)	Upside (%)		24E (x)	25E (x)	24E (%)	25E (%)	24E (x)	25E (x)	24E (x)	25E (x)
Consumer Staple														
CP All	CPALL TB	BUY	55.00	77.00	40	13,460	23.5	20.1	18.1	19.3	4.4	4.0	18.7	16.2
CP Aextra	CPAXT TB	BUY	31.25	36.00	15	9,008	31.1	26.5	3.6	4.2	1.1	1.1	11.5	10.9
Berli Jucker*	BJC TB	n/a	24.70	n/a	n/a	2,670	17.7	16.8	4.5	4.8	0.8	0.8	11.9	11.4
Consumer Staple average						25,138	24.1	21.1	8.7	9.4	2.1	2.0	14.0	12.8
Consumer Discretionary														
Com7	COM7 TB	BUY	18.90	22.50	19	1,228	15.2	14.0	34.3	32.0	4.8	4.2	10.3	9.1
Central Retail Corp	CRC TB	BUY	35.25	44.00	25	5,792	23.6	21.1	12.9	13.3	2.9	2.7	10.0	9.4
Home Improvement														
Index Living Mall	ILM TB	BUY	20.70	26.70	29	285	13.3	12.2	12.9	13.5	1.7	1.6	7.0	6.4
Home Product Center	HMPRO TB	BUY	10.50	13.60	30	3,762	20.2	19.1	26.1	26.4	5.1	4.9	11.8	11.2
Siam Global House	GLOBAL TB	BUY	16.60	17.70	7	2,353	28.1	25.0	12.3	13.0	3.4	3.2	21.7	19.5
Dohome	DOHOME TB	BUY	11.20	12.30	10	985	35.5	27.6	7.7	9.3	2.7	2.5	18.0	15.7
Home Improvement avg.						7,385	24.3	21.0	14.8	15.5	3.2	3.0	14.6	13.2
Consumer Discretionary avg.						14,405	22.6	19.8	17.7	17.9	3.4	3.2	13.1	11.9
Total average						39,543	23.1	20.3	14.7	15.1	3.0	2.8	13.4	12.2

Sources: *Bloomberg; FSSIA estimates

Financial Statements

Index Living Mall

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	8,889	9,309	10,039	10,811	11,452
Cost of goods sold	(4,877)	(5,026)	(5,407)	(5,814)	(6,156)
Gross profit	4,011	4,283	4,632	4,996	5,296
Other operating income	120	107	112	120	128
Operating costs	(3,136)	(3,312)	(3,605)	(3,885)	(4,122)
Operating EBITDA	1,797	1,933	2,081	2,241	2,377
Depreciation	(801)	(855)	(942)	(1,009)	(1,076)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	995	1,078	1,139	1,232	1,302
Net financing costs	(214)	(216)	(207)	(220)	(226)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	0	0	0
Profit before tax	781	862	932	1,012	1,076
Tax	(122)	(140)	(146)	(158)	(168)
Profit after tax	659	723	786	854	908
Minority interests	0	3	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	659	726	786	854	908
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	659	726	786	854	908
Per share (THB)					
Recurring EPS *	1.31	1.44	1.56	1.69	1.80
Reported EPS	1.31	1.44	1.56	1.69	1.80
DPS	0.60	1.00	1.08	1.18	1.25
Diluted shares (used to calculate per share data)	505	505	505	505	505
Growth					
Revenue (%)	6.9	4.7	7.8	7.7	5.9
Operating EBITDA (%)	9.1	7.6	7.6	7.7	6.1
Operating EBIT (%)	28.3	8.3	5.6	8.2	5.6
Recurring EPS (%)	45.4	10.2	8.3	8.6	6.3
Reported EPS (%)	45.4	10.2	8.3	8.6	6.3
Operating performance					
Gross margin inc. depreciation (%)	45.1	46.0	46.1	46.2	46.2
Gross margin exc. depreciation (%)	54.1	55.2	55.5	55.5	55.6
Operating EBITDA margin (%)	20.2	20.8	20.7	20.7	20.8
Operating EBIT margin (%)	11.2	11.6	11.3	11.4	11.4
Net margin (%)	7.4	7.8	7.8	7.9	7.9
Effective tax rate (%)	15.6	16.2	15.6	15.6	15.6
Dividend payout on recurring profit (%)	46.0	69.6	69.6	69.6	69.6
Interest cover (X)	4.6	5.0	5.5	5.6	5.8
Inventory days	145.3	145.9	146.8	147.1	152.2
Debtor days	9.3	12.1	13.9	13.5	13.6
Creditor days	144.2	142.5	135.5	130.1	131.7
Operating ROIC (%)	15.9	17.6	18.2	19.1	20.0
ROIC (%)	8.0	8.8	9.1	9.5	9.9
ROE (%)	12.0	12.5	12.9	13.5	13.8
ROA (%)	6.9	7.4	7.6	7.9	8.1
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Retail	6,230	6,827	7,381	7,897	8,348
Online	903	1,056	1,161	1,266	1,367
Project	773	518	510	525	541
Oversea	253	134	136	140	144

Sources: Index Living Mall; FSSIA estimates

Financial Statements

Index Living Mall

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	659	726	786	854	908
Depreciation	801	855	942	1,009	1,076
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	311	15	31	120	124
Cash flow from operations	1,772	1,596	1,759	1,982	2,108
Capex - maintenance	-	-	-	-	-
Capex - new investment	(577)	(641)	(1,052)	(979)	(1,013)
Net acquisitions & disposals	(40)	51	(344)	(99)	(67)
Other investments (net)	(2)	468	(1)	(2)	(2)
Cash flow from investing	(619)	(123)	(1,397)	(1,079)	(1,081)
Dividends paid	(303)	(429)	(547)	(594)	(632)
Equity finance	0	0	0	0	0
Debt finance	(674)	(664)	353	107	80
Other financing cash flows	(208)	(181)	(247)	(195)	(201)
Cash flow from financing	(1,185)	(1,275)	(441)	(682)	(753)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(32)	199	(79)	221	274
Free cash flow to firm (FCFF)	1,367.18	1,689.36	568.87	1,123.20	1,252.13
Free cash flow to equity (FCFE)	270.70	628.00	467.63	815.38	905.34
Per share (THB)					
FCFF per share	2.71	3.35	1.13	2.22	2.48
FCFE per share	0.54	1.24	0.93	1.61	1.79
Recurring cash flow per share	2.89	3.13	3.42	3.69	3.93
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	13,001	12,971	13,570	14,068	14,567
Less: Accumulated depreciation	(8,314)	(8,497)	(8,985)	(9,514)	(10,076)
Tangible fixed assets (net)	4,688	4,474	4,584	4,554	4,491
Intangible fixed assets (net)	2,979	2,966	3,277	3,353	3,408
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	75	274	194	415	689
A/C receivable	522	703	727	783	833
Inventories	1,586	1,748	1,845	2,029	2,208
Other current assets	14	13	14	15	16
Current assets	2,197	2,738	2,780	3,243	3,746
Other assets	2,168	2,147	2,192	2,231	2,257
Total assets	12,032	12,324	12,833	13,381	13,903
Common equity	5,668	5,965	6,204	6,464	6,740
Minorities etc.	0	14	14	14	14
Total shareholders' equity	5,668	5,979	6,218	6,478	6,754
Long term debt	3,029	2,992	3,309	3,385	3,438
Other long-term liabilities	615	651	580	626	668
Long-term liabilities	3,644	3,643	3,890	4,011	4,106
A/C payable	1,590	1,666	1,650	1,777	1,890
Short term debt	1,072	915	950	981	1,009
Other current liabilities	57	122	125	135	144
Current liabilities	2,719	2,703	2,726	2,893	3,043
Total liabilities and shareholders' equity	12,032	12,324	12,833	13,381	13,903
Net working capital	474	676	811	916	1,023
Invested capital	10,310	10,263	10,864	11,054	11,180
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	11.22	11.81	12.29	12.80	13.35
Tangible book value per share	5.32	5.94	5.80	6.16	6.60
Financial strength					
Net debt/equity (%)	71.0	60.8	65.4	61.0	55.6
Net debt/total assets (%)	33.5	29.5	31.7	29.5	27.0
Current ratio (x)	0.8	1.0	1.0	1.1	1.2
CF interest cover (x)	5.0	6.9	8.3	9.1	9.5
Valuation					
Recurring P/E (x) *	15.9	14.4	13.3	12.2	11.5
Recurring P/E @ target price (x) *	20.5	18.6	17.1	15.8	14.8
Reported P/E (x)	15.9	14.4	13.3	12.2	11.5
Dividend yield (%)	2.9	4.8	5.2	5.7	6.0
Price/book (x)	1.8	1.8	1.7	1.6	1.6
Price/tangible book (x)	3.9	3.5	3.6	3.4	3.1
EV/EBITDA (x) **	8.1	7.3	7.0	6.4	6.0
EV/EBITDA @ target price (x) **	9.7	8.9	8.4	7.8	7.3
EV/invested capital (x)	1.4	1.4	1.3	1.3	1.3
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Index Living Mall; FSSIA estimates

INDEX LIVINGMALL PCL (ILM TB)

FSSIA ESG rating

20 /100
Exhibit 18: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 19: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
DOHOME	42.34	--	--	--	5.00	5.00	Declared	Medium	37.50	--	--	37.19	20.00	4.17	46.91
GLOBAL	59.18	--	Y	Y	5.00	5.00	Declared	Low	53.10	--	--	36.48	41.00	3.24	52.38
HMPRO	87.20	Y	Y	Y	5.00	5.00	Certified	Low	66.54	AA	37.00	65.78	81.00	5.36	62.59
ILM	20.00	--	--	--	5.00	5.00	Certified	--	--	--	--	--	--	--	--
BJC	71.33	Y	Y	Y	4.00	4.00	--	Medium	55.09	A	--	65.19	89.00	2.16	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation
Exhibit 20: ESG disclosure from the company's one report

FY ending Dec 31	FY 2022	FY ending Dec 31	FY 2022
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	11 / 5 / 4
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	5 / 94.55%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	--	Number of non-executive directors on board	5
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	1.5	Age of the youngest / oldest director	--
Waste reduction policy	Yes	Number of executives / female	13 / 5
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	28520	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	4
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 3
Quality assurance and recall policy	--	Number of compensation committee meetings	3
Consumer data protection policy	--	Compensation committee meeting attendance (%)	88.88
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 3
Gender pay gap breakout	--	Number of nomination committee meetings	3
Pct women in workforce	45.2	Nomination committee meeting attendance (%)	88.88
Business ethics policy	Yes	Board compensation (THB m)	5.9
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	3.6
Health and safety policy	Yes	(KPMG Phoomchai Audit Company Limited)	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	--		
Social supply chain management	Yes		

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) **"CG Score"**; 2) **"AGM Level"**; 3) **"Thai CAC"**; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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Company	Ticker	Price	Rating	Valuation & Risks
Index Living Mall	ILM TB	THB 20.70	BUY	Downside risks to our DCF-based TP include 1) a lower-than-expected SSSG; 2) a lower-than-expected GPM; and 3) a higher-than-expected SG&A.
Home Product Center	HMPRO TB	THB 10.50	BUY	Key downside risks to our DCF-based TP include: 1) lower-than-expected SSSG; 2) slower-than-expected recovery in domestic consumption and tourist arrivals, and 3) operating losses from overseas units.
Siam Global House	GLOBAL TB	THB 16.60	BUY	Key downside risks to our DCF-based TP are 1) lower farm income, 2) a delay in government disbursement, 3) decreased private brand exposure and its lower gross margin, 4) higher-than-expected expenses, and 5) a larger-than-expected impact of the El Nino.
Dohome PCL	DOHOME TB	THB 11.20	BUY	Downside risks to our DCF-based TP include 1) lower farm income, 2) a delay in government disbursement, 3) a decreased private brand exposure and its lower margins, 4) higher-than-expected expenses, and 5) a higher-than-expected impact of the El Nino.
CP All	CPALL TB	THB 55.00	BUY	The key downside risks to our DCF-derived TP include 1) lower-than-expected SSSG, 2) lower-than-expected gross margin, and 3) higher-than-expected SG&A to sales ratio.
CP Axtra	CPAXT TB	THB 31.25	BUY	The key downside risks to our DCF-based TP include: 1) lower-than-expected SSSG; 2) a lower-than-expected GPM improvement; and 3) operational losses from its overseas business.
Com7	COM7 TB	THB 18.90	BUY	Downside risks to our P/E-based TP include 1) lower consumption and domestic purchasing power, 2) store cannibalization, and 3) product shortages.
Central Retail Corp	CRC TB	THB 35.25	BUY	Downside risks to our DCF-based TP include 1) a decline in domestic purchasing power, 2) lower-than-expected tourist arrivals, 3) an absence of the government's stimulus, and 4) a slower-than-expected economic recovery in Vietnam.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 03-Apr-2024 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.