

DOHOME DOHOME TB

THAILAND / COMMERCE

BUY

UNCHANGED

TARGET PRICE	THB11.80
CLOSE	THB10.60
UP/DOWNSIDE	+11.3%
PRIOR TP	THB11.80
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-2.0%

ภาพการฟื้นตัวดีขึ้นต่อเนื่อง

- คาดกำไร 2Q24 ที่ 201 ลบ. (-18% q-q, +411 y-y) โต y-y เติบโตในกลุ่ม จาก SSSG ที่ติดลบน้อยลงจากลูกค้า Back office ฟื้น และ GPM เพิ่มขึ้น
- ทิศทาง SSSG 2H24 คาดเห็นการฟื้นตัวชัดเจน, แนวโน้มกำไร 2H24 ยังโต y-y
- คงคำแนะนำ ซื้อ ราคาเป้าหมาย 11.8 บาท

คาดการณ์กำไร 2Q24 เติบโต y-y เติบโตในกลุ่ม

เราคาดการณ์กำไร 2Q24 ของ DOHOME เท่ากับ 201 ลบ. (-18% q-q, +411 y-y) ลดลง 18% q-q จาก GPM ที่ชะลอตัวจาก Product mix ในกลุ่มก่อสร้างสูงขึ้น และค่าใช้จ่ายที่สูงขึ้นจากค่าขนส่งตามกลุ่มลูกค้าผู้รับเหมาและร้านค้าช่วงที่ฟื้นตัว แต่เพิ่มขึ้นก้าวกระโดด 411% y-y จาก GPM ที่เพิ่มขึ้น 350bps y-y หลังจากไม่มี Clearance stock เหมือนในช่วง 2Q23 โดยเราคาดว่า SSSG จะยังติดลบราว 6% แต่ยอดขายรวมคาดโตได้เล็กน้อยจากยอดขายของสาขาใหม่ และ SSSG เหล็กใน 2Q24 กลับมาเป็นบวกได้

อัตรากำไรขั้นต้นเป็นปัจจัยหนุน

เราคาดว่า Gross margin ใน 2Q24 ที่ 17.5% (vs 1Q24 ที่ 17.8%, 2Q23 ที่ 14%) ลดลง 30bps q-q จากสัดส่วนกลุ่มสินค้าก่อสร้างสูงขึ้นจากกลุ่มลูกค้าผู้รับเหมาที่ทยอยกลับมาสั่งซื้อเพิ่มขึ้น แต่เพิ่มขึ้น 350bps y-y หลังจากไม่มีการ Clearance stock รวมถึงอัตรากำไรขั้นต้นของทุกกลุ่มสินค้าที่ปรับสูงขึ้น ขณะที่ค่าใช้จ่ายปรับสูงขึ้นตามสาขาใหม่และค่าขนส่งตามกลุ่มลูกค้าผู้รับเหมาฟื้นตัว

แนวโน้ม 3Q24 ยังโต y-y เด่น และคาดการณ์การฟื้นตัวของ SSSG ชัดขึ้น

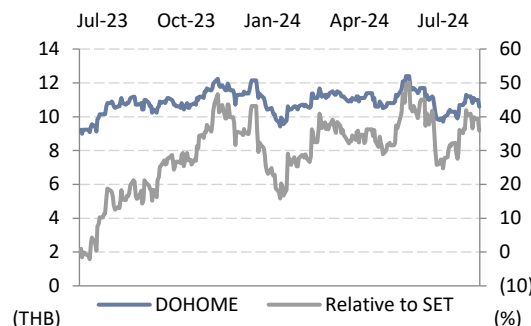
หากกำไร 2Q24 เป็นไปตามคาด กำไร 1H24 คิดเป็น 45% ของประมาณการทั้งปี โดย 2H24 คาดว่าจะเริ่มเห็นทิศทาง SSSG ที่ฟื้นตัวดีขึ้นจากการเร่งเบิกจ่ายงบประมาณภาครัฐ ซึ่งปัจจุบันงบลงทุนภาครัฐเบิกจ่ายไปราว 39% ซึ่งคาดว่าจะเร่งเบิกจ่ายในช่วงที่เหลือของปีงบประมาณ รวมถึงดัชนีรายได้เกษตรกรที่ปรับตัวเพิ่มขึ้นต่อเนื่องตามราคาพืชผลทางการเกษตรช่วยหนุนกำลังซื้อของกลุ่มเกษตรกรซึ่งเป็นฐานลูกค้าของบริษัทฟื้นตัวได้

คงคำแนะนำ ซื้อ ราคาเป้าหมาย 11.8 บาท

เรายังคงคำแนะนำ ซื้อ ราคาเป้าหมาย 11.8 บาท แนวโน้มกำไร 2Q24 เติบโตเด่น y-y และคาด 3Q24 จะยังคงเติบโตต่อเนื่อง y-y ได้ก้าวกระโดดจาก GPM ที่จะเพิ่มขึ้นจากผลของการ Clearance stock และการจัดการต้นทุนสินค้าที่ดีขึ้น โดยยังคงประมาณการกำไรทั้งปี 2024 โต 84% y-y และ 2025-26 โตเฉลี่ย 26% CAGR

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	31,218	32,172	34,755	38,259
Net profit	585	982	1,256	1,563
EPS (THB)	0.19	0.30	0.39	0.48
vs Consensus (%)	-	(2.6)	(3.0)	(2.2)
EBITDA	2,240	2,906	3,331	3,832
Recurring net profit	532	982	1,256	1,563
Core EPS (THB)	0.17	0.30	0.39	0.48
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(41.0)	76.2	28.0	24.4
Core P/E (x)	61.5	34.9	27.3	21.9
Dividend yield (%)	0.5	0.3	0.8	1.1
EV/EBITDA (x)	22.4	17.7	15.5	13.6
Price/book (x)	2.7	2.6	2.4	2.2
Net debt/Equity (%)	143.7	130.3	123.6	116.2
ROE (%)	4.5	7.7	9.2	10.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	6.0	(2.8)	11.9
Relative to country (%)	6.4	0.8	31.5
Mkt cap (USD m)	945		
3m avg. daily turnover (USD m)	2.0		
Free float (%)	30		
Major shareholder	Tangmitpracha Family (36%)		
12m high/low (THB)	12.60/8.90		
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

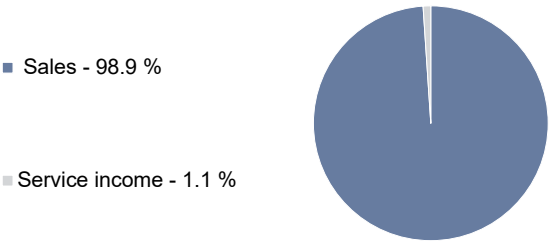
เราคาดการณ์กำไรปี DOHOME ปี 2024E เติบโต 84% จากฐานที่ต่ำในปี 2023 และคาดว่าปี 2025-26E เติบโตต่อเนื่องเฉลี่ย 26% CAGR เติบโตมากที่สุดในกลุ่ม Home improvement หนุนจากยอดขายสาขาเดิม (SSSG) ที่ 3-5% การขยายสาขาขนาดใหญ่ 2-4 สาขาต่อปี และกลยุทธ์ในการเพิ่มอัตรากำไรจากการเน้นการขายสินค้า Private brand และการควบคุมค่าใช้จ่ายให้มีประสิทธิภาพ

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)

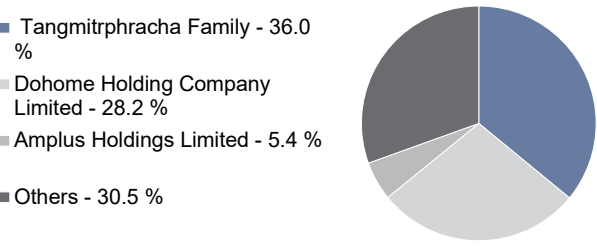


■ Sales - 98.9 %

■ Service income - 1.1 %

Source: Dohome PCL

Major shareholders



■ Tangmitrphracha Family - 36.0 %

■ Dohome Holding Company Limited - 28.2 %

■ Amplus Holdings Limited - 5.4 %

■ Others - 30.5 %

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) รายได้เกษตรกรลดลง กระทบกำลังซื้อในภาคเกษตร 2) การเบิกจ่ายงบประมาณภาครัฐ 3) สัดส่วนและอัตรากำไรของสินค้า Private brand ลดลง 4) ค่าใช้จ่ายสูงกว่าที่คาด 5) ผลกระทบของเอลนีโญ (ภาวะแล้ง) มากกว่าที่คาด

Event calendar

Date	Event
6 Aug 2024	2Q24 results announcement

Key assumptions

	2024E	2025E	2026E
SSSG (%)	(3.0)	3.0	3.0
Stores L expansion (no.)	-	2.0	3.0
House brand (%)	20.0	21.0	22.0
GPM (%)	17.0	17.4	17.9
SG&A to sales	12.3	12.1	12.0

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.

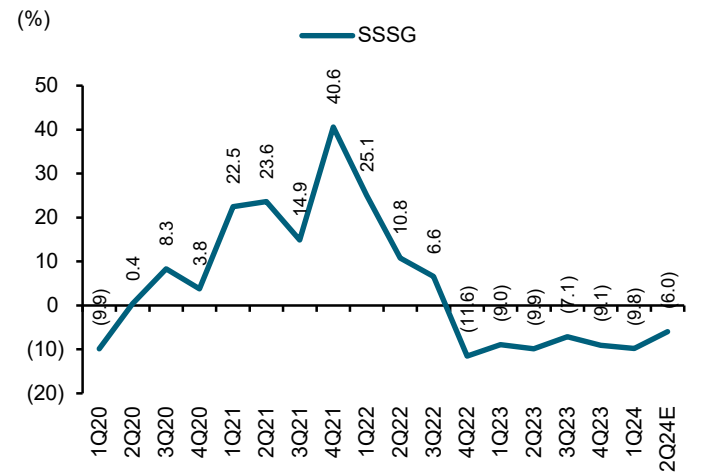
Source: FSSIA estimates

Exhibit 1: DOHOME - 2Q24 result preview

Year to Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24E	----- Change -----		----- 1H24E -----			2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	(%24E)	(THB m)	(y-y%)
Total revenue	7,995	7,431	7,331	7,959	8,085	2	1	16,044	(3)	50	32,172	3
- Retail sales	7,898	7,358	7,258	7,877	8,001	2	1	15,878	(2)	50	31,834	3
- Service income	96	72	73	82	84	2	(13)	166	(9)	49	338	3
Cost of sales	(6,876)	(6,283)	(6,094)	(6,542)	(6,670)	2	(3)	(13,213)	(5)	49	(26,703)	1
Gross profit	1,119	1,148	1,238	1,416	1,415	(0)	26	2,831	13	52	5,469	12
Operating costs	(993)	(973)	(1,021)	(1,024)	(1,078)	5	9	(2,102)	5	53	(3,941)	(1)
Operating profit	126	175	216	392	336	(14)	167	729	40	48	1,528	67
Other income	55	72	179	58	60	4	8	118	8	43	271	(24)
EBIT	182	247	395	450	396	(12)	118	846	36	47	1,800	42
Finance income	5	6	8	6	6	6	19	12	29	50	23	3
Interest expense	(141)	(145)	(158)	(153)	(151)	(1)	7	(304)	15	50	(609)	8
Profit before tax	46	108	244	303	251	(17)	451	554	50	46	1,214	68
Tax	(6)	(17)	(48)	(58)	(50)	(14)	708	(109)	51	47	(232)	70
Non-recurring items	0	0	(53)	0	0	n/a	n/a	0	n/a	n/a	0	(100)
Reported net profit	39	91	197	244	201	(18)	411	446	50	45	982	68
Recurring net profit	39	91	144	244	201	(18)	411	446	50	45	982	84
EPS (THB)	0.01	0.03	0.06	0.08	0.06	(18)	388	0.14	43	45	0.30	60
Recurring EPS(THB)	0.01	0.03	0.05	0.08	0.06	(18)	388	0.14	43	45	0.30	76
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)			(%)	(ppt)
Gross margin	14.0	15.5	16.9	17.8	17.5	(0.3)	3.5	17.6			17.0	1.3
Operating margin	1.6	2.4	2.9	4.9	4.2	(0.8)	2.6	4.5			4.8	1.8
Recurring net margin	0.5	1.2	2.0	3.1	2.5	(0.6)	2.0	2.8			3.1	1.3
SG&A to revenue	12.3	13.0	13.6	12.8	13.2	0.5	0.9	13.1			12.1	(0.5)
Operating stat												
SSSG (% y-y)	(9.9)	(7.1)	(9.1)	(9.8)	(6.0)						(3.0)	
Stores - L (no.)	21	23	24	24	24						24	
Stores - ToGo (no.)	8	8	11	11	13						11	

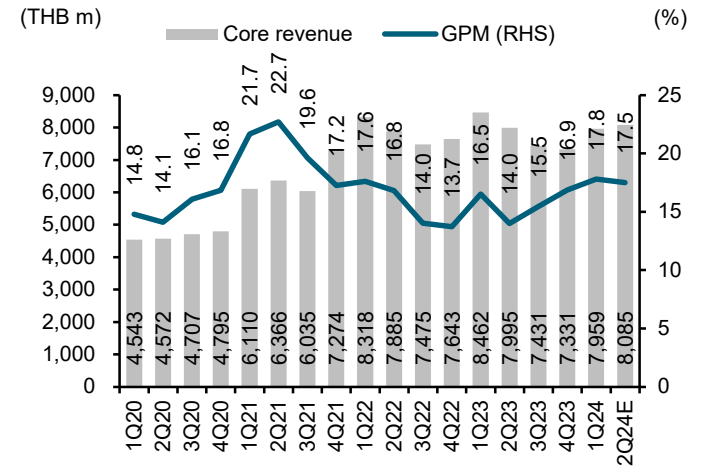
Sources: DOHOME; FSSIA estimates

Exhibit 2: SSSG



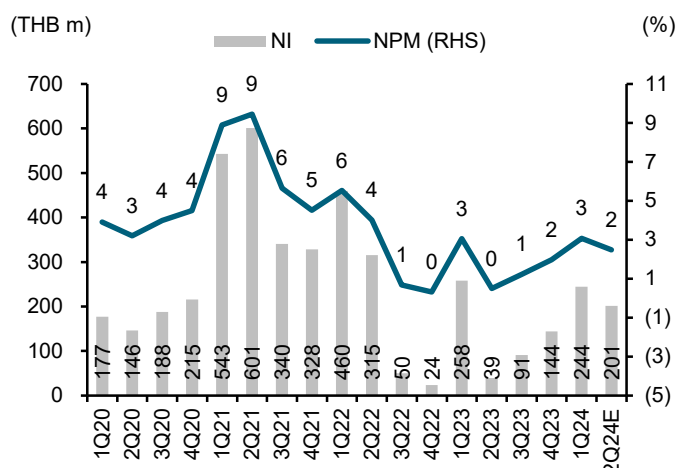
Sources: DOHOME; FSSIA estimates

Exhibit 3: Quarterly revenue and GPM



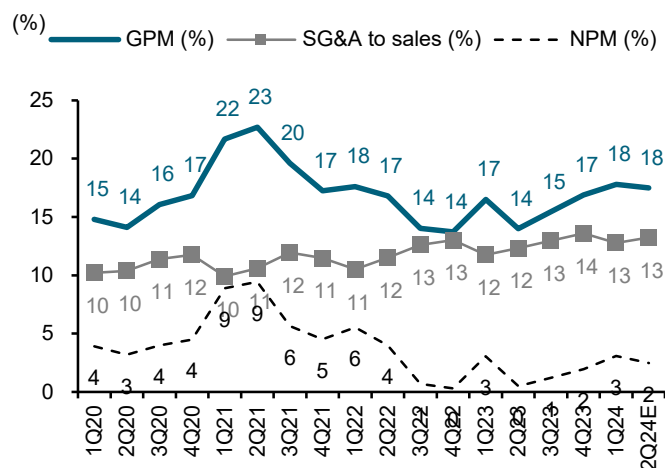
Sources: DOHOME; FSSIA estimates

Exhibit 4: Quarterly net profit



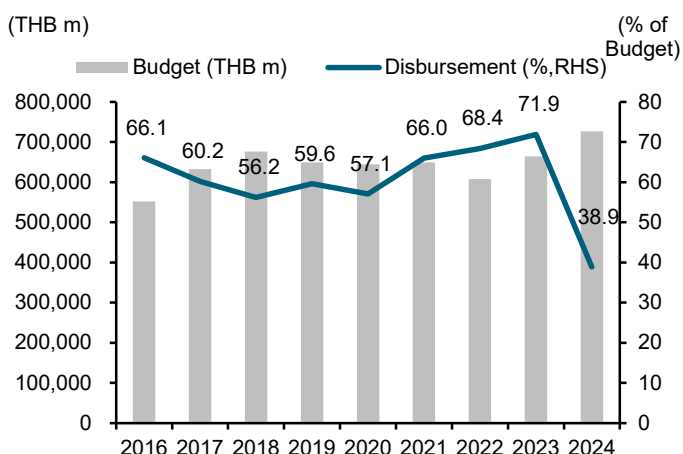
Sources: DOHOME; FSSIA estimates

Exhibit 5: Profitability



Sources: DOHOME; FSSIA estimates

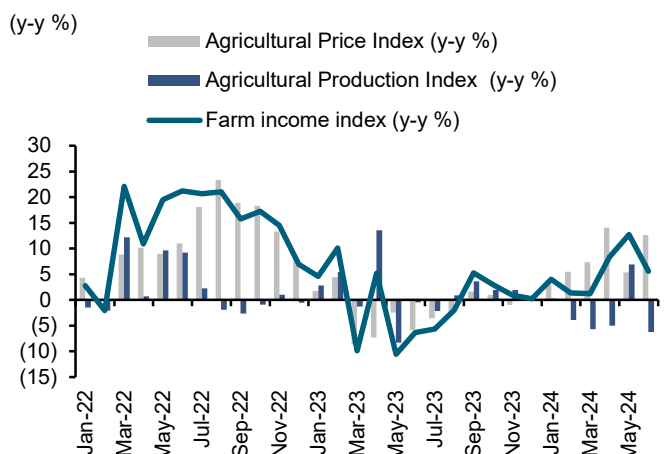
Exhibit 6: The government would expedite budget disbursement during this fiscal year



*Note: as of 12/7/2024

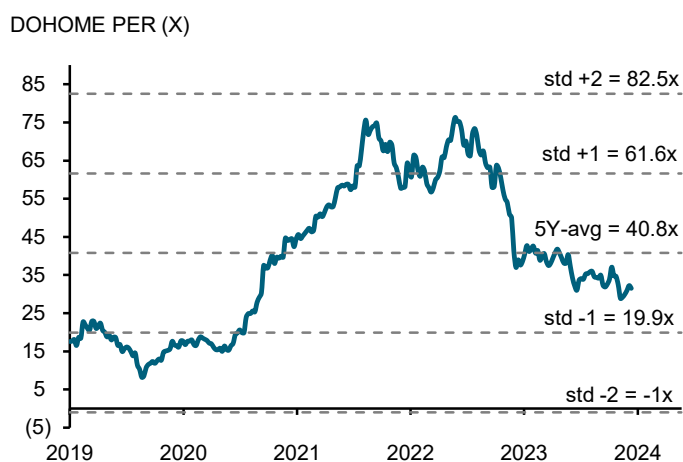
Source: Government Fiscal Management Information System

Exhibit 7: Farm income index has increased for three months



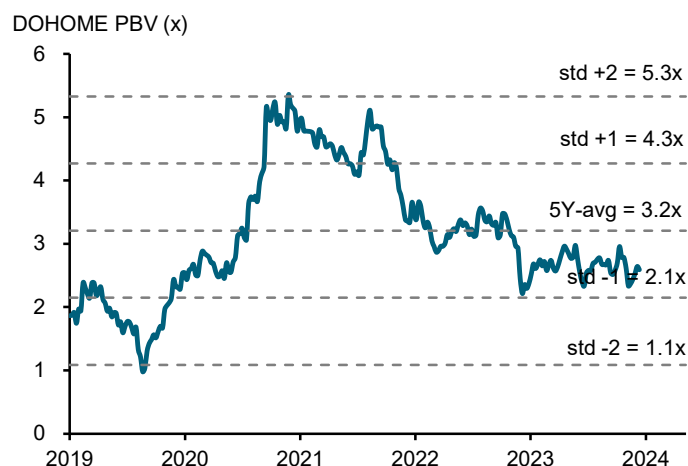
Source: Office of Agricultural Economics

Exhibit 8: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 9: Rolling one-year forward P/BV band



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	32,172	34,755	38,259
Cost of goods sold	(26,434)	(26,317)	(26,703)	(28,691)	(31,427)
Gross profit	4,887	4,901	5,469	6,064	6,832
Other operating income	210	303	271	293	323
Operating costs	(3,731)	(3,992)	(3,941)	(4,212)	(4,587)
Operating EBITDA	2,149	2,240	2,906	3,331	3,832
Depreciation	(784)	(1,028)	(1,107)	(1,186)	(1,265)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,365	1,213	1,800	2,145	2,568
Net financing costs	(333)	(544)	(586)	(592)	(614)
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	1,214	1,553	1,954
Tax	(183)	(136)	(232)	(297)	(391)
Profit after tax	774	585	982	1,256	1,563
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	774	585	982	1,256	1,563
Non-recurring items & goodwill (net)	75	(53)	0	0	0
Recurring net profit	849	532	982	1,256	1,563
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	0.12
Diluted shares (used to calculate per share data)	2,907	3,089	3,234	3,234	3,234
Growth					
Revenue (%)	21.5	(0.3)	3.1	8.0	10.1
Operating EBITDA (%)	(30.5)	4.2	29.7	14.6	15.1
Operating EBIT (%)	(45.5)	(11.2)	48.4	19.2	19.7
Recurring EPS (%)	(53.9)	(41.0)	76.2	28.0	24.4
Reported EPS (%)	(58.0)	(28.9)	60.3	28.0	24.4
Operating performance					
Gross margin inc. depreciation (%)	15.6	15.7	17.0	17.4	17.9
Gross margin exc. depreciation (%)	18.1	19.0	20.4	20.9	21.2
Operating EBITDA margin (%)	6.9	7.2	9.0	9.6	10.0
Operating EBIT margin (%)	4.4	3.9	5.6	6.2	6.7
Net margin (%)	2.7	1.7	3.1	3.6	4.1
Effective tax rate (%)	19.1	18.9	19.1	19.1	20.0
Dividend payout on recurring profit (%)	72.7	28.8	10.4	23.1	23.8
Interest cover (X)	4.1	2.2	3.1	3.6	4.2
Inventory days	181.8	195.0	192.3	188.7	186.8
Debtor days	17.7	16.3	15.7	15.7	15.6
Creditor days	59.6	60.2	57.6	58.2	57.6
Operating ROIC (%)	4.5	3.5	5.0	5.8	6.6
ROIC (%)	4.2	3.3	4.8	5.5	6.3
ROE (%)	7.6	4.5	7.7	9.2	10.6
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	31,834	34,389	37,857
Service income	275	328	338	365	402

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	982	1,256	1,563
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	425	(210)	(497)
Cash flow from operations	573	2,272	2,514	2,233	2,331
Capex - maintenance	-	-	-	-	-
Capex - new investment	(4,455)	(2,367)	(1,731)	(1,735)	(1,739)
Net acquisitions & disposals	(708)	58	86	86	85
Other investments (net)	0	0	0	0	0
Cash flow from investing	(5,163)	(2,310)	(1,645)	(1,649)	(1,654)
Dividends paid	(617)	-	(102)	(291)	(372)
Equity finance	487	194	144	0	0
Debt finance	4,919	700	(422)	494	680
Other financing cash flows	(340)	(721)	(608)	(613)	(633)
Cash flow from financing	4,449	173	(988)	(410)	(326)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(141)	136	(119)	174	351
Free cash flow to firm (FCFF)	(4,239.40)	528.84	1,477.90	1,199.86	1,314.80
Free cash flow to equity (FCFE)	(10.25)	(57.98)	(161.47)	465.06	723.03

Per share (THB)

FCFF per share	(1.37)	0.17	0.48	0.39	0.43
FCFE per share	0.00	(0.02)	(0.05)	0.15	0.23
Recurring cash flow per share	0.56	0.51	0.65	0.76	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	1,453	1,365	1,279
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	-	-	-	-	-
Cash & equivalents	160	296	177	351	702
A/C receivable	1,463	1,326	1,437	1,553	1,709
Inventories	13,761	13,264	13,711	14,731	16,137
Other current assets	274	158	160	169	184
Current assets	15,659	15,044	15,485	16,804	18,732
Other assets	50	44	45	47	52
Total assets	33,318	33,983	34,962	36,746	39,066
Common equity	11,603	12,176	13,200	14,165	15,356
Minorities etc.	0	0	0	0	0
Total shareholders' equity	11,603	12,176	13,200	14,165	15,356
Long term debt	5,164	5,833	5,957	6,382	6,940
Other long-term liabilities	95	105	107	113	123
Long-term liabilities	5,259	5,938	6,063	6,495	7,063
A/C payable	4,483	3,855	4,230	4,545	4,978
Short term debt	11,929	11,961	11,415	11,483	11,606
Other current liabilities	45	54	55	58	63
Current liabilities	16,456	15,869	15,699	16,086	16,647
Total liabilities and shareholders' equity	33,318	33,983	34,962	36,746	39,066
Net working capital	10,971	10,839	11,024	11,851	12,989
Invested capital	28,631	29,778	30,501	31,792	33,323

* 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	4.75
Tangible book value per share	3.44	3.44	3.63	3.96	4.35

Financial strength

Net debt/equity (%)	145.9	143.7	130.3	123.6	116.2
Net debt/total assets (%)	50.8	51.5	49.2	47.7	45.7
Current ratio (x)	1.0	0.9	1.0	1.0	1.1
CF interest cover (x)	14.3	5.2	3.7	4.7	5.0

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	36.3	61.5	34.9	27.3	21.9
Recurring P/E @ target price (x) *	40.4	68.5	38.9	30.4	24.4
Reported P/E (x)	39.8	55.9	34.9	27.3	21.9
Dividend yield (%)	2.0	0.5	0.3	0.8	1.1
Price/book (x)	2.7	2.7	2.6	2.4	2.2
Price/tangible book (x)	3.1	3.1	2.9	2.7	2.4
EV/EBITDA (x) **	22.2	22.4	17.7	15.5	13.6
EV/EBITDA @ target price (x) **	23.8	24.1	19.0	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 (DOHOME TB)

FSSIA ESG rating


42.34 /100

Exhibit 10: 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 11: 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](https://www.settrade.com); FSSIA's compilation

Exhibit 12: 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 13: 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%). <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 Sustainability	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 & 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><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></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><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></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

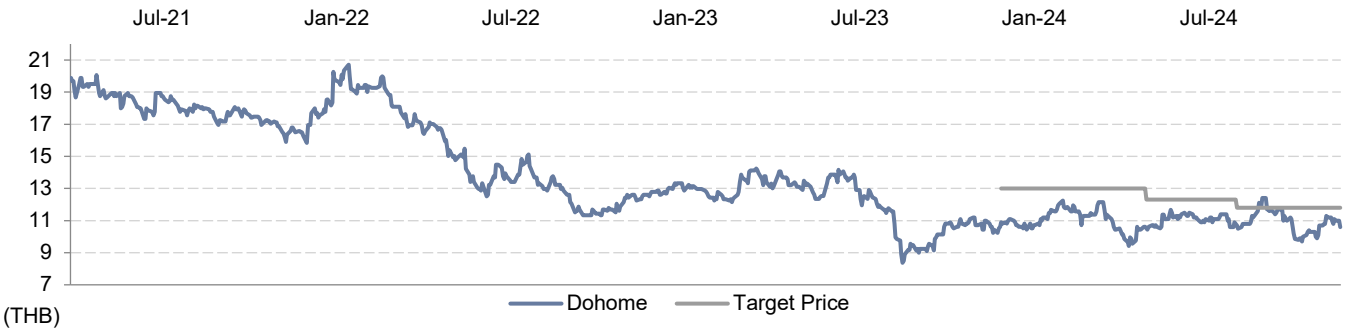
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

Dohome (DOHOME TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
04-Oct-2023	BUY	13.00	24-Apr-2024	HOLD	11.80	-	-	-
06-Feb-2024	BUY	12.30	26-Jun-2024	BUY	11.80			

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

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Dohome PCL	DOHOME TB	THB 10.60	BUY	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-Jul-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.