

DOHOME PCL DOHOME TB  
THAILAND / COMMERCE

BUY

UNCHANGED

## 4Q23 results at first glance

กำไรปกติ 4Q23 สูงกว่าที่เราและตลาดคาด 7% และ 4% ตามลำดับ

## Highlights

- DOHOME รายงานกำไรสุทธิอยู่ที่ 197 ลบ. (+117% q-q, +484% y-y) ถ้าหักค่าสินไหมทดแทนจากการประกันอุทกภัยจำนวน 66 ลบ. กำไรปกติอยู่ที่ 131 ลบ. (+44% q-q, +451% y-y) ส่วนมากจากอัตรากำไรขั้นต้นที่เพิ่มขึ้น 16.9% (+140 bps q-q, +320 bps y-y) ตามอัตรากำไรขั้นต้นของสินค้า House Brand และสัดส่วนลูกค้าที่ซื้อเพื่อใช้เองที่เพิ่มขึ้น
- ยอดขายอยู่ที่ 7.26 พัน ลบ. (-1% q-q, -4% y-y) ลดลงส่วนมากจากความล่าช้าในการเบิกจ่ายงบประมาณของรัฐบาลซึ่งทำให้การเติบโตของยอดขายจากสาขาเดิม (SSSG) ใน 4Q23 ติดลบ 9.5%
- อัตรากำไรขั้นต้นปรับขึ้นเป็น 16.9% (เรคาด 16.7%) (+140 bps q-q, +320 bps y-y) จากอัตรากำไรขั้นต้นของสินค้า House Brand และสัดส่วนลูกค้าที่ซื้อเพื่อใช้เองที่เพิ่มขึ้น
- บริษัทฯ ควบคุมต้นทุนได้อย่างมีประสิทธิภาพดังจะเห็นได้จากค่าใช้จ่ายการขายและบริหารที่เพิ่มเพียง 2% y-y แม้ว่าบริษัทฯ จะเปิดสาขาขนาดใหญ่เพิ่ม 3 สาขา ณ สิ้นรอบปี 2023 บริษัทฯ มีสาขา L และ XL จำนวน 24 สาขาและสาขา ToGo อีก 11 สาขา
- DOHOME ประกาศจ่ายหุ้นปันผลในอัตรา 22:1 และเงินปันผลอีก 0.005 บาท/หุ้น คิดเป็นผลตอบแทนในรูปเงินปันผลได้ที่ 0.5% โดยจะขึ้น XD ในวันที่ 4 มี.ค. 2024

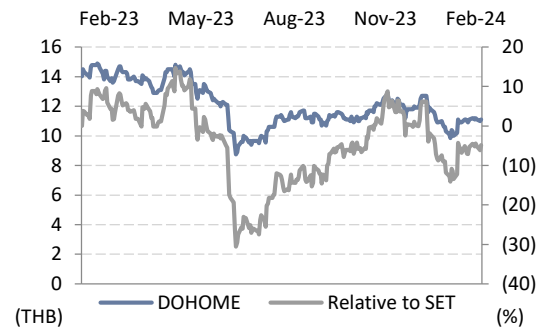
## Outlook

- แนวโน้ม SSSG ยังอ่อนแอจาก 1QTD SSSG ที่ยังติดลบ 7-8% อย่างไรก็ตามเราเห็นการฟื้นตัวในอัตราที่ดีขึ้นในกลุ่มลูกค้าที่ซื้อเพื่อใช้เองซึ่งสอดคล้องกับกิจกรรมซ่อมแซมปรับปรุงบ้านในช่วง 1H นอกจากนี้อัตรากำไรขั้นต้นยังมีแนวโน้มปรับขึ้นต่อเนื่องโดยคาดว่าจะแตะ 17% ใน 1Q24
- เรคาดว่า SSSG จะพลิกเป็นบวกได้ในช่วง 2H24 หลังการเบิกจ่ายภาครัฐกลับมาเป็นปกติ
- เรคาดคำแนะนำซื้อจากแนวโน้มผลประกอบการ 2H24 ที่ดีขึ้นและเลือก HMPRO เป็นหุ้นเด่นในกลุ่ม Home Improvement จากระดับการประเมินมูลค่าที่ต่ำกว่าโดย HMPRO มีการซื้อขายที่ค่า 2024E P/E ที่ 21x เทียบเท่าค่าเฉลี่ย 5 ปีย้อนหลัง -2.5SD นอกจากนี้เรายังคาดว่ากำไรสุทธิปี 2024-25 จะโต 7% และ 6% ตามลำดับ

TARGET PRICE	THB12.30
CLOSE	THB11.10
UP/DOWNSIDE	+10.8%
PRIOR TP	THB12.30
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.3%

## KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	31,218	32,957	36,157	39,486
Net profit	585	975	1,255	1,551
EPS (THB)	0.19	0.32	0.41	0.50
vs Consensus (%)	-	70.2	21.3	13.1
EBITDA	2,227	2,905	3,365	3,862
Recurring net profit	519	975	1,255	1,551
Core EPS (THB)	0.17	0.32	0.41	0.50
Chg. In EPS est. (%)	nm	0.3	0.1	nm
EPS growth (%)	(42.5)	87.7	28.8	23.6
Core P/E (x)	66.0	35.2	27.3	22.1
Dividend yield (%)	0.4	0.3	0.8	1.1
EV/EBITDA (x)	23.3	17.9	15.6	13.7
Price/book (x)	2.8	2.6	2.4	2.3
Net debt/Equity (%)	143.7	135.6	130.0	121.7
ROE (%)	4.4	7.7	9.3	10.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	7.8	(8.3)	(15.8)
Relative to country (%)	7.9	(5.7)	1.1
Mkt cap (USD m)	951		
3m avg. daily turnover (USD m)	1.9		
Free float (%)	30		
Major shareholder	Tangmitrpracha Family (36%)		
12m high/low (THB)	15.15/8.60		
Issued shares (m)	3,089.13		

Sources: Bloomberg consensus; FSSIA estimates



Jitra Amoronthum

Fundamental Investment Analyst on Securities; License no. 014530  
jitra.a@fssia.com, +66 2646 9966

Thada Jirachoenying

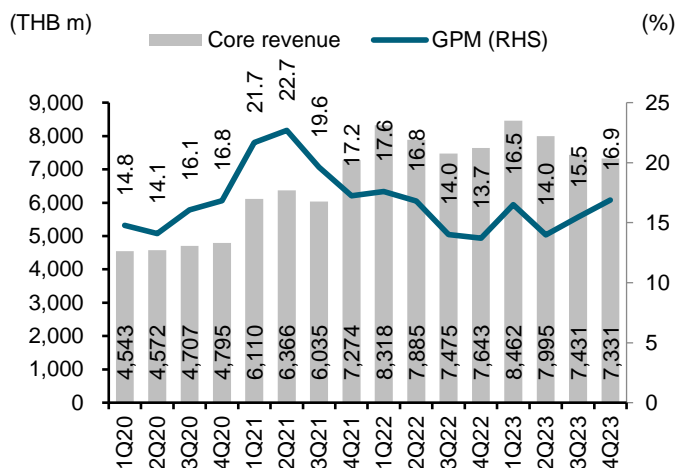
Research assistant  
thada.j@fssia.com, +66 2646 9964

Exhibit 1: DOHOME - 4Q23 results summary

Year to Dec 31	4Q22	1Q23	2Q23	3Q23	4Q23	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
<b>Total revenue</b>	<b>7,643</b>	<b>8,462</b>	<b>7,995</b>	<b>7,431</b>	<b>7,331</b>	<b>(1)</b>	<b>(4)</b>
- Retail sales	7,572	8,375	7,898	7,358	7,258	(1)	(4)
- Service income	71	86	96	72	73	1	3
Cost of sales	(6,594)	(7,065)	(6,876)	(6,283)	(6,094)	(3)	(8)
<b>Gross profit</b>	<b>1,049</b>	<b>1,397</b>	<b>1,119</b>	<b>1,148</b>	<b>1,238</b>	<b>8</b>	<b>18</b>
Operating costs	(1,005)	(1,001)	(993)	(973)	(1,021)	5	2
<b>Operating profit</b>	<b>44</b>	<b>396</b>	<b>126</b>	<b>175</b>	<b>216</b>	<b>23</b>	<b>397</b>
Other income	70	53	55	72	176	146	151
Other expenses	(76)	(6)	0	0	3	n/a	103
<b>EBIT</b>	<b>38</b>	<b>443</b>	<b>182</b>	<b>247</b>	<b>395</b>	<b>60</b>	<b>935</b>
Finance income	4	4	5	6	8	32	83
Interest expense	(111)	(122)	(141)	(145)	(158)	9	43
Profit before tax	(68)	324	46	108	244	127	(457)
Tax	17	(66)	(6)	(17)	(48)	181	(376)
Non-recurring items	75	0	0	0	(66)	n/a	(188)
<b>Reported net profit</b>	<b>(51)</b>	<b>258</b>	<b>39</b>	<b>91</b>	<b>197</b>	<b>117</b>	<b>484</b>
<b>Recurring net profit</b>	<b>24</b>	<b>258</b>	<b>39</b>	<b>91</b>	<b>131</b>	<b>44</b>	<b>451</b>
EPS (THB)	(0.02)	0.08	0.01	0.03	0.06	117	462
Recurring EPS (THB)	0.00	0.08	0.01	0.03	0.06	117	2,017
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Gross margin	13.7	16.5	14.0	15.5	16.9	1.4	3.2
Operating margin	0.6	4.7	1.6	2.4	2.9	0.6	2.4
Recurring net margin	0.3	3.1	0.5	1.2	1.8	0.6	1.5
SG&A to rev	13.2	11.8	12.4	13.1	13.9	0.8	0.8

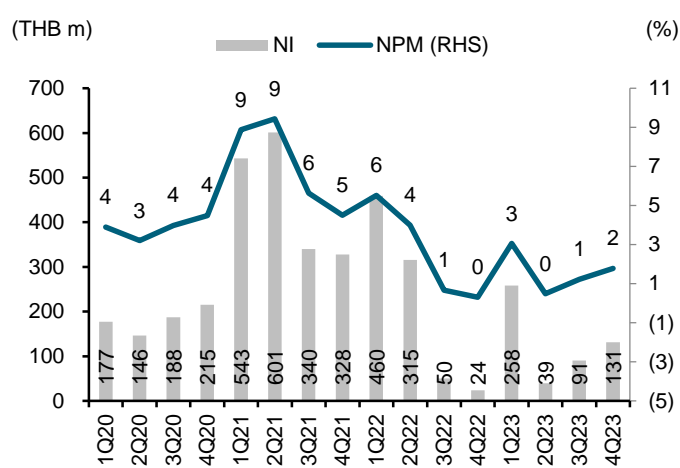
Sources: DOHOME; FSSIA estimates

Exhibit 2: GPM improved both q-q and y-y in 4Q23



Sources: DOHOME; FSSIA estimates

Exhibit 3: Normalized profit & NPM



Sources: DOHOME; FSSIA estimates

## Financial Statements

Dohome PCL

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	31,321	31,218	32,957	36,157	39,486
Cost of goods sold	(26,434)	(26,317)	(27,531)	(30,018)	(32,588)
<b>Gross profit</b>	<b>4,887</b>	<b>4,901</b>	<b>5,426</b>	<b>6,139</b>	<b>6,898</b>
Other operating income	210	290	267	293	320
Operating costs	(3,731)	(3,992)	(3,896)	(4,254)	(4,621)
<b>Operating EBITDA</b>	<b>2,149</b>	<b>2,227</b>	<b>2,905</b>	<b>3,365</b>	<b>3,862</b>
Depreciation	(784)	(1,028)	(1,107)	(1,186)	(1,265)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,365</b>	<b>1,200</b>	<b>1,798</b>	<b>2,179</b>	<b>2,597</b>
Net financing costs	(333)	(544)	(593)	(627)	(658)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	(75)	66	0	0	0
<b>Profit before tax</b>	<b>957</b>	<b>722</b>	<b>1,205</b>	<b>1,552</b>	<b>1,939</b>
Tax	(183)	(136)	(230)	(296)	(388)
<b>Profit after tax</b>	<b>774</b>	<b>585</b>	<b>975</b>	<b>1,255</b>	<b>1,551</b>
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>774</b>	<b>585</b>	<b>975</b>	<b>1,255</b>	<b>1,551</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>75</b>	<b>(66)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>849</b>	<b>519</b>	<b>975</b>	<b>1,255</b>	<b>1,551</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.29	0.17	0.32	0.41	0.50
Reported EPS	0.27	0.19	0.32	0.41	0.50
DPS	0.21	0.05	0.03	0.09	0.12
Diluted shares (used to calculate per share data)	2,907	3,089	3,089	3,089	3,089
<b>Growth</b>					
Revenue (%)	21.5	(0.3)	5.6	9.7	9.2
Operating EBITDA (%)	(30.5)	3.6	30.4	15.8	14.8
Operating EBIT (%)	(45.5)	(12.1)	49.9	21.2	19.2
Recurring EPS (%)	(53.9)	(42.5)	87.7	28.8	23.6
Reported EPS (%)	(58.0)	(28.9)	66.5	28.8	23.6
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	15.6	15.7	16.5	17.0	17.5
Gross margin exc. depreciation (%)	18.1	19.0	19.8	20.3	20.7
Operating EBITDA margin (%)	6.9	7.1	8.8	9.3	9.8
Operating EBIT margin (%)	4.4	3.8	5.5	6.0	6.6
Net margin (%)	2.7	1.7	3.0	3.5	3.9
Effective tax rate (%)	19.1	18.9	19.1	19.1	20.0
Dividend payout on recurring profit (%)	72.7	27.0	10.9	23.0	24.0
Interest cover (X)	4.1	2.2	3.0	3.5	3.9
Inventory days	181.8	195.0	189.2	187.0	187.3
Debtor days	17.7	16.3	15.5	15.6	15.6
Creditor days	59.6	60.2	56.7	57.7	57.8
Operating ROIC (%)	4.5	3.5	5.0	5.8	6.6
ROIC (%)	4.2	3.3	4.7	5.5	6.3
ROE (%)	7.6	4.4	7.7	9.3	10.6
ROA (%)	3.7	2.8	4.2	4.8	5.4
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Sales	31,045	30,890	32,605	35,771	39,064
Service income	275	328	352	386	422

Sources: Dohome PCL; FSSIA estimates

## Financial Statements

Dohome PCL

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	849	519	975	1,255	1,551
Depreciation	784	1,028	1,107	1,186	1,265
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(1,060)	712	102	(381)	(386)
<b>Cash flow from operations</b>	<b>573</b>	<b>2,259</b>	<b>2,184</b>	<b>2,061</b>	<b>2,430</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(4,455)	(2,367)	(1,731)	(1,735)	(1,739)
Net acquisitions & disposals	(708)	58	84	83	84
Other investments (net)	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(5,163)</b>	<b>(2,310)</b>	<b>(1,647)</b>	<b>(1,652)</b>	<b>(1,655)</b>
Dividends paid	(617)	-	(106)	(289)	(372)
Equity finance	487	194	0	0	0
Debt finance	4,919	700	(18)	791	559
Other financing cash flows	(340)	(708)	(615)	(647)	(678)
<b>Cash flow from financing</b>	<b>4,449</b>	<b>186</b>	<b>(739)</b>	<b>(144)</b>	<b>(490)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(141)</b>	<b>136</b>	<b>(203)</b>	<b>265</b>	<b>284</b>
Free cash flow to firm (FCFF)	(4,239.40)	515.64	1,152.97	1,059.94	1,457.48
Free cash flow to equity (FCFE)	(10.25)	(57.98)	(96.14)	553.24	656.04

### Per share (THB)

FCFF per share	(1.37)	0.17	0.37	0.34	0.47
FCFE per share	0.00	(0.02)	(0.03)	0.18	0.21
Recurring cash flow per share	0.56	0.50	0.67	0.79	0.91

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	19,851	22,014	23,514	25,014	26,514
Less: Accumulated depreciation	(3,835)	(4,659)	(5,534)	(6,485)	(7,511)
<b>Tangible fixed assets (net)</b>	<b>16,016</b>	<b>17,356</b>	<b>17,980</b>	<b>18,529</b>	<b>19,003</b>
<b>Intangible fixed assets (net)</b>	<b>1,593</b>	<b>1,539</b>	<b>1,454</b>	<b>1,370</b>	<b>1,284</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	160	296	94	358	642
A/C receivable	1,463	1,326	1,472	1,615	1,764
Inventories	13,761	13,264	14,136	15,413	16,733
Other current assets	274	158	162	174	191
<b>Current assets</b>	<b>15,659</b>	<b>15,044</b>	<b>15,864</b>	<b>17,560</b>	<b>19,330</b>
Other assets	50	44	45	49	54
<b>Total assets</b>	<b>33,318</b>	<b>33,983</b>	<b>35,343</b>	<b>37,508</b>	<b>39,670</b>
Common equity	11,603	12,176	13,044	14,011	15,190
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>11,603</b>	<b>12,176</b>	<b>13,044</b>	<b>14,011</b>	<b>15,190</b>
Long term debt	5,164	5,833	6,082	6,620	7,148
Other long-term liabilities	95	105	108	116	127
<b>Long-term liabilities</b>	<b>5,259</b>	<b>5,938</b>	<b>6,190</b>	<b>6,737</b>	<b>7,276</b>
A/C payable	4,483	3,855	4,361	4,755	5,162
Short term debt	11,929	11,961	11,693	11,946	11,978
Other current liabilities	45	54	55	60	65
<b>Current liabilities</b>	<b>16,456</b>	<b>15,869</b>	<b>16,109</b>	<b>16,761</b>	<b>17,205</b>
<b>Total liabilities and shareholders' equity</b>	<b>33,318</b>	<b>33,983</b>	<b>35,343</b>	<b>37,508</b>	<b>39,670</b>
Net working capital	10,971	10,839	11,354	12,388	13,460
Invested capital	28,631	29,778	30,834	32,336	33,801

\* Includes convertibles and preferred stock which is being treated as debt

### Per share (THB)

Book value per share	3.99	3.94	4.22	4.54	4.92
Tangible book value per share	3.44	3.44	3.75	4.09	4.50

### Financial strength

Net debt/equity (%)	145.9	143.7	135.6	130.0	121.7
Net debt/total assets (%)	50.8	51.5	50.0	48.5	46.6
Current ratio (x)	1.0	0.9	1.0	1.0	1.1
CF interest cover (x)	14.3	5.2	3.8	4.6	4.6

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>38.0</b>	<b>66.0</b>	<b>35.2</b>	<b>27.3</b>	<b>22.1</b>
<b>Recurring P/E @ target price (x) *</b>	<b>42.1</b>	<b>73.2</b>	<b>39.0</b>	<b>30.3</b>	<b>24.5</b>
Reported P/E (x)	41.7	58.6	35.2	27.3	22.1
Dividend yield (%)	1.9	0.4	0.3	0.8	1.1
Price/book (x)	2.8	2.8	2.6	2.4	2.3
Price/tangible book (x)	3.2	3.2	3.0	2.7	2.5
EV/EBITDA (x) **	22.9	23.3	17.9	15.6	13.7
EV/EBITDA @ target price (x) **	24.5	24.9	19.2	16.7	14.6
EV/invested capital (x)	1.7	1.7	1.7	1.6	1.6

\* Pre-exceptional, pre-goodwill and fully diluted \*\* EBITDA includes associate income and recurring non-operating income

Sources: Dohome PCL; FSSIA estimates

# Dohome PCL (DOHOME TB)

**FSSIA ESG rating**

★ ★ ★

**42.34 /100**

## Exhibit 4: 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.
★★★	<b>&gt;39-59</b>	<b>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.</b>
★★	>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.

Sources: FSSIA estimates

## Exhibit 5: 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	--	--	--	--	--	--	--	--
MEGA	54.48	--	Y	Y	4.00	4.00	Declared	Medium	66.56	--	--	58.59	24.00	2.39	--

Sources: SETTRADE.com; FSSIA's compilation

## Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>1.50</b>	<b>1.52</b>	<b>2.55</b>	<b>4.17</b>
BESG environmental pillar score	0.00	0.00	0.00	2.33
BESG social pillar score	0.67	0.67	3.88	5.70
BESG governance pillar score	5.00	5.11	4.98	4.79
<b>ESG disclosure score</b>	<b>28.73</b>	<b>32.69</b>	<b>37.03</b>	<b>46.91</b>
Environmental disclosure score	0.00	0.00	2.08	25.67
Social disclosure score	15.72	16.81	27.75	33.83
Governance disclosure score	70.32	81.10	81.10	81.10
<b>Environmental</b>				
Emissions reduction initiatives	No	No	No	Yes
Climate change policy	No	No	No	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	No	Yes	Yes
GHG scope 1	—	—	—	—
GHG scope 2 location-based	—	—	—	—
GHG Scope 3	—	—	—	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	No	No	Yes	Yes
Total energy consumption	—	—	—	—
Renewable energy use	—	—	—	16
Electricity used	—	—	—	50
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

## Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	No	No	Yes	Yes
Hazardous waste	—	—	—	—
Total waste	—	—	—	—
Waste recycled	—	—	—	—
Waste sent to landfills	—	—	—	—
Environmental supply chain management	No	No	No	Yes
Water policy	No	No	Yes	Yes
Water consumption	—	—	—	—
<b>Social</b>				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No
Consumer data protection policy	No	No	No	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	—	—	44	43
Pct disabled in workforce	—	—	1	1
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	No	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	1
Total recordable incident rate - employees	—	—	2	—
Training policy	No	Yes	Yes	Yes
Fair remuneration policy	No	No	No	Yes
Number of employees – CSR	3,706	5,176	6,219	7,837
Employee turnover pct	—	—	—	—
Total hours spent by firm - employee training	1,098	2,388	1,910	30,870
Social supply chain management	No	No	No	Yes
<b>Governance</b>				
<b>Board size</b>	<b>11</b>	<b>11</b>	<b>8</b>	<b>8</b>
<b>No. of independent directors (ID)</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>3</b>
No. of women on board	5	5	3	3
No. of non-executive directors on board	5	5	3	3
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	5	6	4	4
Board meeting attendance pct	—	95	88	97
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	28	29	30	31
Age of the oldest director	66	67	68	69
<b>No. of executives / company managers</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>
No. of female executives	7	7	7	7
Executive share ownership guidelines	No	No	No	No
<b>Size of audit committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on audit committee	3	3	3	3
Audit committee meetings	5	4	4	4
Audit meeting attendance %	—	100	75	100
<b>Size of compensation committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	2	2	2	2
Compensation meeting attendance %	—	100	83	100
<b>Size of nomination committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of nomination committee meetings	2	2	2	2
Nomination meeting attendance %	—	100	83	100
<b>Sustainability governance</b>				
Verification type	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

## Disclaimer for ESG scoring

ESG score	Methodology	Rating																											
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) 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 ( <a href="#">THSI</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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 <b>THSI inclusion</b> , 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. <b>SETTHSI Index</b> 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.																											
<b>CG Score</b> 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%).																											
<b>AGM level</b> 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&amp;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.																											
<b>Thai CAC</b> 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.																											
<a href="#">Morningstar Sustainability</a>	The Sustainability's 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 &amp; 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+																									
<a href="#">ESG Book</a>	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.																											
<a href="#">MSCI</a>	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="0" style="margin-left: 20px;"> <tr> <td style="padding-right: 20px;"><b>AAA</b></td> <td>8.571-10.000</td> <td style="padding-right: 20px;"><b>Leader:</b></td> <td>leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> <td></td> <td></td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td><b>Average:</b></td> <td>a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td><b>BB</b></td> <td>2.857-4.285</td> <td></td> <td></td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> <td></td> <td></td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570			<b>A</b>	5.714-7.142			<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285			<b>B</b>	1.429-2.856			<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities																										
<b>AA</b>	7.143-8.570																												
<b>A</b>	5.714-7.142																												
<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers																										
<b>BB</b>	2.857-4.285																												
<b>B</b>	1.429-2.856																												
<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks																										
<a href="#">Moody's ESG solutions</a>	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.																												
<a href="#">Refinitiv ESG rating</a>	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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																												
<a href="#">S&amp;P Global</a>	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.																												
<b>Bloomberg</b>	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

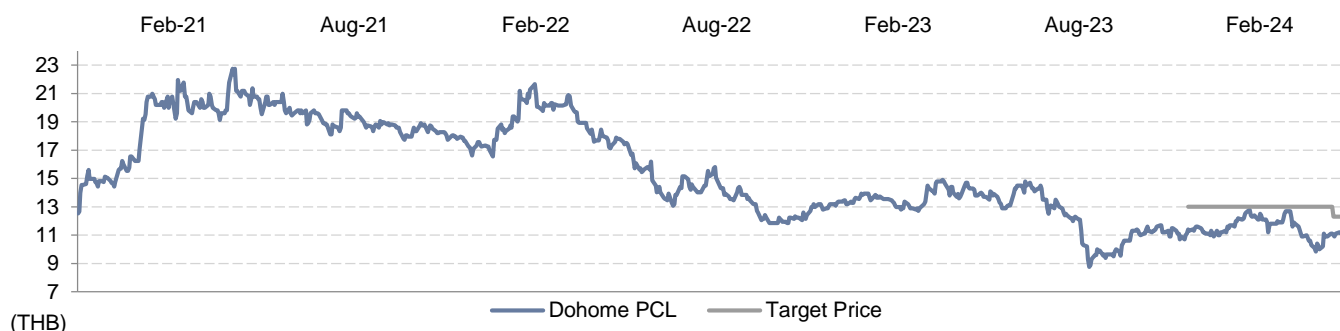
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

### History of change in investment rating and/or target price

#### Dohome PCL (DOHOME TB)



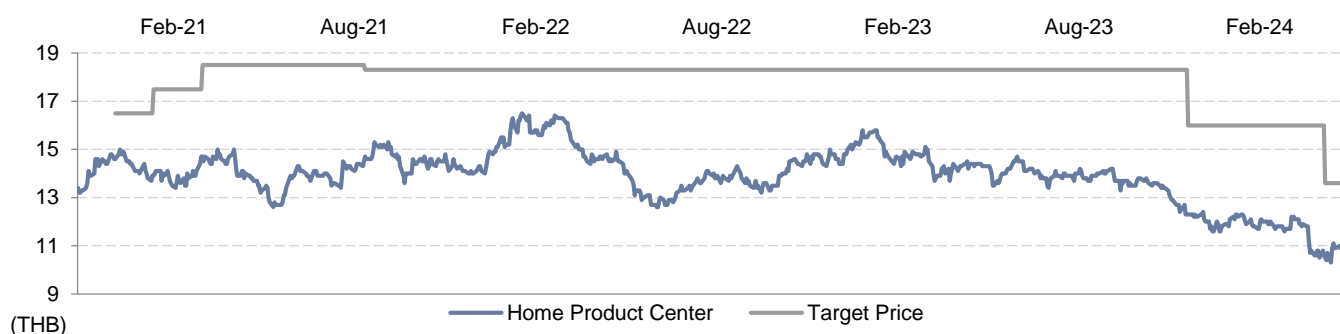
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
04-Oct-2023	BUY	13.00	06-Feb-2024	BUY	12.30	-	-	-

Jitra Amornthum started covering this stock from 04-Oct-2023

Price and TP are in local currency

Source: FSSIA estimates

#### Home Product Center (HMPRO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
25-Mar-2021	BUY	16.50	08-Jun-2021	BUY	18.50	04-Oct-2023	BUY	16.00
27-Apr-2021	BUY	17.50	26-Oct-2021	BUY	18.30	30-Jan-2024	BUY	13.60

Jitra Amornthum started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates



Company	Ticker	Price	Rating	Valuation & Risks
Dohome PCL	DOHOME TB	THB 11.10	BUY	Downside risks to our DCF-based TP include 1) lower farm income; 2) a delay in government disbursement; 3) decreased private brand exposure and lower margins; 4) higher-than-expected expenses; and 5) a higher-than-expected impact from El Nino.
Home Product Center	HMPRO TB	THB 10.80	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.

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 20-Feb-2024 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

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