

Siam Global House Pcl (GLOBAL TB) - HOLD

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Earnings Preview**3Q25F earnings preview**

- We estimate 3Q25F profit resuming growth by 7% y-y.
 - SSSG recovery to -1% to -2%.
 - Positive surprise on gross margin.
 - Upside to earnings and DCF TP.
- We estimate 3Q25F net profit of Bt388m, increasing by 7% y-y.
 - In addition to same-store sales growth (SSSG) recovering to -1% to -2% in 3Q25F, from -10.0% in 1Q25 and -10.7% in 2Q25, gross margin will beat to 26.3% (+42bp y-y, +88bp q-q) due to rising house-brand gross margin from product price adjustment. House-brand sales mix is expected to maintain y-y and q-q at 24%.
 - One branch at Maesot, Tak province was opened in 3Q25. YTD, three branches were opened to reach 93 stores in Thailand. With increasing stores from 87 in 3Q24 to 93 in 3Q25, we forecast sales growth resuming by 3.5% y-y in 3Q25F. Three more stores will open in 4Q25F.
 - GLOBAL has yet to guide equity income from Myanmar, Indonesia and Laos in 3Q25F, we estimate profit before equity income to grow strongly by 19% y-y to Bt338m.
 - Assuming 3Q25F equity income falling by 37% y-y to Bt50m, same trend as a 29% fall y-y in equity income in 1H25 due to Myanmar issue (government controls product prices post the earthquake and a hit to gross margin) and weak Indonesian economy, we forecast 3Q25F net profit of Bt388m, a 7% growth y-y.
 - Since earnings turnaround is faster than expected (we forecast 2H25F net profit to fall 18% y-y) from an earnings decline by 14/32% in 1Q25 and 2Q25, we see upside to our earnings projection and current DCF TP of Bt7.3/share (current rating is a HOLD).

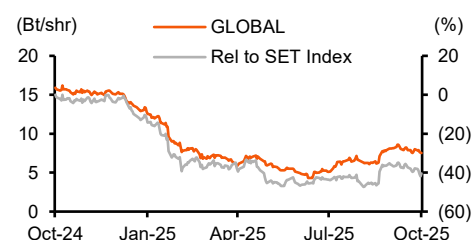
Key Valuations

Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Revenue	32,285	31,840	33,332	34,839
Net profit	2,377	1,874	1,959	2,092
Norm net profit	2,377	1,874	1,959	2,092
Norm EPS (Bt)	0.4	0.3	0.4	0.4
Norm EPS gr (%)	(11.2)	(21.5)	4.4	6.8
Norm PE (x)	17.0	21.6	20.7	19.4
EV/EBITDA (x)	11.3	13.2	12.8	12.0
P/BV (x)	1.6	1.6	1.5	1.4
Div. yield (%)	2.9	1.9	1.9	2.1
ROE (%)	9.9	7.4	7.4	7.6
Net D/E (%)	32.2	32.4	30.4	27.7

Source: Thanachart estimates

Stock Data

Closing price (Bt)	7.50
Target price (Bt)	7.30
Market cap (US\$ m)	1,238
Avg daily turnover (US\$ m)	3.4
12M H/L price (Bt)	16.18/4.32

Price Performance

Source: Bloomberg

Ex 1: 3Q25F Preview

Yr-end Dec (Bt m)	Income Statement					Change	
	3Q24	4Q24	1Q25	2Q25	3Q25F	(q-q%)	(y-y%)
Revenue	7,182	7,621	8,374	8,183	7,433	(9)	3
Gross profit	1,858	1,970	2,105	2,080	1,955	(6)	5
SG&A	1,561	1,524	1,521	1,640	1,635	(0)	5
Operating profit	297	447	584	441	320	(27)	8
EBITDA	638	799	929	781	670	(14)	5
Other income	138	173	215	202	160	(21)	16
Other expenses	0	0	0	0	0		
Interest expenses	83	73	64	60	60	1	(27)
Profit before tax	352	547	735	583	420	(28)	19
Income tax	71	109	149	111	84	(24)	19
Equity & invest. Income	79	80	33	46	50	8	(37)
Minority interest	3	5	4	1	2	38	(30)
Extraordinary items	0	1	(1)	1	0		
Net profit	364	523	622	520	388	(25)	7
Normalized profit	363	523	623	520	388	(25)	7

Sources: Company data, Thanachart estimates

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