Siam Global House (GLOBAL TB)

3Q25: Earnings In Line, Up yoy On Margin Gain

BUY (Maintained)	
Share Price	Bt7.55
Target Price	Bt9.50
Upside	25.83%

Analyst(s)
Tanapon Cholkadidamrongkul
Tanapon.c@uobkayhian.co.th
+662 090 3359

Highlights

- 3Q25 earnings rose yoy, in line with our and consensus forecasts, supported by increased sales and higher gross margin.
- We believe 2026 will be a strong year for GLOBAL as its SSSG should recover from the low base in 2025.
- Maintain BUY with a target price of Bt9.50.

3Q25 Results

Year to 31 Dec (Btm)	3Q24	2Q25	3Q25	yoy (%)	qoq (%)
Sales and services	7,182	8,183	7,416	3.3	(9.4)
Gross profit	1,858	2,080	1,965	5.7	(5.5)
SG&A	1,561	1,640	1,637	4.8	(0.2)
Net profit	364	525	392	7.8	(25.3)
Percent	3Q24	2Q25	3Q25	yoy (ppts)	qoq (ppts)
Gross margin	25.9	25.4	26.5	0.6	1.1
SG&A to sales	21.7	20.0	22.1	0.3	2.0
Net profit margin	5.1	6.4	5.3	0.2	(1.1)

Source: UOB Kay Hian

Analysis

- **Earnings in line.** Siam Global House (GLOBAL) reported 3Q25 earnings of Bt392m, up 8% yoy and down 25% qoq, in line with our and consensus forecasts. The yoy growth was supported by: a) higher sales, and b) higher gross margin, which were partly offset by higher SG&A-to-sales and a lower share of profit.
- **Strongest top-line among peers.** 3Q25 **s**ales came in at Bt7.4b, up 3% yoy, driven by contribution from new stores while SSSG was around -0.9% yoy. The drop in SSSG was due to the higher rainfall last year and a lack of government stimulus measures. Based on our check, the outperforming categories were cement, sanitary ware and appliances.
- **Better profitability.** Gross margin in 3Q25 increased 60bp yoy to 26.5% (3Q24: 25.9%, 2Q25: 25.4%) driven by higher contribution from house brand products due to better sales volume and price adjustments of its house brand items. SG&A-to-sales rose 30bp yoy to 22.1% (3Q24: 21.7%, 2Q25: 20.0%) due to an increase in fixed expenses from operating six new stores, while the average SG&A per store was down 1.5% yoy. Overall profitability improved.

Key Financials

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	32,301	32,285	31,821	32,989	34,188
EBITDA	3,960	3,557	3,273	3,630	3,847
Operating profit	2,737	2,216	1,859	2,144	2,291
Net profit (rep./act.)	2,671	2,377	2,088	2,375	2,527
Net profit (adj.)	2,671	2,377	2,088	2,375	2,527
EPS (Bt)	0.5	0.5	0.4	0.4	0.5
PE (x)	15.4	17.9	21.2	18.6	17.5
P/B (x)	1.8	1.7	1.7	1.6	1.5
EV/EBITDA (x)	13.3	14.8	16.1	14.5	13.7
Dividend yield (%)	3.1	2.1	1.9	2.1	2.3
Net margin (%)	8.3	7.4	6.6	7.2	7.4
Net debt/(cash) to equity (%)	46.3	36.8	31.4	29.6	25.1
Interest cover (x)	14.0	11.4	12.6	14.3	15.1
ROE (%)	11.9	9.9	8.2	8.9	9.0
Consensus net profit	-	-	2,058	2,263	2,456
UOBKH/Consensus (x)	-	-	1.01	1.05	1.03

Source: GLOBAL, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Consumer Discretionary
Bloomberg ticker:	GLOBAL TB
Shares issued (m):	5,401.9
Market cap (Btm):	44,295.8
Market cap (US$m):	1,329.2
3-mth avg daily t'over (US$m):	4.0

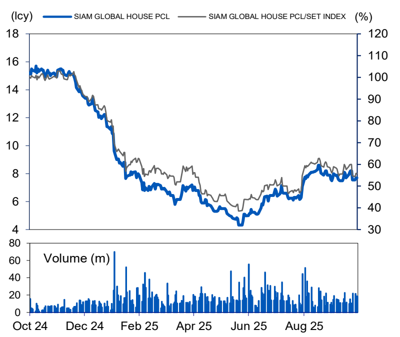
Price Performance (%)

52-week high/low Bt16.20/Bt4.16

1mth	3mth	6mth	1yr	YTD
(2.5)	(15.8)	6.9	(48.7)	(45.2)

Major Shareholders	%
SURIYAVANAKUL FAMILY	33.90
FY25 NAV/Share (Bt)	4.81
FY25 Net Debt/Share (Bt)	1.51

Price Chart



Source: Bloomberg

Company Description

Siam Global House operates its businesses under concept of modern trade from construction material to home improvement supplies.

- **4Q25 outlook expected to be unexciting.** 4Q25 SSSG is expected to be 0 to negative 3%, which is similar to that of 3Q25. With an improvement in gross margin from the adjustment in house brand prices, we expect 4Q25 earnings to be flat yoy.
- **2026 expected to be a strong year.** We believe 2026 will be a strong year for GLOBAL as its SSSG should recover from the low base in 2025, during which GLOBAL posted the weakest performance among peers. Higher contribution from its house brands may support gross margin in 2026. GLOBAL opened three stores in 9M25 and will open another three in 4Q25, which will further support its 2026 performance.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt9.50** based on 21x 2026F PE, which is -1SD to peers' five-year average and slightly below GLOBAL's 22x. We believe 2026 will be a strong year for GLOBAL
- Our peer group includes Thai retail companies under our coverage. We apply -1SD to their five-year average PE multiple as GLOBAL's long-term earnings growth is comparable to that of its peers.

Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- Half-Half Plus copayment scheme.
- Improvement in same-store sales.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AA

Environmental

- Actively promotes energy efficiency across its supply chains, reducing carbon emissions and adopting waste management initiatives.

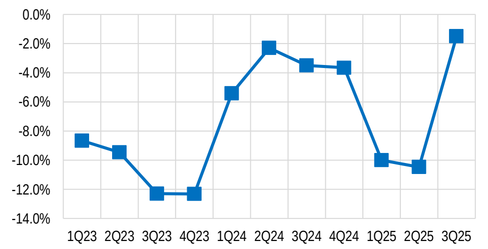
Social

- Emphasises employee well-being and community engagement, ensuring fair labour practices and supporting local development projects.

Governance

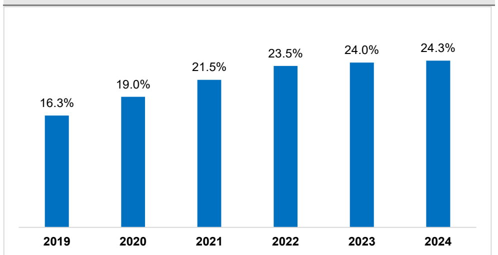
- Maintains strong corporate governance with transparent disclosure, an independent board structure, and strict compliance with regulatory standards.

Same-store Sales Growth



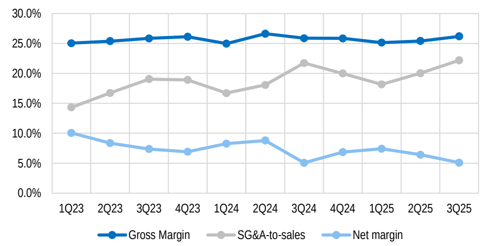
Source: Bloomberg

House Brand Contribution



Source: GLOBAL, UOB Kay Hian

Profitability



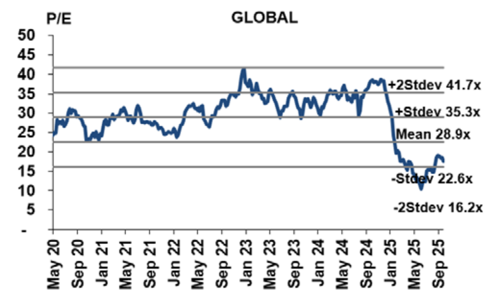
Source: GLOBAL, UOB Kay Hian

Peers PE Band

Peers	-2SD	-1SD	Mean	+1SD	+2SD
BJC	14.5	19.5	24.5	29.5	34.5
CPALL	9.4	19.4	29.4	39.4	49.4
CPAXT	12.9	24.2	35.6	46.9	58.3
CRC TB	13.2	19.8	26.4	33	39.6
DOHOME	3.2	22.2	41.3	60.3	79.4
GLOBAL	16.2	22.6	28.9	35.3	41.7
HMPRO	13.2	19.7	26.1	32.6	39.0
Average	11.8	21.1	30.3	39.6	48.8

Source: UOB Kay Hian

PE Band



Source: Global, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	32,285	31,821	32,989	34,188
EBITDA	3,557	3,273	3,630	3,847
Deprec. & amort.	1,342	1,414	1,486	1,557
EBIT	2,216	1,859	2,144	2,291
Total other non-operating income	730	721	747	774
Associate contributions	271	222	256	268
Net interest income/(expense)	(312)	(260)	(255)	(255)
Pre-tax profit	2,905	2,542	2,892	3,079
Tax	(538)	(464)	(527)	(562)
Minorities	10	10	10	10
Net profit	2,377	2,088	2,375	2,527
Net profit (adj.)	2,377	2,088	2,375	2,527

Balance Sheet

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	20,918	21,305	21,621	21,866
Other LT assets	2,968	3,049	3,418	3,725
Cash/ST investment	1,721	2,239	2,285	3,129
Other current assets	13,897	13,373	14,392	14,666
Total assets	39,503	39,966	41,716	43,386
ST debt	9,108	8,708	8,708	8,708
Other current liabilities	3,307	2,951	3,261	3,350
LT debt	1,686	1,686	1,686	1,686
Other LT liabilities	445	327	397	411
Shareholders' equity	24,663	26,009	27,389	28,965
Minority interest	295	285	275	265
Total liabilities & equity	39,503	39,966	41,716	43,386

Cash Flow

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	4,423	3,661	3,142	3,888
Pre-tax profit	2,905	2,542	2,892	3,079
Tax	(538)	(464)	(527)	(562)
Deprec. & amort.	1,342	1,414	1,486	1,557
Associates	(271)	(222)	(256)	(268)
Working capital changes	989	114	(698)	(186)
Non-cash items	(59)	54	(11)	1
Other operating cashflows	56	222	256	268
Investing	(1,371)	(2,001)	(2,100)	(2,095)
Capex (growth)	(1,773)	(1,802)	(1,802)	(1,802)
Investment	2,437	2,526	2,628	2,735
Others	(2,034)	(2,725)	(2,927)	(3,028)
Financing	(2,437)	(1,142)	(995)	(950)
Dividend payments	(1,223)	(942)	(995)	(950)
Proceeds from borrowings	(1,237)	(400)	0	0
Loan repayment	0	0	0	0
Others/interest paid	23	200	0	0
Net cash inflow (outflow)	615	518	46	843
Beginning cash & cash equivalent	1,053	1,661	2,179	2,225
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	1,668	2,179	2,225	3,069

Key Metrics

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	11.0	10.3	11.0	11.3
Pre-tax margin	9.0	8.0	8.8	9.0
Net margin	7.4	6.6	7.2	7.4
ROA	6.0	5.3	5.8	5.9
ROE	9.9	8.2	8.9	9.0
Growth				
Turnover	(0.0)	(1.4)	3.7	3.6
EBITDA	(10.2)	(8.0)	10.9	6.0
Pre-tax profit	(11.9)	(12.5)	13.8	6.4
Net profit	(11.0)	(12.2)	13.7	6.4
Net profit (adj.)	(11.0)	(12.2)	13.7	6.4
EPS	(14.4)	(15.4)	13.7	6.4
Leverage				
Debt to total capital	30.2	28.3	27.3	26.2
Debt to equity	43.8	40.0	38.0	35.9
Net debt/(cash) to equity	36.8	31.4	29.6	25.1
Interest cover (x)	11.4	12.6	14.3	15.1

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