

1Q25E Momentum uninterrupted

- Expect a 15% y-y increase in revenue and 8% y-y in core net profit.
- Focus on existing brands and fast-growing sales channels.
- Maintaining with a BUY and TP of THB15.

KAMART 1Q25E: Strong core, clear direction

For 1Q25E, we anticipate KAMART to report revenue of THB902m (+6% q-q, +15% y-y), supported by continued product momentum and recent price adjustments implemented in 2H24. GPM is expected to remain strong at 54%, in line with 4Q24. While SG&A expenses are projected to decrease from the high base in 4Q24, but should remain around 26% of revenue, consistent with the 2024 level—due to higher selling expenses needed to support the increased pricing strategy. We forecast core net profit at THB203m (+14% q-q, +8% y-y). However, reported net profit may show a y-y decline due to the absence of the THB110m unrealized gain recognized in 1Q24.

Building brands, Boosting E-commerce

This year, KAMART's strategy focuses on strengthening its existing brand portfolio alongside the continued development of four new brands launched in 2024. The fastest-growing segments were skincare and body care, each expanding by over 40%, while cosmetics—which still contribute more than half of total revenue—also delivered solid growth of 23% (Exhibit 2). The company plans to invest THB45m in a new fulfillment center to support its rapidly expanding e-commerce channel, which recorded over 200% growth in 2024. This reflects KAMART's commitment to capturing digital demand and enhancing distribution efficiency.

Beauty without borders

International markets remain KAMART's second-fastest growing channel, contributing around 15% of total revenue. The company is focusing on high-potential regions with strong purchasing power and large populations, including ASEAN, the Middle East, and Africa. The U.S. is also a strategic target for 2025; however, uncertainty surrounding potential tariffs under the Trump administration has led to a cautious approach. Nonetheless, the U.S. continues to represent a significant opportunity, particularly as China remains one of the largest exporters of beauty products to the American market.

Carefully chosen, confidently executed

Regarding M&A, management has expressed confidence that at least one deal will be completed within this year. Based on the current indications, we expect the transaction to be finalized in the coming months, likely to be a local company, aligning with KAMART's cautious and strategic approach to acquisitions.

Maintain with a BUY and TP of THB15

We maintain a BUY for KAMART with a TP of THB15, based on a 2025E P/E of 23x and a PEG ratio of 1.2, aligning with the company's strong revenue and net profit growth momentum.

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ESG Rating : -

CG Rating : -

BUY

Target Price 12M (THB)	15.00
VS. BB Consensus TP (%)	+33.7%
Share Price (THB)	9.50
Upside/Downside	+57.9%

Share Data

Market Cap (THB m)	12,191.64
Par (THB)	0.60
Free Float (%)	53.12
Issued shares (m shares)	1,283

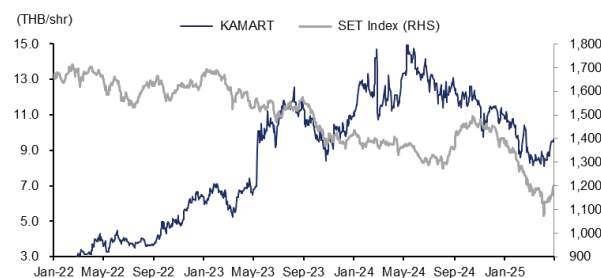
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	3,204	3,804	4,162	4,555
Net profit	678	822	975	1,079
Core net profit	723	822	975	1,079
vs Consensus (%)	-	(1.1)	0.6	10.7
Net profit growth (%)	2.6	21.2	18.6	10.7
Core net profit growth (%)	38.7	13.7	18.6	10.7
EPS (THB)	0.53	0.64	0.76	0.84
Core EPS (THB)	0.56	0.64	0.76	0.84
Chg in core EPS (%)	-	0.01	(0.09)	(0.17)
DPS (THB)	0.26	0.32	0.37	0.41
P/E (x)	20.82	14.83	12.51	11.31
P/BV (x)	4.12	3.00	2.63	2.33
ROE (%)	21.67	21.95	22.43	21.89
Dividend yield (%)	2.36	3.32	3.93	4.35

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	13.10	(4.52)	(18.80)	(13.64)
Market	11.04	6.51	(1.85)	1.00
12M High/Low (THB)				15.60 / 7.50



Major Shareholders (%) as of 11 Mar 2025

MR. WIWAT THEEKHAKHIRIKUL	18.55
WELLSIAM COMPANY LIMITED	18.00
UBS AG SINGAPORE BRANCH	4.75

Company Profile

The Company is enterprising and distributing imported cosmetics, skin care products, toiletries, dietary supplement etc under the brands "Cathy Doll", "Baby Bright", "Brow it", "Lipit", "Skynlab" and etc.

Source: SETSMART, SET

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)
Revenue	786	847	902	6	15	3,204	3,804	19
Operating costs	(547)	(645)	(650)	1	19	(2,334)	(2,823)	21
EBITDA	254	214	267	25	5	927	1,039	12
EBITDA margin (%)	32.3	25.3	29.6	na	na	28.9	27.3	na
EBIT	240	201	252	25	5	870	981	13
Interest expense	(4)	(5)	(5)	2	14	(19)	(22)	15
Exceptionals	117	0	7	na	na	3	68	na
Pretax profit	352	197	254	29	(28)	854	1,027	20
Tax	(53)	(40)	(51)	26	(4)	(172)	(205)	19
Tax rate (%)	15	20	20	na	na	20	20	na
Minority interests	(1)	(3)	0	na	na	(4)	0	-
Net profit	298	153	203	33	(32)	678	822	21
Non-recurring	110	(25)	0			(38)	0	na
Core net profit	188	178	203	14	8	716	822	15
EPS (THB)	0.27	0.12	0.16	33	(42)	0.53	0.64	21
Core EPS (THB)	0.17	0.14	0.16	14	(7)	0.56	0.64	15

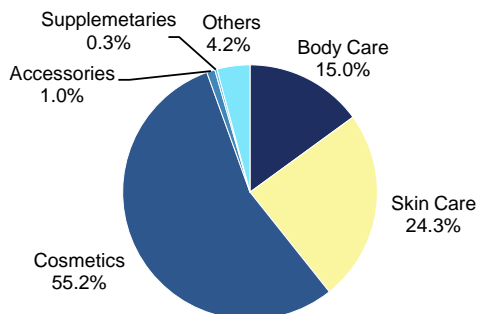
Sources: Globlex Research estimates

Exhibit 2: Revenue breakdown

Revenue (m THB)	2022	y-y (%)	2023	y-y (%)	2024	y-y (%)
Total Revenue	1,875	44.2	2,455	30.9	3,204	30.5
Body Care	242	45.7	325	34.2	471	45.1
Skin Care	447	41.7	526	17.7	766	45.7
Cosmetics	1,020	52.5	1,412	38.5	1,737	23.0
Accessories	29	17.6	26	(8.7)	33	25.3
Supplemetaries	12	(10.8)	10	(15.5)	9	(8.8)
Others	89	9.0	98	10.1	131	33.4

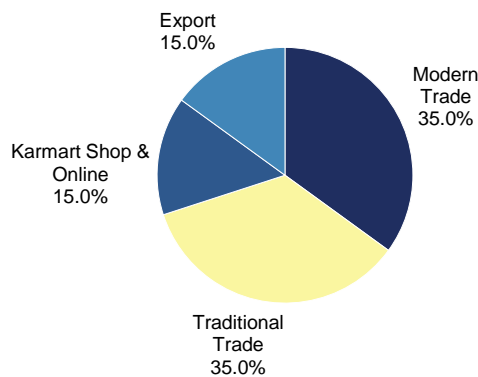
Sources: KAMART

Exhibit 3: Revenue breakdown by product



Sources: KAMART

Exhibit 4: Revenue breakdown by channels



Sources: Globlex Research estimates

Balance sheet (THB m)						Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E	Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets						Revenue					
Cash & ST investment	842	558	787	1,067	1,334		2,455	3,204	3,804	4,162	4,555
Account receivable	517	622	746	882	1,031	Cost of goods sold	(1,459)	(1,963)	(2,347)	(2,523)	(2,783)
Inventories	581	840	1,004	1,080	1,191	Gross profit	997	1,241	1,457	1,639	1,772
Others	912	1,063	1,262	1,381	1,511	Operating expenses	(263)	(314)	(418)	(416)	(456)
Non-current assets						Operating profit	733	927	1,039	1,223	1,317
Net fixed assets	485	689	701	711	720	EBIT	676	870	981	1,165	1,275
Others	913	952	952	952	952	Depreciation	(58)	(57)	(58)	(58)	(41)
Total Assets	4,250	4,723	5,453	6,073	6,739	EBITDA	733	927	1,039	1,223	1,317
Current liabilities						Non-operating income					
Account payable	309	368	441	474	522		97	10	28	25	25
ST borrowing	392	624	624	624	624	Other incomes	0	19	0	0	0
Others	126	151	179	196	215	Other non-op income	97	(10)	28	25	25
Long-term liabilities						Non-operating expense	(16)	(19)	(22)	(22)	(22)
Long-term debts	38	5	5	5	5	Interest expense	(16)	(19)	(22)	(22)	(22)
Others	80	77	77	77	77	Other non-op expense	0	0	0	0	0
Total liabilities	945	1,226	1,326	1,376	1,443	Equity income/(loss)	50	(6)	40	50	70
Paid-up capital	660	770	770	770	770	Pre-tax Profit	808	854	1,027	1,218	1,348
Retained earnings	910	989	1,618	2,189	2,788	Extraordinary items					
Others	1,671	1,671	1,671	1,671	1,671	Current taxation	(145)	(172)	(205)	(244)	(270)
Minority interest	64	68	68	68	68	Minorities	(2)	(4)	0	0	0
Shareholders' equity	3,304	3,498	4,127	4,697	5,296	Net Profit	661	678	822	975	1,079
Key ratios						Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E	Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)						Operating cash flow					
Sales	30.9	30.5	18.7	9.4	9.4		(532)	(42)	76	259	252
Operating profit	65.4	26.4	12.1	17.7	7.7	Net profit	661	678	822	975	1,079
EBITDA	65.4	26.4	12.1	17.7	7.7	Depre.& amortization	58	57	58	58	41
Net profit	102.1	2.6	21.2	18.6	10.7	Change in working capital	(956)	(430)	(388)	(280)	(323)
Core net profit	78.1	38.7	13.7	18.6	10.7	Others	(295)	(347)	(416)	(493)	(544)
EPS	90.2	(25.3)	21.2	18.6	10.6	Investment cash flow	(86)	(164)	346	425	494
Core EPS	67.6	1.1	13.7	18.6	10.6	Net CAPEX	(62)	(261)	50	50	50
Profitability (%)						Change in LT investment	(659)	(401)	422	684	747
Gross margin	40.6	38.7	38.3	39.4	38.9	Change in other assets	636	498	(126)	(309)	(302)
Operation margin	29.9	28.9	27.3	29.4	28.9	Free cash flow	(618)	(206)	422	684	747
EBITDA margin	29.9	28.9	27.3	29.4	28.9	Financing cash flow	1,432	(79)	(192)	(405)	(480)
Net margin	26.9	21.2	21.6	23.4	23.7	Change in share capital	1,595	110	0	0	0
ROE	22.9	21.7	22.0	22.4	21.9	Net change in debt	2	4	0	0	0
ROA	16.4	16.1	16.2	16.9	16.8	Dividend paid	(165)	(192)	(192)	(405)	(480)
Stability						Others					
Interest bearing debt/equity (x)	0.1	0.2	0.2	0.1	0.1	Net cash flow	814	(284)	230	279	267
Net debt/equity (x)	n.a.	0.0	n.a.	n.a.	n.a.	Per share (THB)					
Interest coverage (x)	43.4	45.3	44.6	52.9	57.9	EPS	0.71	0.53	0.64	0.76	0.84
Interest & ST debt coverage (x)	1.7	1.4	1.5	1.8	2.0	Core EPS	0.56	0.56	0.64	0.76	0.84
Cash flow interest coverage (x)	(0.6)	(0.0)	0.1	0.2	0.2	CFPS	0.82	0.79	0.69	0.80	0.87
Current ratio (x)	3.4	2.7	3.1	3.4	3.7	BVPS	3.68	3.67	3.16	3.61	4.07
Quick ratio (x)	1.6	1.0	1.2	1.5	1.7	Sales/share	2.79	3.43	2.96	3.24	3.55
Net debt (THB m)	(412)	71	(158)	(438)	(705)	EBITDA/share	0.83	0.99	0.81	0.95	1.03
Activity						DPS	0.31	0.26	0.32	0.37	0.41
Asset turnover (X)	0.5	0.6	0.6	0.6	1.4	Valuation					
Days receivables	76.8	70.8	71.6	77.4	82.6	P/E (x)	18.5	20.8	14.8	12.5	11.3
Days inventory	145.4	156.2	156.2	156.2	156.2	P/BV (x)	4.45	4.12	3.00	2.63	2.33
Days payable	77.3	68.5	68.5	68.5	68.5	Dividend yield (%)	2.33	2.36	3.32	3.93	4.35
Cash cycle days	144.9	158.5	159.3	165.1	170.3	Dividend payout ratio (%)	43.27	49.22	49.22	49.22	49.25

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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.