

Central Retail Corporation CRC

Central Retail Corporation
Public Company Limited

Bloomberg
Reuters

CRC TB
CRC.BK



Better contribution from Central Chidlom

After yesterday's store visit at Central Chidlom, its flagship luxury department store in Thailand, we found that the growth in sales and traffic after full reopening on Dec 12 has been exceeding its targets. Gross profit contribution from retail sales and rental income from Central Chidlom grew 12% YoY in May-Nov 2024 and will rise further in 2025 off 2024's low base during renovations plus more focus on clienteling. In 2025, CRC targets high single-digit growth in consolidated sales YoY on better SSS and expansion, with a wider EBIT margin from controlled SG&A/sales. We forecast 12% 2025F core earnings growth, keeping our more conservative assumption of unchanged sales, leaving achievement of its targets as upside. We maintain Outperform with a mid-2025 DCF TP (WACC 7%, LT growth 2.5%) of Bt39.

Full reopening of Central Chidlom to boost CRC's sales. CRC completed renovations at Central Chidlom with a full reopening on Dec 12 (sales contribution to CRC has not been provided), after stepped reopening starting in May. Gross sales area and number of brands are unchanged at 60,000 sqm and 1,500 brands, but space and brand mix has been adjusted to more luxury and beauty products and fewer mid-priced fashion products. Its key clients are top spenders and "Cenfinity" (spending above Bt600K/year), and families with children, with a greater focus on clients in generations Y and Z and tourists (20% of Central Chidlom's sales). Central Chidlom expected the renovations to bring 30% growth in total sales and 20% in traffic, which it achieved in May-Nov; it beat targets in Dec. On the consolidated level, CRC observed a steady improvement in gross profit from retail sales (normal products) and rental income (gross sales net cost of sales from consignment luxury products) at Central Chidlom, growing 12% YoY in May-Nov. In 2025, CRC expects contribution from Central Chidlom to rise YoY, off the 2024 low base from renovation plus greater focus on clienteling (matching its sales associates to key customers and offering personal shoppers).

Cautiously positive 2025F guidance. In 2025, CRC targets high single-digit growth in consolidated sales (double Thai GDP growth), boosted by low single-digit SSS growth and store expansion/renovations. In Vietnam, it plans a greater acceleration in food unit expansion, partly backed by a recent revival in sales. In Thailand, it will slow store expansion in some big formats after an aggressive expansion in 2023-24, particularly Go Wholesale (fine-tuning the business model in terms of product and services to attract more HoReCa customers before further expansion) and Thai Wasadu (matching overall economy), with no new department stores (two new stores planned for 2026F) and two renovated department stores (Pinklao and Chang Wattana), amid continued expansion of Tops. EBIT margin will improve YoY, with stable gross margin on an offset of more low-margin food sales (store expansion in Vietnam and Go Wholesale format) with higher margin in all businesses, amid more controlled SG&A/sales.

SSS in 1Q25TD. We estimate a slightly weaker 1Q25TD SSS vs. 4Q24 at -1% YoY. In Thailand, we believe SSS is weaker than 4Q24's at -2% YoY; down YoY during Jan 1-15 (negative calendar effect from no e-Receipt program in 2025 vs. 2024) but growing YoY in all businesses on Jan 16-20 (a new e-Receipt program giving the same base). In Vietnam, in the food and hardline units, we expect SSS to improve, up in the high single to double digits YoY in local currency and low to mid single digits YoY in THB (vs flat YoY in local currency or -8% YoY in THB in 4Q24F).

Key risks are changes in government policies and purchasing power. Key ESG risks are energy & waste management, sustainable products (E) and product quality management, labor practices and data privacy (S).

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	219,898	231,438	244,470	258,031	271,489
EBITDA	(Btmn)	28,941	31,636	33,747	35,404	36,959
Core profit	(Btmn)	6,976	7,988	8,612	9,643	10,577
Reported profit	(Btmn)	7,175	8,016	8,416	9,643	10,577
Core EPS	(Bt)	1.16	1.32	1.43	1.60	1.75
DPS	(Bt)	0.48	0.55	0.57	0.64	0.70
P/E, core	(x)	29.8	26.1	24.2	21.6	19.7
EPS growth, core	(%)	3,574.1	14.5	7.8	12.0	9.7
P/BV, core	(x)	3.3	3.1	2.9	2.7	2.4
ROE	(%)	11.8	12.4	12.4	12.8	12.9
Dividend yield	(%)	1.4	1.6	1.7	1.9	2.0
EV/EBITDA	(x)	11.4	10.3	9.7	9.1	8.6

Source: InnovestX Research

Tactical: OUTPERFORM (3-month)

Stock data

Last close (Jan 21) (Bt)	34.50
Target price (Bt)	39.00
Mkt cap (Btbn)	208.07

12-m high / low (Bt)	37.8 / 24.2
Avg. daily 6m (US\$mn)	9.62
Foreign limit / actual (%)	49 / 13
Free float (%)	57.8
Outstanding Short Position (%)	0.63

Share price performance

(%)	1M	3M	12M
Absolute	0.7	4.5	0.7
Relative to SET	1.7	13.7	2.0

INVX core earnings vs consensus

Earnings vs consensus	2024F	2025F
Consensus (Bt mn)	8,596	9,743
INVX vs Consensus (%)	0.2	(1.0)

Earnings momentum	YoY	QoQ
INVX 4Q24 core earnings	Up	Up

2024 Sustainability/2023 ESG Score

SET ESG Ratings	AA
-----------------	----

Bloomberg ESG Score and Rank in the sector

ESG Score and Rank	5.157/34
Environmental Score and Rank	6.357/34
Social Score and Rank	5.545/34
Governance Score and Rank	3.709/34

Source: SET, InnovestX Research, Bloomberg Finance L.P.

Analyst

Sirima Dissara, CFA

Fundamental Investment
Analyst on Securities
(66-2) 949-1004
sirima.d@innovestx.co.th

Value proposition

Central Retail Corporation Public Company Limited (CRC) is a holding company for entities engaged in multi-format and multi-category retail businesses in Thailand and overseas. In 2021, it was Thailand's largest supermarket player and Vietnam's largest hypermarket player in the food segment, Thailand's omnichannel home DIY leader in the hardline unit, Asia's first omnichannel platform (Central application) and Italy's largest luxury department store in the fashion unit, and Thailand's omni lifestyle mall leader and Vietnam's largest family mall in the property unit.

In 2023, it had 3,809 sales locations, with 3.6mn sqm net salable area and 0.74mn sqm net leasable area, and 19% omnichannel sales contribution. In 2023, 96% of revenue came from the sale of goods, 3% from rental services and 1% from other services. Of revenue from the sale of goods in 2023, 38% was from the food segment in Thailand and Vietnam, 28% from the fashion segment in Thailand and Italy and 34% from the hardline segment in Thailand and Vietnam. By country, 71% of sales in 2023 came from Thailand, 22% from Vietnam and 7% from Italy.

Business outlook

In 2025, CRC targets high single-digit sales growth (double Thai GDP growth), boosted by SSS growth in the low single digits and store expansion/renovations. In Vietnam, it plans a greater acceleration in food unit expansion. In Thailand, it will slow store expansion in some big formats after an aggressive expansion in 2023-24, particularly Go Wholesale (fine-tuning the business model in terms of product and services to attract more HoReCa customers before further expansion) and Thai Wasadu (matching overall economy), with no new department stores (two new stores planned for 2026F) and two renovated department stores (Pinklao and Chang Wattana), amid continued expansion of Tops. EBIT margin will improve YoY, with stable gross margin on an offset of more low-margin food sales (store expansion in Vietnam and Go Wholesale format) with higher margin in all businesses, amid more controlled SG&A/sales.

On September 14, 2023, CRC launched a new wholesale food business unit branded "Go Wholesale", opening four stores in 4Q23, expected to generate Bt500mn in revenue; it plans on 40-45 stores by 2028, with net saleable area (NSA) for each at 5,000-7,000 sqm, generating Bt60-70bn in revenue within five years. By format, it estimates breakeven at the EBITDA level in 2025, EBIT level in 2026 and net profit level in 2027.

Over the medium to long term, Thailand and Vietnam will drive growth since it has a strong business footprint that it can leverage in both. By business unit, food and hardline units will be key segments for expansion, while the fashion business will focus on store transformation and rejuvenation. Omnichannel will be another driver with higher sales via adding products, extending existing channels and adding new ones, and improving profitability via larger sales volume and better management of more high-margin products and logistics costs.

Bullish views	Bearish views
1. Better domestic activities from government stimulus	1. Weak purchasing power from a fragile economy
2. Rental income to recover from higher rental rate and occupancy rate as the economy gets back to speed	2. Fragile purchasing power delaying the return of rental rate to pre-COVID level
3. More local and international travel will support SSS	3. Slow return in Chinese tourists would delay the return of SSS

Key catalysts

Factor	Event	Impact	Comment
4Q24F core earnings	Better sales, stable gross margin, lower SG&A/sales	Up YoY and QoQ	We expect core earnings to grow YoY from better sales and wider EBIT margin and QoQ from seasonality.
Better SSS in 2025F	Flagship store renovation completion	Sales added on	CRC completed renovation at Central Chidlom, its flagship department store in Thailand, with full reopening on Dec 12, 2024, and Rinascente, its flagship department store in Milan at end Oct 2024. These will help to boost SSS in 2025F.

Sensitivity Analysis

Factor	Earnings impact	TP impact
1% change in SSS	1.3%	Bt1/sh.

Our view on ESG

Key ESG risks are energy & waste management, sustainable products (E) and product quality management, labor practices and data privacy (S). On environmental issue, we view CRC showed its commitment on long-term climate resilience policy (net zero target), along with its medium-term target with progress on energy & waste management and sustainable products. However, its targets scope at only operations in Thailand, not yet fully covered all of its consolidated level. On social issue, we view its product quality management lagged behind its peers. Regarding on employment practices, we observed the positive development YoY on its employee turnover rate in 2023.

ESG Ratings and Indices

Bloomberg ESG Financial Materiality Score 5.15 (2023)

Rank in Sector 7/34

Environmental Issue (E)

- CRC has established goals for net zero target by 2050.
- By 2030, CRC intends to reduce GHG emissions scope 1 & 2 from the baseline year in 2022 by 15% (vs 5% in 2023), achieve total electricity consumed from renewable energy of 30% (vs 10% in 2023) and reduce energy consumption per revenue of 30% (vs 5% in 2023).
- By 2030, CRC intends to reduce food waste by 30% from the baseline year in 2022, with waste diversion rate target at 30% (vs 10% in 2023).
- By 2030, CRC aims to have 100% product packaging to be made from eco-friendly materials (vs 20% in 2023).
- CRC showed its commitment on long-term climate resilience policy (net zero target), along with its medium-term target with progress on energy & waste management and sustainable products. However, its targets scope at only operations in Thailand (71% to its 2023 sales and 77% to EBITDA), not yet fully covered all of its consolidated level.

Governance Issue (G)

- In 2023, CRC's board of directors consists of 15 directors. Of total, three were female numbers (20% of the entire board), 5 were independent directors (33% of the entire board), and 14 were non-executive directors (93% of the entire board). We view the variety of its board composition leads peers, with high expertise and experience persons, with gender diversity.
- In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.
- In 2023, the number of board of directors meeting was 9 times and the number of audit committee meeting was 12 times. The regular meetings help it to enhance effectiveness in overseeing business management.

CG Rating DJSI SETESG SET ESG Ratings

CRC 5 Yes Yes AA

Source: Thai Institute of Directors and SET

Social Issue (S)

- By 2030, it plans to generate income for the community and farmers amounting to Bt5.4bn/year in 2030 (vs Bt1.8bn/year in 2023).
- By 2030, it targets employee engagement score of 77% (vs 73% in 2023) and it sets the portion of female management-level employees of 50% (vs 56% in 2023).
- In 2023, the portion of its female employees was 62% (vs 61.8% in 2022) and employee turnover was 39.5% (vs 42% in 2022).
- In 2023, it had customer data protection policy.
- We view its product quality management lagged behind its peers. Regarding on employment practices, we observed the positive development YoY on its employee turnover rate in 2023.

ESG Financial Materiality Score and Disclosure

	2022	2023
ESG Financial Materiality Score	5.20	5.15
Environment Financial Materiality Score	6.27	6.35
GHG Scope 1 ('000 metric tonnes)	54	57
GHG Scope 2 Location-Based ('000 metric tonnes)	436	442
GHG Scope 3 ('000 metric tonnes)	82	557
Total Energy Consumption ('000 MWh)	1,111	1,195
Renewable Energy Use ('000 MWh)	79	130
Total Waste ('000 metric tonnes)	98	98
Waste Recycled ('000 metric tonnes)	10	11
Social Financial Materiality Score	5.69	5.54
Quality Assurance and Recall Policy	No	No
Consumer Data Protection Policy	Yes	Yes
Community Spending (millions)	126	80
Women in Workforce (%)	62	62
Employee Turnover (%)	42	40
Employee Training (hours)	913,877	1,131,480
Governance Financial Materiality Score	3.79	3.70
Company Conducts Board Evaluations	Yes	Yes
Board Size (persons)	15	15
Number of Non Executive Directors on Board (persons)	14	14
Number of Board Meetings for the Year (times)	9	9
Number of Women on Board (persons)	3	3
Number of Independent Directors (persons)	5	5

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Scores rate companies on their level of management of financially material industry-specific ESG issues. Bloomberg offers four financially material scores, for overall ESG, as well as Environmental, Social, and Governance. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Revenue from sales and services	(Btmn)	204,009	179,947	181,791	219,898	231,438	244,470	258,031	271,489
Cost of sales and services	(Btmn)	(144,856)	(134,948)	(135,847)	(159,647)	(164,941)	(174,839)	(184,475)	(194,048)
Gross profit	(Btmn)	59,153	44,999	45,944	60,251	66,497	69,631	73,556	77,442
SG&A	(Btmn)	(61,957)	(57,428)	(56,819)	(64,450)	(69,833)	(72,090)	(75,692)	(79,353)
Other income	(Btmn)	14,995	13,889	13,664	15,969	17,250	18,128	19,102	20,064
Interest expense	(Btmn)	(1,085)	(2,950)	(3,113)	(3,479)	(4,642)	(5,050)	(5,050)	(5,055)
Pre-tax profit	(Btmn)	11,105	(1,490)	(324)	8,291	9,272	10,620	11,916	13,098
Corporate tax	(Btmn)	(2,480)	744	452	(1,705)	(2,008)	(2,443)	(2,741)	(3,012)
Equity a/c profits	(Btmn)	391	132	279	820	1,230	969	1,032	1,086
Minority interests	(Btmn)	(1,726)	(295)	(217)	(430)	(506)	(535)	(564)	(594)
Core profit	(Btmn)	7,290	(909)	190	6,976	7,988	8,612	9,643	10,577
Extra-ordinary items	(Btmn)	3,343	956	(131)	199	28	(196)	0	0
Net Profit	(Btmn)	10,633	46	59	7,175	8,016	8,416	9,643	10,577
EBITDA	(Btmn)	22,067	18,018	19,830	28,941	31,636	33,747	35,404	36,959
Core EPS (Bt)	(Btmn)	1.55	(0.16)	0.03	1.16	1.32	1.43	1.60	1.75
Net EPS (Bt)	(Bt)	2.26	0.01	0.01	1.19	1.33	1.40	1.60	1.75
DPS (Bt)	(Bt)	7.71	0.40	0.30	0.48	0.55	0.57	0.64	0.70

Balance Sheet (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	65,785	67,177	69,918	76,532	79,956	84,536	89,218	93,710
Total fixed assets	(Btmn)	117,721	172,003	193,310	199,453	207,141	213,559	218,006	222,130
Total assets	(Btmn)	183,505	239,180	263,228	275,984	287,097	298,095	307,224	315,840
Total loans	(Btmn)	61,155	121,917	135,295	137,071	132,564	133,564	131,564	128,564
Total current liabilities	(Btmn)	119,513	89,049	111,662	108,488	118,505	107,310	112,030	116,724
Total long-term liabilities	(Btmn)	26,473	94,416	92,485	102,611	98,331	115,427	113,637	110,839
Total liabilities	(Btmn)	145,986	183,465	204,147	211,099	216,837	222,737	225,668	227,563
Paid-up capital	(Btmn)	4,700	6,031	6,031	6,031	6,031	6,031	6,031	6,031
Total equity	(Btmn)	37,519	55,715	59,081	64,885	70,260	75,358	81,557	88,277
BVPS (Bt)	(Bt)	5.28	9.13	9.35	10.30	11.12	11.96	12.99	14.10

Cash Flow Statement (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	7,290	(909)	190	6,976	7,988	8,612	9,643	10,577
Depreciation and amortization	(Btmn)	9,877	16,558	17,041	17,171	17,722	18,077	18,438	18,807
Operating cash flow	(Btmn)	18,386	11,961	23,360	22,460	27,483	27,553	29,203	30,497
Investing cash flow	(Btmn)	(13,588)	(8,779)	(22,906)	(14,848)	(15,761)	(24,444)	(22,886)	(22,930)
Financing cash flow	(Btmn)	(6,480)	2,905	(149)	(9,638)	(12,210)	(2,318)	(5,445)	(6,857)
Net cash flow	(Btmn)	(1,682)	6,087	306	(2,026)	(488)	791	872	710

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	29.0	25.0	25.3	27.4	28.7	28.5	28.5	28.5
Operating margin	(%)	(1.4)	(6.9)	(6.0)	(1.9)	(1.4)	(1.0)	(0.8)	(0.7)
EBITDA margin	(%)	10.8	10.0	10.9	13.2	13.7	13.8	13.7	13.6
EBIT margin	(%)	6.0	0.8	1.5	5.4	6.0	6.4	6.6	6.7
Net profit margin	(%)	5.2	0.0	0.0	3.3	3.5	3.4	3.7	3.9
ROE	(%)	18.2	(2.3)	0.3	11.8	12.4	12.4	12.8	12.9
ROA	(%)	4.0	(0.4)	0.1	2.6	2.8	2.9	3.2	3.4
Net D/E	(x)	1.3	1.9	2.0	1.9	1.7	1.6	1.4	1.3
Interest coverage	(x)	20.3	6.1	6.4	8.3	6.8	6.7	7.0	7.3
Debt service coverage	(x)	0.4	0.4	0.3	0.6	0.5	0.7	0.8	0.8
Payout Ratio	(%)	340.8	5,056.8	3,047.5	40.3	41.4	40.0	40.0	40.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
SSSG-Total (simple average)	(%)	(0.8)	(19.0)	(5.0)	19.3	2.6	(1.7)	3.0	3.0
SSSG-Fashion	(%)	(2.5)	(34.0)	(6.0)	38.0	12.0	1.4	3.0	3.0
SSSG-Hardline	(%)	(2.3)	(13.0)	3.0	5.0	(4.0)	(6.8)	3.0	3.0
SSSG-Food	(%)	2.4	(10.0)	(12.0)	15.0	(0.2)	0.4	3.0	3.0
No of stores, ending	(stores)	2,083	2,039	2,183	1,886	1,897	1,910	2,043	2,175
No of plazas, ending	(plazas)	61	66	69	71	72	77	82	87

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total revenue	(Btmn)	60,085	58,960	55,853	55,522	61,103	62,763	58,718	58,339
Cost of sales and services	(Btmn)	(42,461)	(42,574)	(39,877)	(39,537)	(42,953)	(45,460)	(41,880)	(41,835)
Gross profit	(Btmn)	17,624	16,386	15,975	15,985	18,150	17,303	16,838	16,505
SG&A	(Btmn)	(18,662)	(16,888)	(17,069)	(17,211)	(18,665)	(17,530)	(17,694)	(17,588)
Other income	(Btmn)	4,861	4,197	4,150	4,054	4,850	4,492	4,113	4,428
Interest expense	(Btmn)	(1,007)	(1,031)	(1,117)	(1,215)	(1,278)	(1,140)	(1,303)	(1,307)
Pre-tax profit	(Btmn)	2,816	2,665	1,938	1,613	3,057	3,125	1,954	2,038
Corporate tax	(Btmn)	(455)	(601)	(419)	(464)	(523)	(760)	(520)	(436)
Equity a/c profits	(Btmn)	309	299	322	283	326	306	254	151
Minority interests	(Btmn)	(106)	(144)	(123)	(112)	(128)	(147)	(121)	(117)
Core profit	(Btmn)	2,564	2,219	1,717	1,321	2,731	2,524	1,567	1,635
Extra-ordinary items	(Btmn)	747	(51)	(150)	(178)	407	(353)	93	494
Net Profit	(Btmn)	3,311	2,168	1,567	1,143	3,138	2,171	1,660	2,129
EBITDA	(Btmn)	8,216	7,942	7,412	7,350	8,931	8,764	7,767	7,871
Core EPS (Bt)	(Btmn)	0.43	0.37	0.28	0.22	0.45	0.42	0.26	0.27
Net EPS (Bt)	(Bt)	0.55	0.36	0.26	0.19	0.52	0.36	0.28	0.35

Balance Sheet (Btmn)

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Total current assets	(Btmn)	76,532	73,085	71,649	73,778	79,956	74,364	72,520	70,168
Total fixed assets	(Btmn)	199,453	200,583	204,885	207,453	207,141	211,201	216,128	213,245
Total assets	(Btmn)	275,984	273,668	276,534	281,231	287,097	285,564	288,648	283,414
Total loans	(Btmn)	137,071	135,626	138,225	149,908	132,564	138,115	145,880	146,090
Total current liabilities	(Btmn)	108,488	103,178	100,010	109,514	118,505	111,855	121,505	120,246
Total long-term liabilities	(Btmn)	102,611	101,945	106,816	100,831	98,331	98,096	93,787	93,653
Total liabilities	(Btmn)	211,099	205,123	206,826	210,345	216,837	209,951	215,292	213,898
Paid-up capital	(Btmn)	6,031	6,031	6,031	6,031	6,031	6,031	6,031	6,031
Total equity	(Btmn)	64,885	68,545	69,708	70,886	70,260	75,613	73,356	69,515
BVPS (Bt)	(Bt)	10.30	10.85	11.03	11.21	11.12	11.98	11.62	10.95

Cash Flow Statement (Btmn)

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Core Profit	(Btmn)	2,564	2,219	1,717	1,321	2,731	2,524	1,567	1,635
Depreciation and amortization	(Btmn)	4,392	4,247	4,357	4,522	4,596	4,498	4,511	4,526
Operating cash flow	(Btmn)	9,233	4,473	4,849	4,928	13,233	4,687	4,995	6,167
Investing cash flow	(Btmn)	(4,754)	(3,448)	(3,589)	(3,890)	(4,833)	(3,970)	(6,395)	(5,806)
Financing cash flow	(Btmn)	(1,453)	(3,223)	(4,172)	(1,366)	(3,448)	(4,723)	(164)	(2,278)
Net cash flow	(Btmn)	3,026	(2,198)	(2,912)	(328)	4,952	(4,006)	(1,564)	(1,917)

Key Financial Ratios

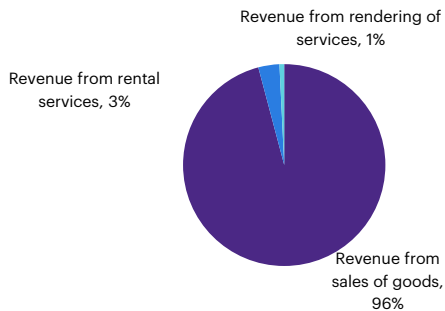
FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Gross margin	(%)	29.3	27.8	28.6	28.8	29.7	27.6	28.7	28.3
Operating margin	(%)	(1.7)	(0.9)	(2.0)	(2.2)	(0.8)	(0.4)	(1.5)	(1.9)
EBITDA margin	(%)	13.7	13.5	13.3	13.2	14.6	14.0	13.2	13.5
EBIT margin	(%)	6.4	6.3	5.5	5.1	7.1	6.8	5.5	5.7
Net profit margin	(%)	5.5	3.7	2.8	2.1	5.1	3.5	2.8	3.7
ROE	(%)	1.9	1.8	1.8	2.0	1.7	1.7	1.9	2.0
ROA	(%)	3.8	3.2	2.5	1.9	3.8	3.5	2.2	2.3
Net D/E	(x)	1.9	1.8	1.8	2.0	1.7	1.7	1.9	2.0
Interest coverage	(x)	8.2	7.7	6.6	6.0	7.0	7.7	6.0	6.0
Debt service coverage	(x)	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.4

Main Assumptions

FY December 31	Unit	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
SSSG-Total (simple average)	(%)	7.7	13.1	3.3	(1.0)	(3.3)	0.3	(2.0)	(4.0)
SSSG-Fashion	(%)	14.0	31.0	14.0	6.0	3.0	2.0	3.0	(2.0)
SSSG-Hardline	(%)	(8.0)	0.3	(2.0)	(6.0)	(8.0)	(5.0)	(8.0)	(9.0)
SSSG-Food	(%)	17.0	8.0	(2.0)	(3.0)	(5.0)	4.0	(1.0)	(1.0)
No of stores, ending	(stores)	1,886	1,881	1,866	1,865	1,897	1,892	1,869	1,950
No of plazas, ending	(plazas)	71	71	71	72	72	72	72	73

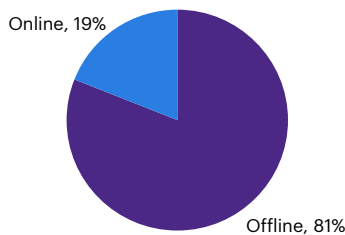
Appendix

Figure 1: Revenue breakdown by type of business in 2023



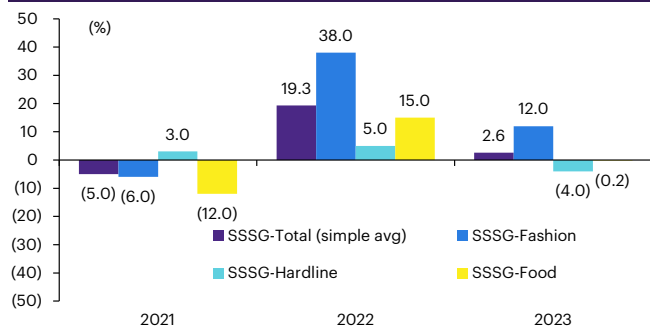
Source: Company data and InnovestX Research

Figure 3: Revenue from sale of goods broken down by sales channel in 2023



Source: Company data and InnovestX Research

Figure 5: Yearly SSS growth breakdown by business unit



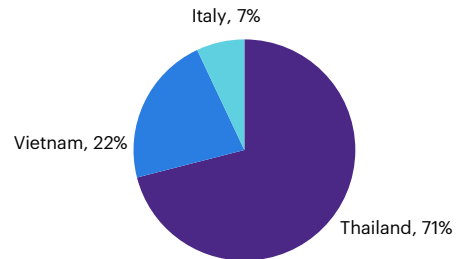
Source: Company data and InnovestX Research

Figure 7: Valuation summary (price as of Jan 21, 2025)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
BJC	Neutral	22.90	27.5	23.1	19.0	20.0	17.7	(2)	(5)	13	0.7	0.7	0.7	4	4	4	3.5	3.0	3.4	12.2	11.4	10.8
CPALL	Outperform	56.75	81.0	45.2	28.6	20.9	17.9	41	37	16	4.6	4.0	3.6	17	21	21	1.8	2.4	2.8	10.9	9.6	8.8
CPAXT	Outperform	28.50	40.0	42.1	34.4	27.5	23.5	11	25	17	1.0	1.0	1.0	3	4	4	2.0	1.7	2.1	12.3	11.0	10.1
CRC	Outperform	34.50	39.0	14.7	26.1	24.2	21.6	14	8	12	3.1	2.9	2.7	12	12	12	1.6	1.7	1.9	10.3	9.7	9.1
GLOBAL	Outperform	12.70	18.5	47.0	24.7	27.3	23.4	(27)	(10)	16	2.8	2.7	2.5	12	10	11	1.4	1.3	1.5	16.5	17.9	16.0
HMPRO	Outperform	9.05	13.0	47.8	18.5	18.4	16.5	4	0	12	4.7	4.4	4.1	26	25	26	4.4	4.2	4.3	11.4	11.2	10.2
Average					25.2	23.0	20.1	7	9	14	2.8	2.6	2.4	12	12	13	2.5	2.4	2.7	12.3	11.8	10.8

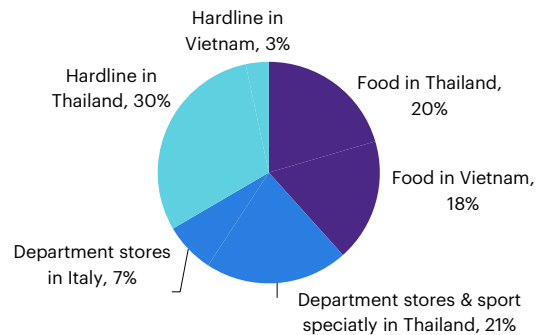
Source: InnovestX Research

Figure 2: Revenue from sale of goods broken down by country in 2023



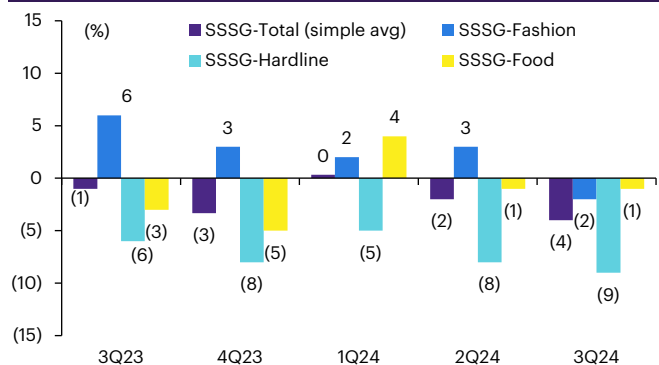
Source: Company data and InnovestX Research

Figure 4: Revenue from sale of goods broken down by business sub-segment in 2023



Source: Company data and InnovestX Research

Figure 6: Quarterly SSS growth breakdown by business unit



Source: Company data and InnovestX Research

Disclaimer

The information in this report has been obtained from sources believed to be reliable. However, its accuracy or completeness is not guaranteed. Any opinions expressed herein reflect our judgment at this date and are subject to change without notice. This report is for information only. It is not to be construed as an offer, or solicitation of an offer to sell or buy any securities. We accept no liability for any loss arising from the use of this document. We or our associates may have an interest in the companies mentioned therein.

InnovestX Securities Company Limited ("INVX") is wholly owned by SCB X Public Company Limited ("SCBX") and The Siam Commercial Bank Public Company Limited ("SCB") is majority-owned by SCBX. Any information related to SCB is for sector comparison purpose.

This document is prepared by InnovestX Securities Company Limited ("INVX") which is wholly owned by SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the LH Hotel Leasehold Real Estate Investment Trust. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. INVX and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

INVX reserves the right to modify the Information from time to time without notice and in its sole discretion. This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of INVX.

Futures and Options trading carry a high level of risk with the potential for substantial losses, and are not suitable for all persons. Before deciding to trade Futures and Options, you should carefully consider your financial position, investment objectives, level of experience, and risk appetite if Futures and Options trading are appropriate. The possibility exists that you could sustain a loss of some or all of your initial investment. You should be aware of all the risks associated with Futures and Options trading, and you are advised to rely on your own judgment while making investment decision and/or should seek advice from professional investment advisor if you have any doubts.

This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of INVX.

© Copyright 2022 InnovestX Securities Co., Ltd. All right reserved.

**CG Rating 2024 Companies with CG Rating
Companies with Excellent CG Scoring**

AAV, ABM, ACE, ACG, ADVANC, AE, AF, AGE, AH, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, ASIMAR, ASK, ASP, ASW, AURA, AWC, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BJC, BKIH, BLA, BPP, BR, BRI, BRR, BSRC, BTG, BTS, BTW, BWG, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHOW, CIMBT, CIVIL, CK, CKP, CNT, COLOR, COM7, CPALL, CPAXT, CPF, CPL, CPN, CPW, CRC, CRD, CREDIT, CSC, CV, DCC, DDD, DELTA, DEMCO, DITTO, DMT, DOHOME, DRT, DUSIT, EASTW, ECF, ECL, EGCO, EPG, ERW, ETC, ETE, FLOYD, FN, FPI, FPT, FVC, GABLE, GC, GCAP, GFC, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, III, ILINK, ILM, IND, INET, INSET, INTUCH, IP, IRC, IRPC, IT, ITC, ITCL, ITTHI, IVL, JAS, JTS, K, KBANK, KCC, KCE, KCG, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MBK, MC, M-CHAI, MCOT, MFC, MFEC, MINT, MODERN, MONO, MOONG, MOSHI, MSC, MST, MTC, MTI, MVP, NCH, NER, NKI, NOBLE, NRF, NSL, NTSC, NVD, NWR, NYT, OCC, OR, ORI, OSP, PAP, PB, PCC, PCSGH, PDJ, PEER, PG, PHOL, PIMO, PLANB, PLAT, PLUS, PM, PORT, PPP, PPS, PR9, PRG, PRIME, PRM, PRTR, PSH, PSL, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPC, RPH, RS, RT, RWI, S, S&J, SA, SAAM, SABINA, SAK, SAMART, SAMTEL, SAT, SAV, SAWAD, SC, SCAP, SCB, SCC, SCCC, SCG, SCGD, SCGP, SCM, SCN, SDC, SEAFCO, SEAOL, SELIC, SENA, SENX, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKE, SKR, SM, SMPC, SNC, SNNP, SNP, SO, SONIC, SPALI, SPC, SPI, SPRC, SR, SSC, SSF, SSP, SSSC, STA, STEC, STGT, STI, SUC, SUN, SUTHA, SVI, SYMC, SYNEX, SYNTec, TASCO, TBN, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THG*, THIP, THRE, THREL, TIPH, TISCO, TK, TKS, TKT, TLI, TM, TMILL, TMT, TNDT, TNITY, TNL, TOA, TOG, TOP, TPAC, TPBI, TPIPL, TPIPP, TPS, TQM, TQR, TRP, TRUBB, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TU, TVDH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UPF, UPOIC, UV, VARO, VGI, VIH, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, ZEN

Companies with Very Good CG Scoring

2S, AAI, ADB, AEONTS, AHC, AIRA, APCO, APCS, APURE, ARIP, ARROW, ASIAN, ATP30, AUCT, AYUD, BA, BBIK, BC, BE8, BH, BIZ, BOL, BSBM, BTC, CH, CI, CIG, CM, COCOCO, COMAN, CPI, CSS, DTCENT, EVER, FE, FORTH, FSMART, FSX, FTI, GEL, GIFT, GPI, HUMAN, IFS, INSURE, JCK, JDF, JMART, KGI, KJL, KTIS, KUN, L&E, LHK, MATCH, MBAX, MEGA, METCO, MICRO, NC, NCAP, NCL, NDR, ONEE, PATO, PDG, PJW, POLY, PQS, PREB, PROUD, PSG, PSP, PSTC, PT, PTECH, PYLON, QLT, RABBIT, RCL, SAPPE, SECURE, SFLEX, SFT, SINO, SMT, SPCG, SPVI, STANLY, STPI, SUPER, SUSCO, SVOA, SVT, TACC, TAE, TCC, TEKA, TFM, TITLE, TKN, TMD, TNR, TPA, TPCH, TPCS, TPLAS, TPOLY, TRT, TURTLE, TVH, UBA, UP, UREKA, VCOM, VIBHA, VRANDA, WARRIX, WIN, WP

Companies with Good CG Scoring

A5, ADD, AIE, ALUCON, AMC, AMR, ARIN, ASEFA, ASIA, ASN, BIG, BIOTEC, BIS, BJCHI, BLC, BVG, CEN, CGH, CHARAN, CHAYO, CHIC, CHOTI, CITY, CMC, CPANEL, CSP, DEXON, DOD, DPAINT, DV8, EASON, EE, EFORL, EKH, ESTAR, ETL, FNS, GBX, GENCO, GTB, GYT, ICN, IIG, IMH, IRCP, J, JCKH, JMT, JPARK, JR, JSP, JUBILE, KBS, KCAR, KIAT, KISS, KK, KWC, LDC, LEO, MCA, META, MGC, MITSIB, MK, NAM, NOVA, NTV, NV, OGC, PACO, PANEL, PHG, PIN, PRAPAT, PRI, PRIN, PROEN, PROS, PTC, READY, ROCTEC, SABUY, SALEE, SAMCO, SANKO, SCI, SE, SE-ED, SINGER, SISB, SKN, SKY, SMD100, SMIT, SORKON, SPG, SST, STC, STOWER, STP, SVR, SWC, TAKUNI, TC, TFI, TMC, TMI, TNP, TOPP, TRU, UEC, UOBKH, VL, WAVE, WFX, WIUK, XO, XPG, YUASA, ZAA

Corporate Governance Report

The material contained in this publication is for general information only and is not intended as advice on any of the matters discussed herein. Readers and others should perform their own independent analysis as to the accuracy or completeness or legality of such information. The Thai Institute of Directors, its officers, the authors and editor make no representation or warranty as to the accuracy, completeness or legality of any of the information contained herein. By accepting this document, each recipient agrees that the Thai Institute of Directors Association, its officers, the authors and editor shall not have any liability for any information contained in, or for any omission from, this publication.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2023 to 28 October 2024) is publicized.

*บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีส่วนดำเนินการกำกับดูแลกิจการ เช่น การระดมทุนเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรระมัดระวังถึงข้อจำกัดว่าประกอบด้วย

Anti-corruption Progress Indicator**Certified (ได้รับรับรอง)**

2S, AAI, ADB, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, ASW, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRI, BRR, BSBM, BTG, BTS, BWG, CAZ, CBG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CI, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, CV, DCC, DELTA, DEMCO, DIMET, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ETC, ETE, FNS, FPI, FPT, FSMART, FSX, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOBAL, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HEALTH, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JR, JTS, KASET, KBANK, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, MEGA, MENA, META, MFC, MFEC, MILL, MINT, MODERN, MONO, MOONG, MSC, MTC, MTI, NATION, NCAP, NEP, NER, NKI, NOBLE, NRF, OCC, OGC, OR, ORI, OSP, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PRTR, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RBF, RML, RS, RWI, S&J, SA, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SENX, SFLEX, SGC, SGP, SIRI, SIS, SITHAI, SKR, SM, SMIT, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SVOA, SVT, SYMC, SYNTec, TAE, TAKUNI, TASCO, TCAP, TEGH, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLO, TIPCO, TIPH, TISCO, TKN, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TPLAS, TRT, TRU, TRUE, TSC, TSI, TSTE, TSTH, TTB, TTCL, TU, TURTLE, TVDH, TVO, TWPC, UBIS, UEC, UKEM, UPF, UV, VCOM, VGI, VIBHA, VIH, WACOAL, WHA, WHAUP, WICE, WIUK, WPH, XO, YUASA, ZEN

Declared (ประกาศเจตนารมณ์)

ACE, ALT, AMARIN, AMC, ANI, APCO, ASAP, B52, BLAND, BYD, CFARM, CHASE, CHG, DEXON, DITTO, ECL, EVER, FLOYD, GREEN, HL, HUMAN, ICN, IHL, IP, ITC, JDF, JMART, K, KJL, LDC, LIT, MITSIB, MJD, MOSHI, NEX, NTSC, PLE, PLUS, POLY, PQS, PRI, PRIME, PROEN, PROUD, PTC, RT, S, SAWAD, SCAP, SCGD, SFT, SHR, SINGER, SINO, SJWD, SKE, SNNP, SOLAR, SONIC, SUPER, TBN, TMI, TPAC, TPP, TQM, UOBKH, UREKA, VNG, WELL, WIN, XPG

N/A

24CS, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALUCON, AMARC, AMR, ANAN, AOT, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BROCK, BSM, BSRC, BTC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, EE, EFORL, EKH, EMC, ESTAR, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GTB, GTV, GYT, HFT, HTECH, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IRC, IRCP, IROYAL, IT, ITD, ITNS, ITTHI, IVF, J, JAK, JCK, JCKH, JCT, JKN, JMT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KK, KKC, KLINI, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEDEZE, METCO, MGC, MGI, MGT, MICRO, MIDA, MK, ML, MORE, MPJ, MST, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NKT, NL, NNCL, NOVA, NPK, NSL, NTV, NV, NVD, NWR, NYT, OHTL, OKJ, ONEE, ORN, PACO, PAF, PANEL, PCC, PCE, PEACE, PEER, PERM, PF, PHG, PICO, PIN, PIS, PJW, PLT, PMC, PMTA, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, PSP, PTL, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, RSXYZ, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAV, SAWANG, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SEI, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKN, SKY, SLP, SMART, SMD100, SMT, SNPS, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, STANLY, STC, STECH, STECON, STELLA, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVR, SWC, SYNEX, TACC, TAN, TAPAC, TATG, TC, TCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TCC, TLI, TM, TMAN, TMC, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TSR, TTA, TTI, TTT, TTW, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UBE, UMI, UMS, UNIQ, UP, UPOIC, UTP, UVAN, VARO, VL, VPO, VRANDA, VS, WARRIX, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WP, XBIO, YGG, YONG, ZAA, ZIGA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 14, 2024) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.