

Siam Global House (GLOBAL TB) - HOLD, Price Bt7.85, TP Bt7.30

Results Comment

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Weak 4Q25, but better than expected

- 4Q25 net profit was Bt429m, down 18% y-y, but better than our -35% y-y estimates on lower-than-expected SG&A despite three store openings in 4Q25, higher-than-expected other income and falling interest expense on lower cost of debt (82% floated IBDs).
- Key drags were 1) rising SG&A, 2) falling equity income.
- 4Q25 sales were flat y-y at Bt7.6bn backed by six new branches opened y-y to 96 stores in Thailand, despite -4.88% SSSG from weak economy.
- 4Q25 gross margin continued to rise by 48bp y-y to 26.3% on higher private-label sales mix of 27%, from 24% in 4Q24.

- SG&A increased by 10% y-y and 3% q-q to Bt1.7bn due to cost from new stores and Bt30m flood provision; however, this was below our SG&A estimates.
- Other income grew by 16% y-y to Bt201m from sales promotion revenues and suppliers' rebate.
- Equity income fell by 43% y-y to Bt46m on lower profit from Myanmar (hit on gross margin from price control) while higher profit from Indonesia and Laos.
- 2025 net profit, down 17% y-y (-2% sales revenues on -6.2% SSSG, flat GP at 25.8%, +154bp SG&A/sales to 20.5%, a 43% decline in equity income), a slight beat at 105% of our forecast.
- Jan SSSG maintained negative momentum with -4% SSSG. Maintain HOLD.

Income Statement (consolidated)					Income Statement 12M as						
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Revenue	7,621	8,374	8,183	7,416	7,628	Revenue	3	0	99	31,601	33,332
Gross profit	1,970	2,105	2,080	1,965	2,009	Gross profit	2	2	100	8,159	8,583
SG&A	1,524	1,521	1,640	1,637	1,681	SG&A	3	10	98	6,479	7,000
Operating profit	447	584	441	328	328	Operating profit	0	(27)	73	2,480	2,383
EBITDA	799	929	781	682	685	EBITDA	0	(14)	83	3,876	3,824
Other income	173	215	202	181	201	Other income	11	16	105	799	800
Other expense	0	0	0	0	0	Other expense		na	0		
Interest expense	73	64	60	59	53	Interest expense	(11)	(27)	92	236	232
Profit before tax	547	735	583	450	476	Profit before tax	6	(13)	109	2,244	2,151
Income tax	109	149	111	88	94	Income tax	7	(14)	105	442	439
Equity & invest. income	80	33	46	29	46	Equity & invest. income	57	(43)	63	154	256
Minority interests	5	4	1	4	13	Minority interests	260	154	(378)	23	(9)
Extraordinary items	1	(1)	1	(3)	(11)	Extraordinary items	na	na	na	(14)	0
Net profit	523	622	520	392	429	Net profit	10	(18)	105	1,964	1,959
Normalized profit	523	623	520	395	441	Normalized profit	12	(16)	106	1,978	1,959
EPS (Bt)	0.10	0.12	0.10	0.07	0.08	EPS (Bt)	10	(18)	105	0.36	0.36
Normalized EPS (Bt)	0.10	0.12	0.10	0.07	0.08	Normalized EPS (Bt)	12	(16)	105	0.37	0.36
Balance Sheet (consolidated)					Financial Ratios						
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash & ST investment	1,661	2,099	836	856	2,029	Sales growth	1.3	(4.5)	(6.1)	3.3	0.1
A/C receivable	627	693	846	733	603	Operating profit growth	(17.7)	(19.5)	(41.0)	10.4	(26.6)
Inventory	13,270	13,880	14,733	14,853	13,068	EBITDA growth	(7.4)	(11.6)	(26.9)	6.8	(14.3)
Other current assets	60	161	151	208	180	Norm profit growth	(6.7)	(14.2)	(32.1)	8.6	(15.7)
Investment	2,437	2,390	2,496	2,481	2,451	Norm EPS growth	(6.7)	(14.2)	(32.1)	8.6	(15.7)
Fixed assets	19,288	19,361	19,401	19,636	19,725	Gross margin	25.9	25.1	25.4	26.5	26.3
Other assets	2,160	2,181	2,144	2,144	2,134	Operating margin	5.9	7.0	5.4	4.4	4.3
Total assets	39,503	40,766	40,606	40,911	40,190	EBITDA margin	10.5	11.1	9.6	9.2	9.0
S-T debt	9,082	8,590	9,935	11,003	9,932	Norm net margin	6.9	7.4	6.4	5.3	5.8
A/C payable	3,134	4,150	3,459	2,529	2,474	D/E (x)	0.4	0.4	0.4	0.4	0.4
Other current liabilities	198	335	285	98	205	Net D/E (x)	0.3	0.3	0.4	0.4	0.3
L-T debt	605	605	370	370	185	Interest coverage (x)	11.0	14.5	13.1	11.5	13.0
Other liabilities	1,526	1,521	1,501	1,486	1,601	Interest rate	2.9	2.7	2.4	2.2	2.0
Minority interest	295	290	277	271	252	Effective tax rate	20.0	20.3	19.0	19.5	19.8
Shareholders' equity	24,663	25,274	24,779	25,154	25,540	ROA	6.0	6.8	5.7	4.4	4.7
Working capital	10,763	10,423	12,120	13,057	11,197	ROE	8.6	10.0	8.3	6.3	7.0
Total debt	9,687	9,195	10,305	11,373	10,117						
Net debt	8,026	7,096	9,469	10,517	8,088						

Sources: Company data, Thanachart estimates

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