

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

Phannarai Tiyaipittayarut | Email: phannarai.von@thanachartsec.co.th

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)					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25
Revenue	7,621	8,374	8,183	7,416	7,628
Gross profit	1,970	2,105	2,080	1,965	2,009
SG&A	1,524	1,521	1,640	1,637	1,681
Operating profit	447	584	441	328	328
EBITDA	799	929	781	682	685
Other income	173	215	202	181	201
Other expense	0	0	0	0	0
Interest expense	73	64	60	59	53
Profit before tax	547	735	583	450	476
Income tax	109	149	111	88	94
Equity & invest. income	80	33	46	29	46
Minority interests	5	4	1	4	13
Extraordinary items	1	(1)	1	(3)	(11)
Net profit	523	622	520	392	429
Normalized profit	523	623	520	395	441
EPS (Bt)	0.10	0.12	0.10	0.07	0.08
Normalized EPS (Bt)	0.10	0.12	0.10	0.07	0.08

Balance Sheet (consolidated)					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash & ST investment	1,661	2,099	836	856	2,029
A/C receivable	627	693	846	733	603
Inventory	13,270	13,880	14,733	14,853	13,068
Other current assets	60	161	151	208	180
Investment	2,437	2,390	2,496	2,481	2,451
Fixed assets	19,288	19,361	19,401	19,636	19,725
Other assets	2,160	2,181	2,144	2,144	2,134
Total assets	39,503	40,766	40,606	40,911	40,190
S-T debt	9,082	8,590	9,935	11,003	9,932
A/C payable	3,134	4,150	3,459	2,529	2,474
Other current liabilities	198	335	285	98	205
L-T debt	605	605	370	370	185
Other liabilities	1,526	1,521	1,501	1,486	1,601
Minority interest	295	290	277	271	252
Shareholders' equity	24,663	25,274	24,779	25,154	25,540
Working capital	10,763	10,423	12,120	13,057	11,197
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

Income Statement			12M as		
(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Revenue	3	0	99	31,601	33,332
Gross profit	2	2	100	8,159	8,583
SG&A	3	10	98	6,479	7,000
Operating profit	0	(27)	73	2,480	2,383
EBITDA	0	(14)	83	3,876	3,824
Other income	11	16	105	799	800
Other expense			na	0	
Interest expense	(11)	(27)	92	236	232
Profit before tax	6	(13)	109	2,244	2,151
Income tax	7	(14)	105	442	439
Equity & invest. income	57	(43)	63	154	256
Minority interests	260	154	(378)	23	(9)
Extraordinary items	na	na	na	(14)	0
Net profit	10	(18)	105	1,964	1,959
Normalized profit	12	(16)	106	1,978	1,959
EPS (Bt)	10	(18)	105	0.36	0.36
Normalized EPS (Bt)	12	(16)	105	0.37	0.36

Financial Ratios					
(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Sales grow th	1.3	(4.5)	(6.1)	3.3	0.1
Operating profit grow th	(17.7)	(19.5)	(41.0)	10.4	(26.6)
EBITDA grow th	(7.4)	(11.6)	(26.9)	6.8	(14.3)
Norm profit grow th	(6.7)	(14.2)	(32.1)	8.6	(15.7)
Norm EPS grow th	(6.7)	(14.2)	(32.1)	8.6	(15.7)
Gross margin	25.9	25.1	25.4	26.5	26.3
Operating margin	5.9	7.0	5.4	4.4	4.3
EBITDA margin	10.5	11.1	9.6	9.2	9.0
Norm net margin	6.9	7.4	6.4	5.3	5.8
D/E (x)	0.4	0.4	0.4	0.4	0.4
Net D/E (x)	0.3	0.3	0.4	0.4	0.3
Interest coverage (x)	11.0	14.5	13.1	11.5	13.0
Interest rate	2.9	2.7	2.4	2.2	2.0
Effective tax rate	20.0	20.3	19.0	19.5	19.8
ROA	6.0	6.8	5.7	4.4	4.7
ROE	8.6	10.0	8.3	6.3	7.0

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