

**Dohome Pcl (DOHOME TB) - BUY, Price Bt6.65, TP Bt12.70****Results Comment**

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**Good 4Q24, in line**

- DOHOME reported good 4Q24 core profit of Bt160m, increased by 11% y-y and strongly by 162% q-q, driven by sales growth, falling SG&A/sales and falling interest expense from lower IBDs and falling cost of debt as a result of policy rate cut in Oct last year.
- Due to Bt53m insurance claim booked in 4Q23 from flooding at Ubon Ratchathani branch, 4Q24 net profit fell by 19% y-y.
- Sales revenues grew by 4% y-y and 3% q-q to Bt7.6bn, backed by positive same-store sales (SSS) growth of 1.5% (driven by back office customers ie contractors, resellers) and sales from four new small-format stores, Dohome To Go, opened this year.
- At end 2024, it operated 24 large-format stores and 15 small-format Dohome To Go stores.
- Gross margin fell slightly by 11bp y-y (but up 36bp q-q on recovering steel gross margin to 9.9% from bottom at 7-8% in 3Q24) to 16.8% on higher sales mix of construction materials to 47-48%.
- Interest expense dropped by 13% y-y and 7% q-q to Bt137m.
- 2024 core profit came in line at 99% of our full-year forecast, up by 24% y-y mainly from expanding gross margin to 17.1% in 2024 from 15.7% in 2023.
- It announced to pay stock dividend (21:1) and Bt0.00529 cash dividend, XD on Mar 4<sup>th</sup> with payment date on May 26<sup>th</sup>.
- YTD, SSSG (1 Jan-16 Feb) was a low single digit positive while gross margin was around 18%.

Income Statement (consolidated)						Income Statement 12M as					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24	(Bt m)	q-q%	y-y%	% 2024F	2024A	2025F
Revenue	7,331	7,959	8,016	7,393	7,623	Revenue	3	4	99	30,991	34,413
<b>Gross profit</b>	<b>1,238</b>	<b>1,416</b>	<b>1,401</b>	<b>1,213</b>	<b>1,278</b>	<b>Gross profit</b>	<b>5</b>	<b>3</b>	<b>99</b>	<b>5,308</b>	<b>5,997</b>
SG&A	1,021	1,024	1,099	1,087	1,045	SG&A	(4)	2	99	4,256	4,758
Operating profit	216	392	302	126	233	Operating profit	85	8	100	1,053	1,239
<b>EBITDA</b>	<b>449</b>	<b>640</b>	<b>550</b>	<b>377</b>	<b>482</b>	<b>EBITDA</b>	<b>28</b>	<b>7</b>	<b>100</b>	<b>2,049</b>	<b>2,293</b>
Other income	118	64	80	95	94	Other income	(1)	(20)	95	333	369
Other expense	(3)	1	1	2	1	Other expense	(77)	na	74	4	0
Interest expense	158	153	146	147	137	Interest expense	(7)	(13)	99	583	522
<b>Profit before tax</b>	<b>178</b>	<b>303</b>	<b>235</b>	<b>72</b>	<b>190</b>	<b>Profit before tax</b>	<b>165</b>	<b>6</b>	<b>98</b>	<b>799</b>	<b>1,086</b>
Income tax	34	58	42	11	30	Income tax	178	(14)	94	141	199
Equity & invest. income	0	0	0	0	0	Equity & invest. income			na	0	0
Minority interests	(0)	0	(0)	0	(0)	Minority interests		na	70	(0)	(0)
Extraordinary items	53	0	0	16	0	Extraordinary items			100	16	0
<b>Net profit</b>	<b>197</b>	<b>244</b>	<b>193</b>	<b>77</b>	<b>160</b>	<b>Net profit</b>	<b>108</b>	<b>(19)</b>	<b>99</b>	<b>674</b>	<b>887</b>
<b>Normalized profit</b>	<b>144</b>	<b>244</b>	<b>193</b>	<b>61</b>	<b>160</b>	<b>Normalized profit</b>	<b>162</b>	<b>11</b>	<b>99</b>	<b>658</b>	<b>887</b>
EPS (Bt)	0.06	0.08	0.06	0.02	0.05	EPS (Bt)	108	(19)	99	0.21	0.27
Normalized EPS (Bt)	0.04	0.08	0.06	0.02	0.05	Normalized EPS (Bt)	162	11	99	0.20	0.27

  

Balance Sheet (consolidated)						Financial Ratios (%)					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24		4Q23	1Q24	2Q24	3Q24	4Q24
Cash & ST investment	296	202	209	203	124	Sales growth	(4.1)	(5.9)	0.3	(0.5)	4.0
A/C receivable	1,326	1,341	1,560	1,500	1,587	Operating profit growth	396.9	(0.9)	139.4	(28.1)	7.7
Inventory	13,264	13,294	13,585	13,277	12,412	EBITDA growth	75.6	4.4	58.7	(6.3)	7.3
Other current assets	158	148	217	122	319	Norm profit growth	510.7	(5.4)	388.9	(32.6)	11.1
Investment	0	0	0	0	0	Norm EPS growth	449.9	(14.9)	388.9	(32.6)	11.1
Fixed assets	17,356	17,239	17,146	17,196	17,555	Gross margin	16.9	17.8	17.5	16.4	16.8
Other assets	1,583	1,583	1,594	1,591	1,569	Operating margin	2.9	4.9	3.8	1.7	3.1
<b>Total assets</b>	<b>33,983</b>	<b>33,808</b>	<b>34,310</b>	<b>33,889</b>	<b>33,566</b>	EBITDA margin	6.1	8.0	6.9	5.1	6.3
S-T debt	11,944	11,822	11,678	12,339	12,072	Norm net margin	2.0	3.1	2.4	0.8	2.1
A/C payable	3,855	3,757	3,636	3,136	3,182	D/E (x)	1.4	1.4	1.4	1.4	1.3
Other current liabilities	70	131	124	80	78	Net D/E (x)	1.4	1.3	1.4	1.4	1.3
L-T debt	5,287	5,007	5,580	4,984	4,711	Interest coverage (x)	2.8	4.2	3.8	2.6	3.5
Other liabilities	650	667	692	690	697	Interest rate	3.7	3.6	3.4	3.4	3.2
Minority interest	0	0	0	0	0	Effective tax rate	19.2	19.3	18.0	14.9	15.6
<b>Shareholders' equity</b>	<b>12,176</b>	<b>12,424</b>	<b>12,601</b>	<b>12,660</b>	<b>12,826</b>	ROA	1.7	2.9	2.3	0.7	1.9
Working capital	10,736	10,878	11,509	11,641	10,816	ROE	4.8	7.9	6.2	1.9	5.0
Total debt	17,232	16,830	17,258	17,324	16,782						
<b>Net debt</b>	<b>16,936</b>	<b>16,627</b>	<b>17,050</b>	<b>17,121</b>	<b>16,658</b>						

Sources: Company data, Thanachart estimates

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