24 APRIL 2024

EQUITY RESEARCH - COMPANY REPORT

FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

DOHOME PCL   DOHOME TB

THAILAND / COMMERCE

HOLD

FROM BUY

TARGET PRICE	THB11.80
CLOSE	THB10.90
UP/DOWNSIDE	+8.3%
PRIOR TP	THB12.30
CHANGE IN TP	-4.1%
TP vs CONSENSUS	+1.5%

คาดกำไรปกติ 1Q24E ฟื้น q-q แต่ Valuation สูง, Upside จำกัด

- คาดกำไรปกติ 1Q24E ที่ 245 ลบ. เพิ่มขึ้น 70% q-q จากการเข้าสู่ช่วง High season แต่ลดลง 5% y-y ตาม SSSG ที่คาด -11% แต่ชดเชยด้วย GPM
- คาด SSSG ฟื้นตัวขึ้นแต่ยังเป็นแดนลบใน 2Q24 ก่อนจะเป็นบวกใน 2H24
- ปรับ TP ลงเป็น 11.8 สะท้อนหุ้นปันผล ลดคำแนะนำเป็น ถือ จากUpsideจำกัด

คาดกำไรปกติ 1Q24E ฟื้น q-q จาก High season และ รักษาระดับ GPM ได้

เราคาดกำไรปกติ 1Q24E ที่ 245 ลบ. เพิ่มขึ้น 70% q-q ตามปัจจัยด้านฤดูกาลที่เข้าสู่ช่วง High season ของการก่อสร้างในครึ่งแรกของปี โดยเฉพาะฐานลูกค้า End-users (สัดส่วนราว 60%) แต่ลดลง 5% y-y ตาม SSSG ที่คาดลดลง -11% จากกลุ่มลูกค้าผู้รับเหมาและร้านค้าช่วงที่ถูกกระทบจากการเบิกจ่ายงบประมาณล่าช้า และการชะลอการซื้อของในช่วงปลายเดือนมี.ค. ก่อนที่จะหยุดยาวของไซต์ก่อสร้าง อย่างไรก็ตามการเปิด 3 สาขาในปีที่แล้ว ช่วยหนุนยอดขายรวมให้ลบน้อยกว่า SSSG โดยเราคาดยอดขายรวม 7.87 พันลบ. (+8% q-q, -6% y-y)

เราคาดจะยังรักษาระดับ GPM ได้ในระดับสูง

เราคาดอัตรากำไรขั้นต้น (GPM) จะปรับตัวเด่นเป็น 17.8% (vs 4Q23 ที่ 16.9%, 1Q23 ที่ 16.5%) หนุนจาก GPM ของทั้งกลุ่มสินค้า House brand และ Non-house brand สูงขึ้น โดยกลุ่มสินค้า House brand มีการปรับราคาสินค้าขึ้นในปีที่แล้วช่วงจีน Lockdown และมีการระบายสต๊อกที่ต้นทุนแพงออกไป ทำให้จัดการต้นทุนสินค้าได้มีประสิทธิภาพมากขึ้น ขณะที่ Margin เหล็กยังทรงตัวได้ที่ระดับปกติ 10-11% ขณะที่ SG&A expenses ปรับสูงขึ้นเล็กน้อย q-q, y-y ตามการขยายสาขาในปีที่แล้ว

คาดแนวโน้มช่วงที่เหลือของปีจะโต y-y จากไม่มีเคลียร์สต๊อก/การเบิกจ่ายงบรัฐ

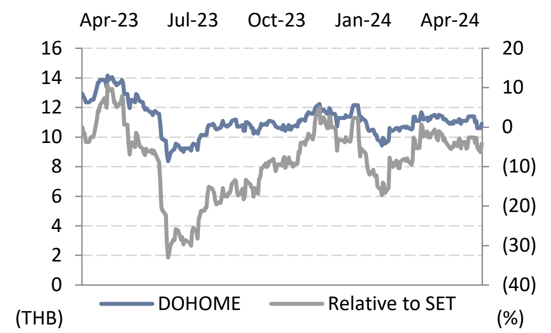
หากกำไรปกติ 1Q24E ตามคาดจะคิดเป็น 25% ของกำไรปกติปี 2024E โดยเรายังคงประมาณการกำไรปี 2024E ที่ 975 ลบ. (+86% y-y) โตแรงจากฐานที่ต่ำในปี 2023 ขณะที่แนวโน้มกำไรปกติ 2Q24E จะโต y-y จากที่ไม่มีการเคลียร์สต๊อกเหมือนใน 2Q23 และคาดกำไรปกติจะเติบโต y-y ได้ในช่วงที่เหลือของปี ตามการเบิกจ่ายงบประมาณภาครัฐและทิศทางราคาสินค้าเกษตรหลายชนิดยังอยู่ในเกณฑ์ดี ช่วยหนุนรายได้เกษตรกรและกำลังซื้อในต่างจังหวัด

ปรับ TP ลงจากหุ้นปันผลเป็น 11.8 บาท ลดคำแนะนำเป็น ถือ จาก Upside จำกัด

เราปรับลดราคาเป้าหมายลงเป็น 11.80 บาท/หุ้น (เดิม 12.30 บาท/หุ้น) สะท้อนหุ้นปันผลจำนวนราว 144 ล้านหุ้น โดยปัจจุบัน Upside บนราคาเป้าหมายของเราจำกัด ทำให้ปรับลดคำแนะนำจาก ซื้อ เป็น ถือ

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	0.30	0.39	0.48
vs Consensus (%)	-	(0.7)	1.0	6.0
EBITDA	2,240	2,905	3,365	3,862
Recurring net profit	532	975	1,255	1,551
Core EPS (THB)	0.17	0.30	0.39	0.48
Chg. In EPS est. (%)	-	(4.5)	(4.5)	(4.5)
EPS growth (%)	(41.0)	74.9	28.8	23.6
Core P/E (x)	63.2	36.2	28.1	22.7
Dividend yield (%)	0.5	0.3	0.8	1.1
EV/EBITDA (x)	22.8	18.2	15.8	13.9
Price/book (x)	2.8	2.7	2.5	2.3
Net debt/Equity (%)	143.7	132.9	127.5	119.5
ROE (%)	4.5	7.7	9.2	10.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.8)	15.7	(18.0)
Relative to country (%)	(0.1)	15.6	(5.9)

Mkt cap (USD m)	950
3m avg. daily turnover (USD m)	1.4
Free float (%)	30
Major shareholder	Tangmitrphracha Family (36%)
12m high/low (THB)	14.25/8.23
Issued shares (m)	3,089.13

Sources: Bloomberg consensus; FSSIA estimates

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Investment thesis

DOHOME หนึ่งในผู้ประกอบการค้าปลีก ค้าส่ง และให้บริการด้านวัสดุก่อสร้างและอุปกรณ์ตกแต่งบ้านแบบครบวงจร เน้นสาขาในต่างจังหวัดซึ่งมีสาขาขนาดใหญ่กว่า 80% และสาขาในกรุงเทพและปริมณฑลอีก 20% ภายใต้แนวคิด ครบ ถูก และดีที่สุด สำหรับลูกค้าทุกกลุ่ม

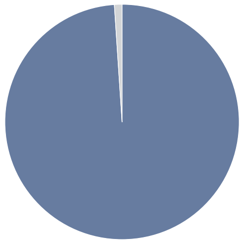
เราคาดกำไรปกติ DOHOME ปี 2024E เติบโต 83% จากฐานที่ต่ำในปี 2023 และคาดปี 2025-26E เติบโตต่อเนื่องเฉลี่ย 26% CAGR เติบโตมากที่สุดในกลุ่ม Home improvement หนุนจากยอดขายสาขาเดิม (SSSG) ที่ 3-5% การขยายสาขาขนาดใหญ่ 2-4 สาขาต่อปี และกลยุทธ์ในการเพิ่มอัตรากำไรจากการเน้นการขายสินค้า Private brand และการควบคุมค่าใช้จ่ายให้มีประสิทธิภาพ

Company profile

DOHOME ดำเนินธุรกิจค้าปลีก ค้าส่ง และให้บริการด้านวัสดุก่อสร้างและอุปกรณ์ตกแต่งบ้าน ภายใต้แนวคิด One-stop home products destination ศูนย์จำหน่ายสินค้าเป็นอาคารขนาดใหญ่ด้วยพื้นที่ให้บริการที่ประกอบด้วยพื้นที่ขายและพื้นที่คลังสินค้าขนาดประมาณ 22,000 – 65,000 ตร.ม. นอกจากนี้ยังมีสาขาขนาดเล็ก (ToGo) ขนาดประมาณ 800 – 1,000 ตร.ม.

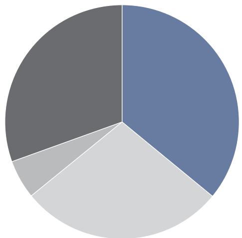
www.dohome.co.th

Principal activities (revenue, 2023)



Source: Dohome PCL

Major shareholders



Source: Dohome PCL

Catalysts

ปัจจัยหนุนสำหรับ DOHOME ได้แก่ 1) ราคาเหล็กปรับสูงขึ้น (สัดส่วนรายได้จากเหล็กอยู่ราว 30% ของรายได้รวม) 2) การเติบโตของภาคอสังหาริมทรัพย์ 3) มาตรการกระตุ้นกำลังซื้อของภาครัฐ 4) การลงทุนในโครงสร้างพื้นฐาน 5) ผลผลิตและราคาสินค้าเกษตรสูงขึ้น

Risks to our call

ความเสี่ยง 1) รายได้เกษตรกรเพิ่มขึ้น/ลดลง กระทบกำลังซื้อในภาคเกษตร 2) การเบิกจ่ายงบประมาณภาครัฐ 3) สัดส่วนและอัตรากำไรของสินค้า Private brand เพิ่มขึ้น/ลดลง 4) ค่าใช้จ่ายสูงกว่า/ต่ำกว่าที่คาด 5) ผลกระทบของเอลนีโญ (ภาวะแล้ง) มากกว่า/น้อยกว่าที่คาด

Event calendar

Date	Event
7 May 2024	1Q24 results announcement

Key assumptions

	2024E	2025E	2026E
SSSG (%)	5.0	3.0	3.0
Stores L expansion (no.)	-	3.0	3.0
House brand (%)	21.0	22.0	23.0
GPM (%)	16.5	17.0	17.5
SG&A to sales	11.8	11.7	11.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in SSSG, we estimate 2024 net profit to rise by 1.2%, and vice versa, all else being equal.
- For every 0.1% increase in GPM, we estimate 2024 net profit to rise by 2.7%, and vice versa, all else being equal.
- For every 0.1% increase in SG&A, we estimate 2024 net profit to fall by 2.7%, and vice versa, all else being equal.

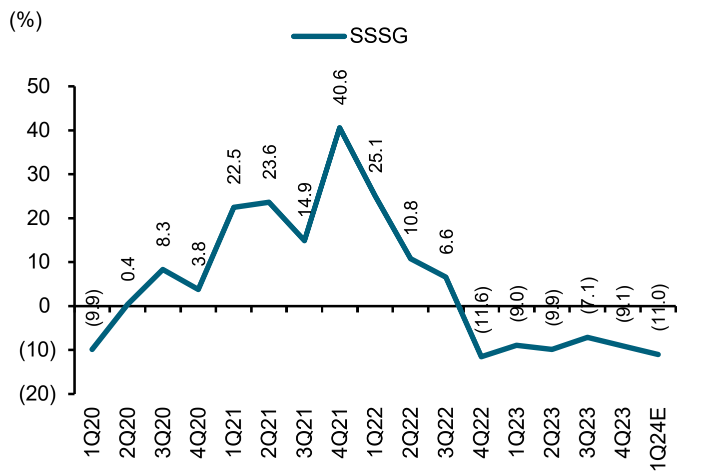
Source: FSSIA estimates

Exhibit 1: DOHOME - 1Q24E results preview

Year to Dec 31	1Q23 (THB m)	2Q23 (THB m)	3Q23 (THB m)	4Q23 (THB m)	1Q24E (THB m)	------ Change ------ (q-q%)	(y-y%)	1Q24E (%24E)	2023 (THB m)	2024E (THB m)	Change (y-y%)
Total revenue	**8,462**	**7,995**	**7,431**	**7,331**	**7,951**	***8.5***	***(6.0)***	***24***	**31,218**	**32,957**	***6***
- Retail sales	8,375	7,898	7,358	7,258	7,873	*8.5*	*(6.0)*	*24*	30,890	32,605	*6*
- Service income	86	96	72	73	79	*8.0*	*(8.9)*	*22*	328	352	*7*
Cost of sales	(7,065)	(6,876)	(6,283)	(6,094)	(6,536)	*7.3*	*(7.5)*	*24*	(26,317)	(27,531)	*5*
Gross profit	**1,397**	**1,119**	**1,148**	**1,238**	**1,415**	***14.4***	***1.3***	***26***	**4,901**	**5,426**	***11***
Operating costs	(1,001)	(993)	(973)	(1,021)	1,036)	*1.4*	*3.5*	*27*	(3,988)	(3,889)	*(2)*
Operating profit	**396**	**126**	**175**	**216**	**379**	***75.5***	***(4.2)***	***25***	**913**	**1,537**	***68***
Other income	53	55	72	179	79	*(55.9)*	*48.5*	*29*	356	267	*(25)*
Other expenses	(6)	0	0	0	0	*n/a*	*(100)*	-	(4)	(7)	*73*
EBIT	**443**	**182**	**247**	**395**	**458**	***16.1***	***3.5***	***25***	**1,266**	**1,798**	***42***
Finance income	4	5	6	8	8	*4.2*	*98.0*	*34*	23	23	*3*
Interest expense	(122)	(141)	(145)	(158)	(160)	*1.3*	*30.6*	*26*	(566)	(616)	*9*
Profit before tax	324	46	108	244	306	*25.3*	*(5.6)*	*25*	722	1,205	*67*
Tax	(66)	(6)	(17)	(48)	(61)	*28.9*	*(7.0)*	*27*	(136)	(230)	*69*
Non-recurring items	0	0	0	(53)	0	*(100)*	*n/a*	*n/a*	(53)	0	*(100)*
Reported net profit	258	39	91	197	245	*24.4*	*(5.2)*	*25*	585	975	*67*
Recurring net profit	**258**	**39**	**91**	**144**	**245**	***69.9***	***(5.2)***	***25***	**532**	**975**	***83***
EPS (THB)	0.08	0.01	0.03	0.06	0.08	*18.8*	*(9.4)*	*25*	0.19	0.30	*59*
Recurring EPS (THB)	**0.08**	**0.01**	**0.03**	**0.06**	**0.08**	***18.8***	***(9.4)***	***25***	**0.17**	**0.30**	***75***
Key Ratios (%)	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	***(ppt)***	***(ppt)***		**(%)**		
Gross margin	16.5	14.0	15.5	16.9	17.8	*0.9*	*1.3*		15.7	16.5	*0.8*
Operating margin	4.7	1.6	2.4	2.9	4.8	*1.8*	*0.1*		2.9	4.7	*1.7*
Recurring net margin	3.1	0.5	1.2	2.0	3.1	*1.1*	*0.0*		1.7	3.0	*1.3*
SG&A to rev	11.8	12.3	13.0	13.6	12.9	*(0.7)*	*1.1*		12.6	11.7	*(0.9)*
Operating stat											
SSSG (% y-y)	(9.0)	(9.9)	(7.1)	(9.1)	(11)				(9.5)	5.0	
Stores - L (no.)	21	21	23	24	24				24	24	

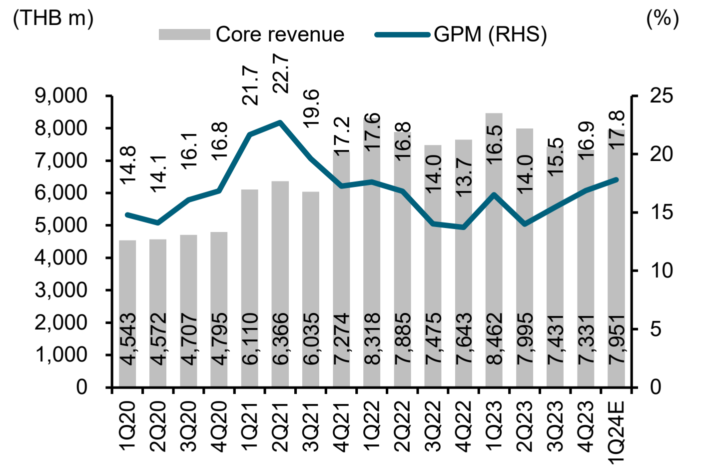
Sources: DOHOME; FSSIA estimates

Exhibit 2: Quarterly SSSG



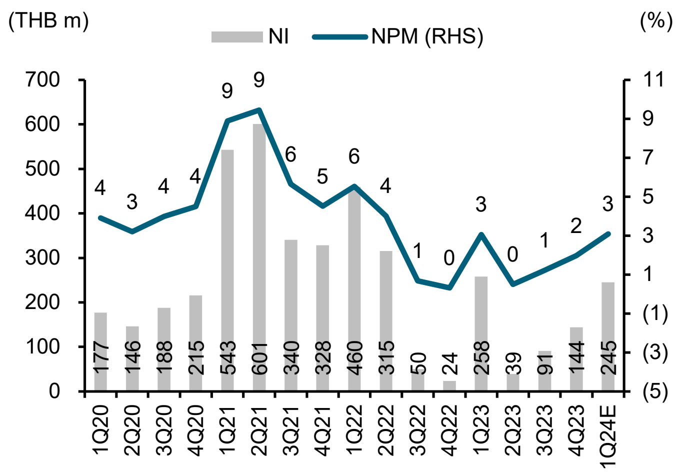
Sources: DOHOME; FSSIA estimates

Exhibit 3: Quarterly revenue and GPM



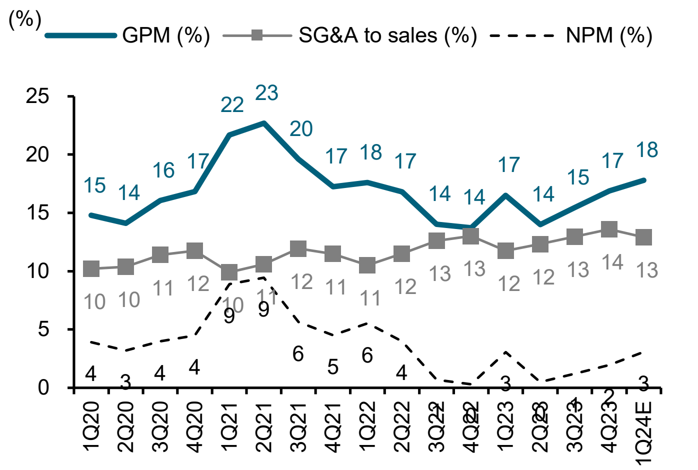
Sources: DOHOME; FSSIA estimates

Exhibit 4: Quarterly net profit and NPM



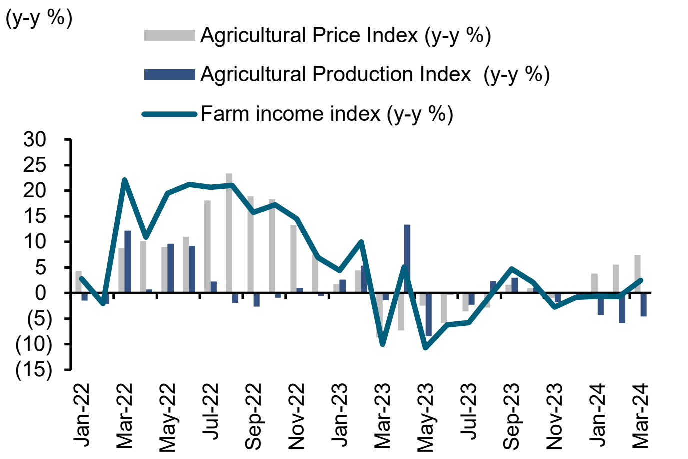
Sources: DOHOME; FSSIA estimates

Exhibit 5: Profitability



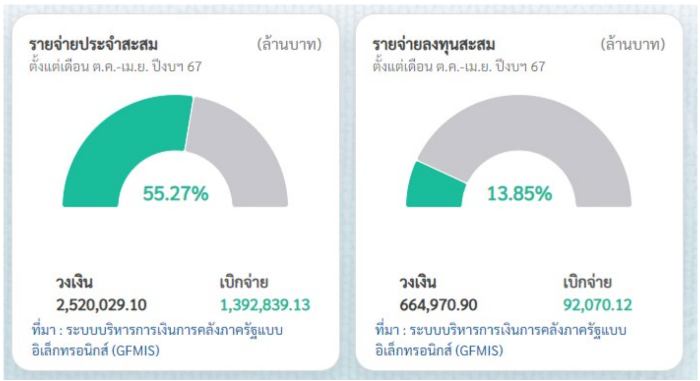
Sources: DOHOME; FSSIA estimates

Exhibit 6: Farm income



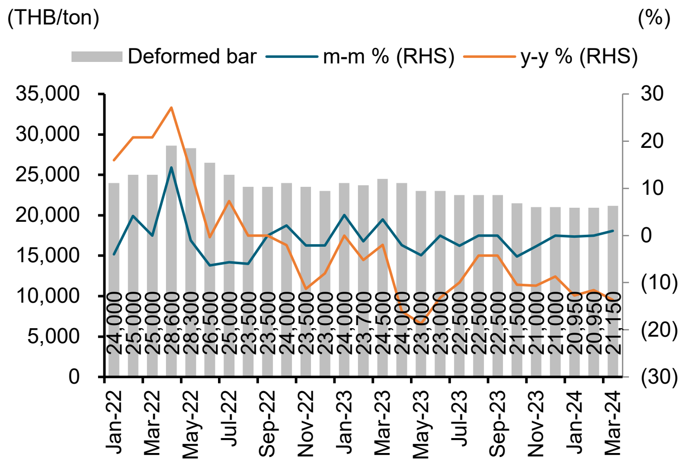
Source: Office of Agricultural Economics

Exhibit 7: Government budget disbursements



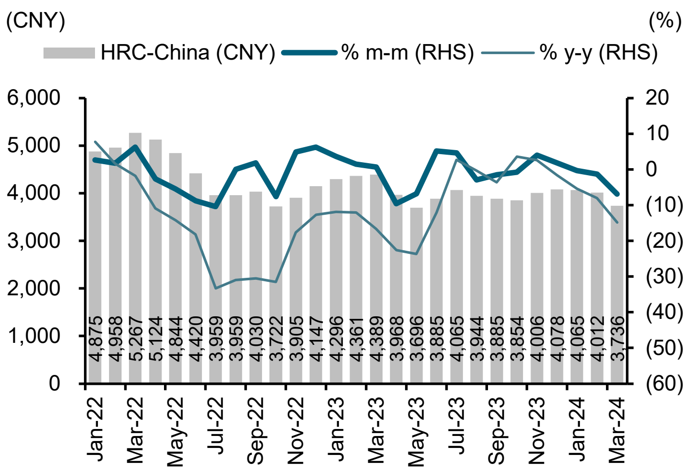
Source: Ministry of Finance

Exhibit 8: Deformed bar Thailand price



Source: Ministry of Commerce

Exhibit 9: HRC China price



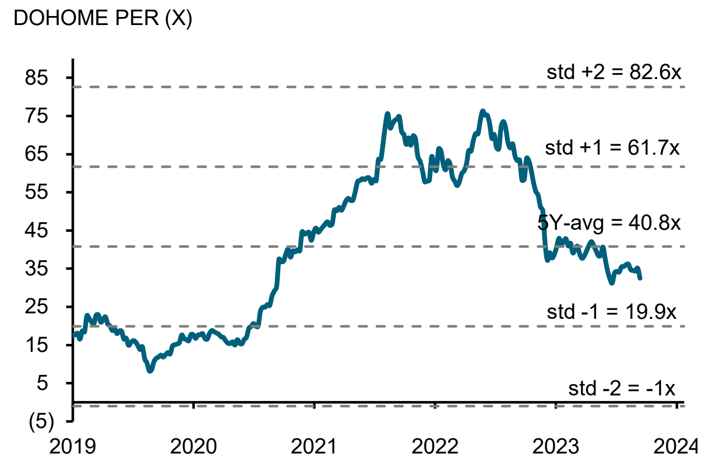
Source: Bloomberg

Exhibit 10: DCF-based valuation

DCF-derived TP	(%)	(THB m)
Discount rate (WACC)	7.3	
Terminal growth	2.0	
NPV (Value of the firm)		55,442
Net Debt		(17,234)
Value of equity		38,208
Number of shares		3,234
Share price		**11.8**

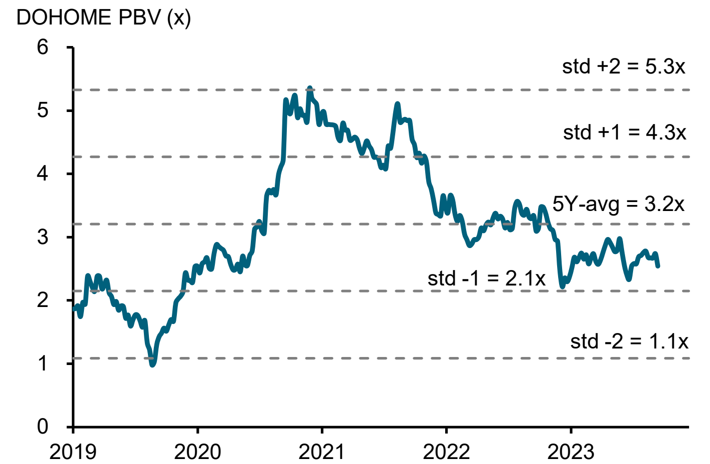
Source: FSSIA estimates

Exhibit 11: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 12: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 13: Commerce peers as of 23 April 2024

Company	BBG	Rec	---------- Share price -----------			Market	---- PE -----		---- ROE ----		---- PBV ---		- EV/ EBITDA -	
			Current	Target	*Upside*	Cap	24E	25E	24E	25E	24E	25E	24E	25E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Consumer Staple														
CP All	CPALL TB	BUY	56.75	77.00	*36*	13,757	24.2	20.7	18.1	19.3	4.6	4.1	19.0	16.4
CP Axtra	CPAXT TB	BUY	31.50	36.00	*14*	8,993	31.3	26.6	3.6	4.2	1.1	1.1	11.5	10.8
Berli Jucker*	BJC TB	n/a	25.75	n/a	*n/a*	2,794	18.7	17.7	4.5	4.7	0.8	0.8	12.2	11.6
Consumer Staple average						**25,544**	**24.7**	**21.7**	**8.7**	**9.4**	**2.2**	**2.0**	**14.2**	**12.9**
Consumer Discretionary														
Com7	COM7 TB	BUY	18.00	22.50	*25*	1,158	14.5	13.3	34.3	32.0	4.6	4.0	9.8	8.7
Central Retail Corp	CRC TB	BUY	33.75	44.00	*30*	5,493	22.6	20.2	12.9	13.3	2.8	2.6	9.8	9.2
Home Improvement														
Index Living Mall	ILM TB	BUY	19.50	26.70	*37*	266	12.5	11.5	12.9	13.5	1.6	1.5	6.7	6.2
Home Product Center	HMPRO TB	BUY	10.30	13.60	*32*	3,655	19.8	18.7	26.1	26.4	5.1	4.8	11.6	11.0
Siam Global House	GLOBAL TB	HOLD	16.10	17.30	*7*	2,260	28.3	25.2	12.3	12.9	3.4	3.2	21.8	19.6
Dohome	DOHOME TB	HOLD	10.90	11.80	*8*	950	36.2	28.1	7.7	9.2	2.7	2.5	18.2	15.8
Home Improvement avg.						**7,131**	**24.2**	**20.9**	**14.8**	**15.5**	**3.2**	**3.0**	**14.6**	**13.2**
Consumer Discretionary avg.						**13,782**	**22.3**	**19.5**	**17.7**	**17.9**	**3.3**	**3.1**	**13.0**	**11.7**
Total average						**39,326**	**23.1**	**20.2**	**14.7**	**15.1**	**3.0**	**2.7**	**13.4**	**12.1**

Sources: *Bloomberg; 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)
Gross profit	**4,887**	**4,901**	**5,426**	**6,139**	**6,898**
Other operating income	210	303	267	293	320
Operating costs	(3,731)	(3,992)	(3,896)	(4,254)	(4,621)
Operating EBITDA	**2,149**	**2,240**	**2,905**	**3,365**	**3,862**
Depreciation	(784)	(1,028)	(1,107)	(1,186)	(1,265)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	**1,365**	**1,213**	**1,798**	**2,179**	**2,597**
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)	53	0	0	0
Profit before tax	**957**	**722**	**1,205**	**1,552**	**1,939**
Tax	(183)	(136)	(230)	(296)	(388)
Profit after tax	**774**	**585**	**975**	**1,255**	**1,551**
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	**774**	**585**	**975**	**1,255**	**1,551**
Non-recurring items & goodwill (net)	**75**	**(53)**	**0**	**0**	**0**
Recurring net profit	**849**	**532**	**975**	**1,255**	**1,551**
Per share (THB)					
Recurring EPS *	0.29	0.17	0.30	0.39	0.48
Reported EPS	0.27	0.19	0.30	0.39	0.48
DPS	0.21	0.05	0.03	0.09	0.11
Diluted shares (used to calculate per share data)	2,907	3,089	3,234	3,234	3,234
Growth					
Revenue (%)	21.5	(0.3)	5.6	9.7	9.2
Operating EBITDA (%)	(30.5)	4.2	29.6	15.8	14.8
Operating EBIT (%)	(45.5)	(11.2)	48.2	21.2	19.2
Recurring EPS (%)	(53.9)	(41.0)	74.9	28.8	23.6
Reported EPS (%)	(58.0)	(28.9)	59.1	28.8	23.6
Operating performance					
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	7.2	8.8	9.3	9.8
Operating EBIT margin (%)	4.4	3.9	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	28.8	10.5	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	4.5	7.7	9.2	10.5
ROA (%)	3.7	2.9	4.2	4.8	5.4

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
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	532	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)
Cash flow from operations	**573**	**2,272**	**2,184**	**2,061**	**2,430**
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
Cash flow from investing	**(5,163)**	**(2,310)**	**(1,647)**	**(1,652)**	**(1,655)**
Dividends paid	(617)	-	(102)	(289)	(372)
Equity finance	487	194	144	0	0
Debt finance	4,919	700	(18)	791	559
Other financing cash flows	(340)	(721)	(615)	(647)	(678)
Cash flow from financing	**4,449**	**173**	**(591)**	**(144)**	**(490)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	**0**	**0**	**0**	**0**	**0**
Movement in cash	**(141)**	**136**	**(54)**	**265**	**284**
Free cash flow to firm (FCFF)	(4,239.40)	528.84	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	0.51	0.64	0.75	0.87

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)
Tangible fixed assets (net)	**16,016**	**17,356**	**17,980**	**18,529**	**19,003**
Intangible fixed assets (net)	**1,593**	**1,539**	**1,454**	**1,370**	**1,284**
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	160	296	242	507	791
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
Current assets	**15,659**	**15,044**	**16,012**	**17,709**	**19,478**
Other assets	50	44	45	49	54
Total assets	**33,318**	**33,983**	**35,492**	**37,657**	**39,819**
Common equity	11,603	12,176	13,193	14,159	15,339
Minorities etc.	0	0	0	0	0
Total shareholders' equity	**11,603**	**12,176**	**13,193**	**14,159**	**15,339**
Long term debt	5,164	5,833	6,082	6,620	7,148
Other long-term liabilities	95	105	108	116	127
Long-term liabilities	**5,259**	**5,938**	**6,190**	**6,737**	**7,276**
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
Current liabilities	**16,456**	**15,869**	**16,109**	**16,761**	**17,205**
Total liabilities and shareholders' equity	**33,318**	**33,983**	**35,492**	**37,657**	**39,819**
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	4.08	4.38	4.74
Tangible book value per share	3.44	3.44	3.63	3.96	4.35
Financial strength					
Net debt/equity (%)	145.9	143.7	132.9	127.5	119.5
Net debt/total assets (%)	50.8	51.5	49.4	48.0	46.0
Current ratio (x)	1.0	0.9	1.0	1.1	1.1
CF interest cover (x)	14.3	5.2	3.8	4.6	4.6

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	**37.3**	**63.2**	**36.2**	**28.1**	**22.7**
Recurring P/E @ target price (x) *	**40.4**	**68.5**	**39.1**	**30.4**	**24.6**
Reported P/E (x)	40.9	57.5	36.2	28.1	22.7
Dividend yield (%)	1.9	0.5	0.3	0.8	1.1
Price/book (x)	2.7	2.8	2.7	2.5	2.3
Price/tangible book (x)	3.2	3.2	3.0	2.8	2.5
EV/EBITDA (x) **	22.6	22.8	18.2	15.8	13.9
EV/EBITDA @ target price (x) **	23.8	24.1	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 14: 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.

Sources: FSSIA estimates

Exhibit 15: ESG – peer comparison

	FSSIA	------------------- Domestic ratings -----------------------						--------------------------------- Global ratings -------------------------						--- Bloomberg ---	
	ESG score	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 16: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	**1.50**	**1.52**	**2.55**	**4.17**
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
ESG disclosure score	**28.73**	**32.69**	**37.03**	**46.91**
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
Environmental				
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 17: 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	—	—	—	—
Social				
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
Governance				
Board size	**11**	**11**	**8**	**8**
No. of independent directors (ID)	**5**	**5**	**3**	**3**
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
No. of executives / company managers	**10**	**11**	**11**	**11**
No. of female executives	7	7	7	7
Executive share ownership guidelines	No	No	No	No
Size of audit committee	**3**	**3**	**3**	**3**
No. of ID on audit committee	3	3	3	3
Audit committee meetings	5	4	4	4
Audit meeting attendance %	—	100	75	100
Size of compensation committee	**3**	**3**	**3**	**3**
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
Size of nomination committee	**3**	**3**	**3**	**3**
No. of nomination committee meetings	2	2	2	2
Nomination meeting attendance %	—	100	83	100
Sustainability governance				
Verification type	No	No	No	No

Sources: Bloomberg; 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%). (*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.*)	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. *(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.)*	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. *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.*	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. NEGL: 0-10; Low: 10-20; Medium: 20-30; High: 30-40; Severe: 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.	
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. *(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)*	
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.

MSCI rating scale:

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	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
BBB	4.286-5.713		
BB	2.857-4.285		
B	1.429-2.856	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
CCC	0.000-1.428		

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

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Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

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 Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

Company	Ticker	Price	Rating	Valuation & Risks
Dohome PCL	DOHOME TB	THB 10.90	HOLD	Key risks to our DCF-based TP are 1) lower/higher farm income, which would affect purchasing power in the agricultural sector, 2) government disbursement, 3) a lower/higher private brand mix and margin, 4) higher/lower expenses than expected, and 5) a higher/lower impact than expected from the El Nino.
CP All	CPALL TB	THB 56.75	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 31.50	BUY	Key downside risks to our DCF-based TP include 1) a lower-than-expected SSSG, 2) a lower-than-expected GPM, 3) higher-than-expected SG&A expenses, and 4) an operating loss from its overseas units.
Com7	COM7 TB	THB 18.00	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 33.75	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.
Index Living Mall	ILM TB	THB 19.50	BUY	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 10.30	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 16.10	HOLD	Key risks to our DCF-based TP are 1) lower/higher farm income, which would affect purchasing power in the agricultural sector, 2) government disbursement, 3) a lower/higher private brand mix and margin, 4) higher/lower expenses than expected, and 5) a higher/lower impact than expected from the El Nino.

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 23-Apr-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.