

Home Product Center (HMPRO TB) - BUY, Price Bt7.25, TP Bt9.50 | Results Comment

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Softer 4Q25, in line

- HMPRO reported an in-line net profit of Bt1.6bn in 4Q25, down 7% y-y but up 23% q-q on 4Q high season.
- Reasons for earnings decline were lower sales and rising SG&A.
- Sales revenues were Bt16.4bn, down 3% y-y but up by 5% q-q, on a negative SSSG for HomePro by 8% and for Mega Home by 7%, while there were sales from ten new stores with net openings of two HomePro branches, one new Mega Home stores and seven hybrid stores during 2025 to a total of 133 stores; 91 HomePro stores in Thailand, 7 HomePro in Malaysia, 21 Mega Home and 14 hybrid branches.
- Gross margin on sales in 4Q25 rose by 34bp y-y and 133bp q-q to 28.1% due to higher back margin from suppliers and rising private-label sales mix of Mega Home stores to 24.2% in 4Q25 vs 20.3% in 4Q24 and 21.2% in 3Q25.
- 2025 net profit contracted by 8% y-y to Bt6.0bn, on a 3% sales drop and an 11% gross margin fall.
- 2H25 DPS is Bt0.22/share, XD on Apr 22nd, payment on May 7th 2026.

Income Statement						Income Statement					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Revenue	17,438	18,019	16,867	16,100	16,903	Revenue	5	(3)	99	67,888	71,191
Gross profit	4,973	4,858	4,502	4,459	4,917	Gross profit	10	(1)	99	18,736	19,650
SG&A	3,525	3,192	3,192	3,293	3,631	SG&A	10	3	99	13,309	13,887
Operating profit	2,251	2,301	1,900	1,782	2,125	Operating profit	19	(6)	100	8,109	8,476
EBITDA	3,179	3,182	2,776	2,682	3,053	EBITDA	14	(4)	96	11,693	12,803
Other income	828	641	613	623	845	Other income	36	2	101	2,722	2,771
Other expense	(42)	0	0	0	10	Other expense	56,500	na	na	10	
Interest expense	188	177	178	182	174	Interest expense	(4)	(7)	103	711	737
Profit before tax	2,130	2,130	1,745	1,607	1,947	Profit before tax	21	(9)	99	7,429	7,798
Income tax	404	423	346	303	344	Income tax	14	(15)	97	1,416	1,521
Equity & invest. income	0	(0)	(0)	(0)	(0)	Equity & invest. income	na	na	na	(1)	0
Minority interests	0	0	0	0	0	Minority interests			na	0	0
Extraordinary items	0	0	0	0	0	Extraordinary items			na	0	0
Net profit	1,727	1,707	1,399	1,304	1,602	Net profit	23	(7)	99	6,011	6,278
Normalized profit	1,727	1,707	1,399	1,304	1,602	Normalized profit	23	(7)	99	6,011	6,278
EPS (Bt)	0.13	0.13	0.11	0.10	0.12	EPS (Bt)	23	(7)	99	0.46	0.48
Normalized EPS (Bt)	0.13	0.13	0.11	0.10	0.12	Normalized EPS (Bt)	23	(7)	99	0.46	0.48
Balance Sheet						Financial Ratios					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash & ST investment	5,554	5,197	1,418	2,382	4,488	Sales grow th	0.3	(0.5)	(5.5)	(1.8)	(3.1)
A/C receivable	2,008	1,762	1,683	1,670	2,358	Operating profit grow th	1.8	0.5	(12.1)	(10.4)	(5.6)
Inventory	14,900	15,193	14,258	14,250	15,190	EBITDA grow th	3.1	0.9	(8.3)	(6.7)	(4.0)
Other current assets	188	201	239	168	171	Norm profit grow th	3.0	(0.3)	(13.8)	(9.6)	(7.2)
Investment	4,232	4,228	4,244	4,282	4,558	Norm EPS grow th	3.0	(0.3)	(13.8)	(9.6)	(7.2)
Fixed assets	31,941	32,052	32,213	32,498	32,858	Gross margin	28.5	27.0	26.7	27.7	29.1
Other assets	10,842	10,942	10,818	10,916	11,025	Operating margin	12.9	12.8	11.3	11.1	12.6
Total assets	69,665	69,574	64,873	66,167	70,648	EBITDA margin	18.2	17.7	16.5	16.7	18.1
S-T debt	8,038	8,029	9,030	9,729	12,730	Norm net margin	9.9	9.5	8.3	8.1	9.5
A/C payable	15,459	15,328	13,224	13,730	15,313	D/E (x)	0.6	0.5	0.6	0.7	0.7
Other current liabilities	2,452	2,747	2,142	1,962	2,241	Net D/E (x)	0.4	0.3	0.6	0.6	0.5
L-T debt	8,597	6,610	6,624	7,776	5,758	Interest coverage (x)	16.9	18.0	15.6	14.7	17.5
Other liabilities	8,316	8,349	8,350	8,476	8,509	Interest rate	4.5	4.5	4.7	4.4	3.9
Minority interest	0	0	0	0	0	Effective tax rate	18.9	19.8	19.8	18.9	17.7
Shareholders' equity	26,802	28,510	25,503	24,494	26,097	ROA	11.2	10.8	9.2	9.0	10.4
Working capital	1,449	1,627	2,717	2,191	2,236	ROE	26.6	24.7	20.7	20.9	25.3
Total debt	16,635	14,640	15,654	17,506	18,488						
Net debt	11,082	9,442	14,236	15,124	14,000						

Sources: Company data, Thanachart estimates

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