

## Strong start driven by Apple and EV

- Apple products continue to drive growth momentum in 1Q25E.
- Anticipated 7% y-y growth in revenue and 14% growth in net profit.
- Maintain with a BUY and TP of THB29

### Apple's strong Asia-Pacific growth boosts COM7's outlook

Apple Inc. reported its Mar-25 (2Q25) results, showing a 3% increase in product sales, driven by iPhone (+2%), Mac (+7%), and iPad (+15%), while Watch sales declined (-5%). Notably, sales from the Asia Pacific region grew by 8%, indicating strong demand for Apple products, which is a positive sign for COM7. Additionally, SPVI, a competitor of COM7's Studio7, reported a 6.5% revenue growth, further highlighting the robust demand for Apple products in Thailand.

### Leveraging Apple momentum and margin improvement

We anticipate COM7's 1Q25E revenue to reach THB20.6b (-12% q-q, +7% y-y), driven by 3 key factors: 1) improved demand for the iPhone 16, 2) the Easy E-receipt campaign, which shifted some demand from 4Q24 to 1Q25, and 3) the launch of new Apple products, the iPhone 16e, iPad, and MacBook Air. We expect GPM to improve to 13%, up from 12.8% in 1Q24, while selling expenses are projected to decline to 6% of revenue, compared to 6.3% last year. As a result, we forecast net profit of THB940m (-8% q-q, +14% y-y), reflecting solid operational efficiency despite seasonal fluctuations.

### Aion gains traction, EV7 takes off

We expect to see improvement in COM7's subsidiaries, particularly in its core phone-related businesses, including Adept, iCare Insurance, Double7, and etc., where we have no significant concerns. However, 3 smaller subsidiaries—PetPaw, Dr. Pharma (40% stake), and Aion (40% stake). Notably, we anticipate a strong performance from Aion in 1Q25E, with EV sales likely doubling, supported by robust demand at the Motor Show 2025, which recorded over 7,000 bookings, compared to 3,000 last year. Additionally, the newly launched EV7 business (EV Taxi leasing) has commenced operations with a competitive rental rate starting from THB666/day, positioning it attractively in the taxi market.

### Trump's tariffs vs. COM7: Navigating uncertainty with Apple

Regarding Trump's tariffs, while concerns persist about price increases for iPhones, we believe the impact on COM7 still remains limited. 1) the iPhone16 pricing has remained stable, and any price adjustments are likely to affect the upcoming iPhone17, which we expect to remain competitively priced to maintain Apple's market share. 2) We believe that Trump's tariff strategy will likely prioritize U.S. interests, with recent indications suggesting a possible tariff exemption for smartphones and PCs, which could further mitigate any adverse impact on COM7.

### Maintain with a BUY and TP of THB29

We maintain our BUY recommendation for COM7 with a TP of THB29, based on a 2025E P/E of 19x which is slightly above -1SD of its 5-year average. COM7's core operations remain strong, reinforcing its market leadership.

ESG Rating : AA

CG Rating : ▲▲▲▲▲

## BUY

<b>Target Price 12M (THB)</b>	<b>29.00</b>
VS. BB Consensus TP (%)	+0.5%
Share Price) THB(	20.20
Upside/Downside	+43.6%

### Share Data

Market Cap )THB m(	48,479.96
Par) THB(	0.25
Free Float (%)	49.42
Issued shares (m shares)	2,400

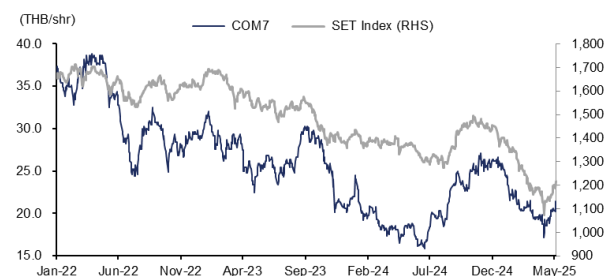
### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	79,233	83,997	88,257	92,335
Net profit	3,307	3,587	4,026	4,263
Core net profit	3,307	3,587	4,026	4,263
vs Consensus (%)	-	(1.0)	(0.1)	5.2
Net profit growth (%)	15.7	8.5	12.2	5.9
Core net profit growth (%)	15.7	8.5	12.2	5.9
EPS (THB)	1.38	1.49	1.68	1.78
Core EPS (THB)	1.38	1.49	1.68	1.78
Chg in core EPS (%)	-	0.00	0.00	0.00
DPS (THB)	0.86	0.93	1.05	1.11
P/E (x)	19.05	13.51	12.04	11.37
P/BV (x)	7.73	5.01	4.23	3.67
ROE (%)	42.41	40.25	38.10	34.56
Dividend yield (%)	3.28	4.62	5.18	5.49

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	8.02	(7.76)	(24.49)	(23.05)
Market	2.32	(2.00)	(6.71)	(9.29)
12M High/Low (THB)	28.25 / 16.40			



### Major Shareholders (%) as of 11 Mar 2025

MR. SURA KHANITAWEEKUL	25.05
MR. PONGSAK THAMMATHATAREE	19.69
THAI NVDR	8.17

### Company Profile

COM7 is a leading retailer in the IT industry, with a focus on desktop computers, laptops, smartphones, tablets, and associated accessories. Additionally, we provide repair and service centers for Apple products under the brand iCare.

Source: SETSMART, SET

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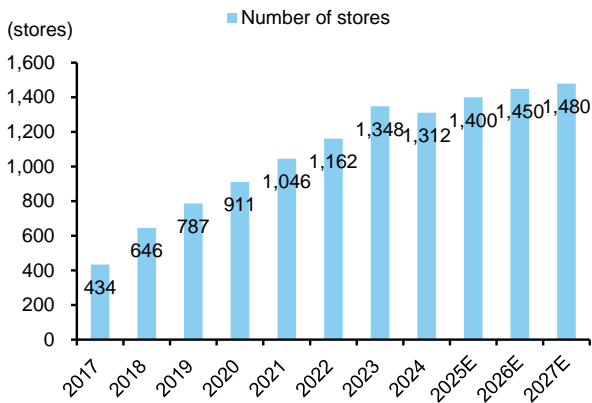
Peerayu Sirivorawong

**Exhibit 1: Summary of 1Q25E/2025E operations**

	1Q24	4Q24	-----1Q25E-----			2024	2025E	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
<b>Revenue</b>	<b>19,279</b>	<b>23,500</b>	<b>20,629</b>	<b>(12)</b>	<b>7</b>	<b>79,233</b>	<b>83,997</b>	<b>6</b>
<b>Operating costs</b>	<b>(18,252)</b>	<b>(22,156)</b>	<b>(19,437)</b>	<b>(12)</b>	<b>6</b>	<b>(74,975)</b>	<b>(79,332)</b>	<b>6</b>
EBITDA	1,276	1,600	1,447	(10)	13	5,279	5,696	8
EBITDA margin (%)	6.6	6.8	7.0	na	na	6.7	6.8	2
<b>EBIT</b>	<b>1,027</b>	<b>1,344</b>	<b>1,191</b>	<b>(11)</b>	<b>16</b>	<b>4,258</b>	<b>4,665</b>	<b>10</b>
Interest expense	(71)	(73)	(73)	0	3	(306)	(332)	9
Exceptionals	10	15	20	30	96	43	60	40
Pretax profit	967	1,287	1,138	(12)	18	3,995	4,393	10
Tax	(136)	(255)	(190)	(26)	40	(674)	(791)	17
Tax rate (%)	14	20	17	na	na	17	18	na
Minority interests	(9)	(7)	(9)	na	na	(14)	(15)	-
<b>Net profit</b>	<b>822</b>	<b>1,024</b>	<b>940</b>	<b>(8)</b>	<b>14</b>	<b>3,307</b>	<b>3,587</b>	<b>8</b>
EPS (THB)	0.34	0.43	0.39	(8)	14	1.38	1.49	8

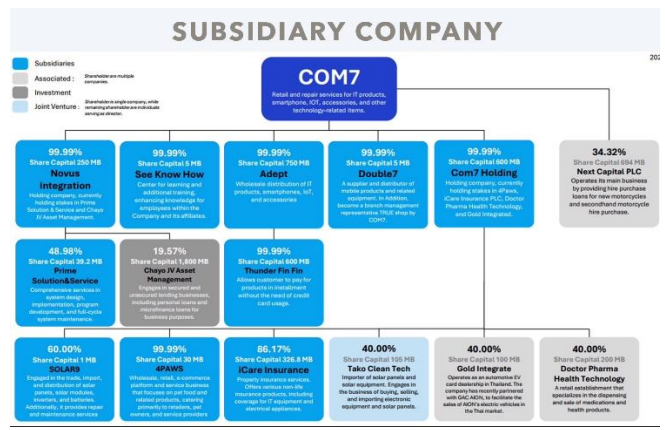
Sources: Name of source

**Exhibit 2: COM7 store counts**



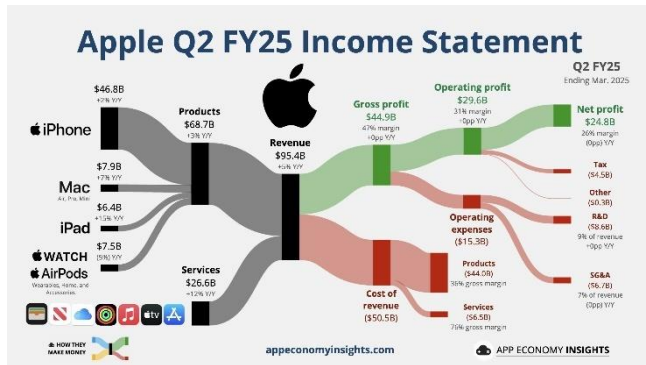
Sources: COM7; Globlex Research estimates

**Exhibit 3: COM7's subsidiary company**



Sources: COM7

**Exhibit 4: AAPL's 2Q25 result**



Sources: App Economy Insights

**Exhibit 5: Dividend over 10 years**



Sources: COM7

**Exhibit 6: EV7 taxi leasing business**



Sources: EV7

**Exhibit 7: EV7's Aion Y Plus for AOT Limousine**



Sources: EV7

**Exhibit 8: Total vehicle bookings at Motor Show 2025**

ยอดจองรถยนต์ MOTOR SHOW 2025		ครั้งที่ 46 : 24 มีนาคม - 6 เมษายน 2568 (14 วัน)	
ยอดจองรถยนต์ (+44.8%) <b>77,379 คัน</b>	1 BYD 10,353 คัน	2 Toyota 9,615 คัน	3 <b>GAC AION 7,018 คัน</b>
4 Deepal 6,589 คัน	5 Honda 5,948 คัน	6 MG 5,910 คัน	7 GWM 4,959 คัน
8 Mitsubishi 4,398 คัน	9 Nissan 3,139 คัน	10 Isuzu 2,989 คัน	11 OMDA JAECOO 2,568 คัน
12 Mazda 2,353 คัน	13 XPENG 1,399 คัน	14 NETA 1,219 คัน	15 ZEEKR 1,196 คัน

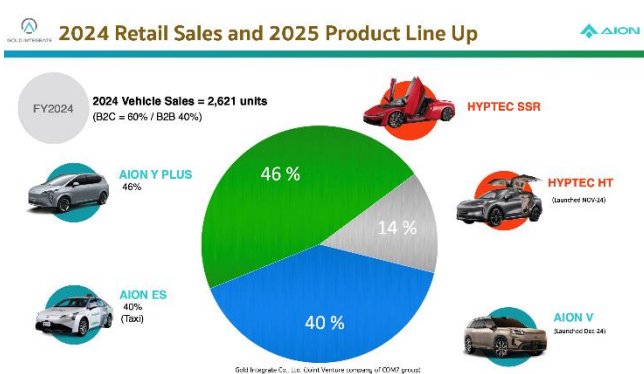
Sources: Autolifethailand

**Exhibit 9: Total vehicle bookings at Motor Show 2024**

ยอดจองรถยนต์ MOTOR SHOW 2024		ครั้งที่ 45 : 25 มีนาคม - 7 เมษายน 2567 (14 วัน)	
ยอดจองรถยนต์ (+24.6%) <b>53,438 คัน</b>	1 Toyota 8,540 คัน	2 BYD 5,345 คัน	3 Honda 4,607 คัน
4 MG 3,518 คัน	5 Mitsubishi 3,409 คัน	6 ChangAn 3,073 คัน	7 <b>Aion 3,018 คัน</b>
8 GWM 2,815 คัน	9 Isuzu 2,734 คัน	10 Nissan 2,488 คัน	11 Mazda 2,292 คัน
12 Benz 1,642 คัน	13 NETA 1,618 คัน	14 Suzuki 1,608 คัน	15 Ford 1,469 คัน

Sources: Autolifethailand

**Exhibit 10: AION's 2024 sales breakdown**



Sources: COM7

**Exhibit 11: Aion EV product line up**



Sources: COM7

Balance sheet (THB m)						Profit & loss (THB m)						
Year ending Dec	2023	2024	2025E	2026E	2027E	Year ending Dec	2023	2024	2025E	2026E	2027E	
<b>Current assets</b>						<b>Revenue</b>						
Cash & ST investment	1,754	2,032	3,031	4,396	5,823		69,642	79,233	83,997	88,257	92,335	
Account receivable	3,472	3,147	2,802	2,440	2,061		(64,035)	(72,792)	(77,069)	(80,578)	(84,302)	
Inventories	9,922	12,254	12,973	13,564	14,191		<b>Gross profit</b>	<b>5,607</b>	<b>6,441</b>	<b>6,928</b>	<b>7,678</b>	<b>8,033</b>
Others	1,295	2,112	2,239	2,352	2,461		Operating expenses	(1,012)	(1,162)	(1,232)	(1,324)	(1,385)
<b>Non-current assets</b>							<b>Operating profit</b>	<b>4,595</b>	<b>5,279</b>	<b>5,696</b>	<b>6,354</b>	<b>6,648</b>
Net fixed assets	1,392	1,278	1,672	2,064	2,360		<b>EBIT</b>	<b>3,687</b>	<b>4,258</b>	<b>4,665</b>	<b>5,313</b>	<b>5,596</b>
Others	5,141	5,815	5,815	5,815	5,815		Depreciation	(908)	(1,021)	(1,031)	(1,041)	(1,052)
<b>Total Assets</b>	<b>22,976</b>	<b>26,637</b>	<b>28,533</b>	<b>30,632</b>	<b>32,711</b>		<b>EBITDA</b>	<b>4,595</b>	<b>5,279</b>	<b>5,696</b>	<b>6,354</b>	<b>6,648</b>
<b>Current liabilities</b>						<b>Non-operating income</b>						
Account payable	4,916	5,719	6,055	6,331	6,623			0	0	0	0	0
ST borrowing	8,980	10,124	10,124	10,124	10,124		Other incomes	0	0	0	0	0
Others	180	368	390	410	429		Other non-op income	0	0	0	0	0
<b>Long-term liabilities</b>							<b>Non-operating expense</b>	<b>(232)</b>	<b>(306)</b>	<b>(332)</b>	<b>(332)</b>	<b>(332)</b>
Long-term debts	401	1,009	1,009	1,009	1,009		Interest expense	(232)	(306)	(332)	(332)	(332)
Others	311	593	593	593	593		Other non-op expense	0	0	0	0	0
<b>Total liabilities</b>	<b>14,789</b>	<b>17,813</b>	<b>18,171</b>	<b>18,467</b>	<b>18,778</b>		<b>Equity income/(loss)</b>	<b>67</b>	<b>43</b>	<b>60</b>	<b>72</b>	<b>87</b>
Paid-up capital	600	600	600	600	600		Pre-tax Profit	3,522	3,995	4,393	5,053	5,351
Retained earnings	6,136	6,336	7,859	9,646	11,396		Extraordinary items					
Others	1,311	1,815	1,815	1,815	1,815		Current taxation	(588)	(674)	(791)	(1,011)	(1,070)
Minority interest	141	73	87	104	121		Minorities	(77)	(14)	(15)	(17)	(18)
<b>Shareholders' equity</b>	<b>8,188</b>	<b>8,823</b>	<b>10,361</b>	<b>12,165</b>	<b>13,933</b>		<b>Net Profit</b>	<b>2,857</b>	<b>3,307</b>	<b>3,587</b>	<b>4,026</b>	<b>4,263</b>
<b>Key ratios</b>						<b>Cash flow (THB m)</b>						
Year ending Dec	2023	2024	2025E	2026E	2027E	Year ending Dec	2023	2024	2025E	2026E	2027E	
<b>Growth (%YoY)</b>						<b>Operating cash flow</b>						
Sales	10.6	13.8	6.0	5.1	4.6		(576)	1,019	2,753	2,860	2,990	
Operating profit	(2.0)	14.9	7.9	11.6	4.6		Net profit	2,857	3,307	3,587	4,026	4,263
EBITDA	(2.0)	14.9	7.9	11.6	4.6		Depre. & amortization	908	1,021	1,031	1,041	1,052
Net profit	(5.9)	15.7	8.5	12.2	5.9		Change in working capital	(3,073)	(1,833)	(144)	(47)	(45)
Core net profit	(4.5)	15.7	8.5	12.2	5.9		Others	(1,268)	(1,476)	(1,721)	(2,161)	(2,280)
EPS	(5.9)	15.7	8.5	12.2	5.9		<b>Investment cash flow</b>	<b>2,607</b>	<b>1,401</b>	<b>295</b>	<b>728</b>	<b>932</b>
Core EPS	(4.5)	15.7	8.5	12.2	5.9		Net CAPEX	(1,427)	(906)	(722)	(799)	(786)
<b>Profitability (%)</b>						<b>Free cash flow</b>						
Gross margin	8.1	8.1	8.2	8.7	8.7		Change in LT investment	(1,380)	177	3,063	3,604	3,939
Operation margin	6.6	6.7	6.8	7.2	7.2		Change in other assets	5,414	2,130	(2,046)	(2,077)	(2,221)
EBITDA margin	6.6	6.7	6.8	7.2	7.2		<b>Free cash flow</b>	<b>2,031</b>	<b>2,420</b>	<b>3,048</b>	<b>3,587</b>	<b>3,922</b>
Net margin	4.1	4.2	4.3	4.6	4.6		<b>Financing cash flow</b>	<b>(1,637)</b>	<b>(2,132)</b>	<b>(2,049)</b>	<b>(2,222)</b>	<b>(2,495)</b>
ROE	40.8	42.4	40.2	38.1	34.6		Change in share capital	0	0	0	0	0
ROA	13.6	13.3	13.0	13.6	13.5		Net change in debt	43	(68)	15	17	18
<b>Stability</b>						<b>Net cash flow</b>						
Interest bearing debt/equity (x)	1.1	1.3	1.1	0.9	0.8			394	288	999	1,365	1,427
Net debt/equity (x)	0.9	1.0	0.8	0.6	0.4		<b>Per share (THB)</b>					
Interest coverage (x)	15.9	13.9	14.0	16.0	16.8		EPS	1.19	1.38	1.49	1.68	1.78
Interest & ST debt coverage (x)	0.4	0.4	0.4	0.5	0.5		Core EPS	1.19	1.38	1.49	1.68	1.78
Cash flow interest coverage (x)	(0.0)	0.1	0.2	0.2	0.2		CFPS	1.60	1.81	1.93	2.12	2.22
Current ratio (x)	1.2	1.2	1.3	1.3	1.4		BVPS	3.35	3.65	4.28	5.03	5.75
Quick ratio (x)	0.4	0.3	0.4	0.4	0.5		Sales/share	29.02	33.01	35.00	36.77	38.47
Net debt (THB m)	7,627	9,101	8,102	6,737	5,310		EBITDA/share	1.91	2.20	2.37	2.65	2.77
<b>Activity</b>						<b>Valuation</b>						
Asset turnover (X)	2.8	2.9	2.7	2.8	5.6		P/E (x)	16.4	19.0	13.5	12.0	11.4
Days receivables	18.2	14.5	12.2	10.1	8.1		P/BV (x)	6.28	7.73	5.01	4.23	3.67
Days inventory	56.6	61.4	61.4	61.4	61.4		Dividend yield (%)	3.59	3.28	4.62	5.18	5.49
Days payable	28.0	28.7	28.7	28.7	28.7		Dividend payout ratio (%)	58.80	62.41	62.41	62.41	62.41
Cash cycle days	46.7	47.3	44.9	42.9	40.9							

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### Analyst Certification

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## RECOMMENDATION STRUCTURE

### Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

- BUY:** Expected return of 10% or more over the next 12 months.  
**HOLD:** Expected return between -10% and 10% over the next 12 months.  
**REDUCE:** Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.  
**Neutral:** The industry is expected to perform in line with the relevant primary market index over the next 12 months.  
**Underweight:** The industry is expected to underperform the relevant primary market index over the next 12 months.

### Country (Strategy) Recommendations

**Overweight:** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral:** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight:** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.