

A beauty stock at a bargain - Time to buy?

- A decline in stock price presents a more compelling valuation.
- Strengthening brand with Aon Somrutai & shareholder confidence.
- Company's first investor day on 28-Mar-25.

Undervalued growth in a challenging SET market

KAMART's share price has declined over 20% YTD, impacted by a lower-than-expected core net profit, primarily due to higher selling expenses from marketing campaigns. However, we view these investments as essential in the beauty industry to sustain brand visibility and drive long-term growth. Despite the short-term pressure, KAMART's valuation remains attractive, currently trading at a trailing P/E of 16x and a 25E P/E of 13x, which is compelling given the company's consistent double-digit growth.

Marketing strategy gains traction

KAMART recently announced Aon Somrutai as its new brand presenter, capitalizing on her rising international popularity. Her collaboration with Lisa BLACKPINK, following her role as a presenter for Cathy Doll, further reinforces KAMART's strong marketing strategy and ability to align with influential figures. Additionally, on 11-Mar-25, the company updated its shareholders (Exhibit 3), revealing that most top shareholders have maintained confidence in the company, with some increasing their positions despite the decline in stock price.

Key insights await on 28 March 2025

KAMART has announced its first [Investor Day](#) on 28-Mar-25, where we expect to gain insights into the company's 2025 outlook and strategic direction. Additionally, with over THB1b remaining from Marubeni's PP, we anticipate that these funds will be allocated toward M&A opportunities. We look forward to potential updates during the event, particularly regarding how KAMART plans to deploy its capital to drive future growth and strengthen its market position.

Why KAMART stands strong against new entrants?

While competition in Thailand's beauty industry continues to intensify, particularly with the entry of Chinese cosmetic brands, we view this as a natural characteristic of a sector with low barriers to entry. However, we do not see these new entrants as a significant threat to KAMART, as Thai beauty brands such as Mizumi, 4U2, and Srichand present stronger and more direct competition. Ultimately, long-term success in the beauty industry hinges on the ability to capture emerging trends and sustain brand relevance. At this stage, we believe KAMART is executing well, aligning its product innovation and marketing strategies with evolving consumer preferences to maintain its competitive edge.

Maintain with a BUY and TP of THB15

We maintain a BUY for KAMART with a TP of THB 15, 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. We view a 23x multiple as a fair reflection of KAMART's potential, given the current sentiment and valuation dynamics of Thailand's stock market.

ESG Rating : -

CG Rating : -

BUY

Target Price 12M (THB)	15.00
VS. BB Consensus TP (%)	+33.7%
Share Price (THB)	8.35
Upside/Downside	+79.6%

Share Data

Market Cap (THB m)	10,715.81
Par (THB)	0.60
Free Float (%)	53.12
Issued shares (m shares)	1,283

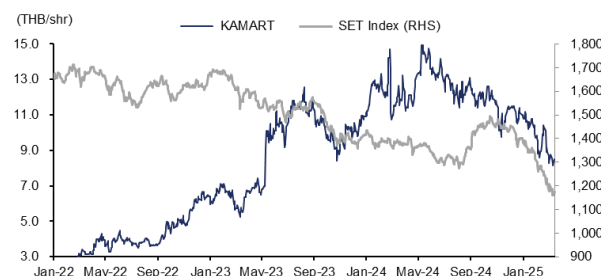
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	3,204	3,804	4,166	4,563
Net profit	678	822	975	1,081
Core net profit	723	822	975	1,081
vs Consensus (%)	-	(1.2)	0.7	10.9
Net profit growth (%)	2.6	21.2	18.7	10.8
Core net profit growth (%)	38.7	13.7	18.7	10.8
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 (%)	-	0.00	0.00	0.00
DPS (THB)	0.26	0.32	0.37	0.41
P/E (x)	20.82	13.04	10.99	9.92
P/BV (x)	4.12	2.64	2.31	2.05
ROE (%)	21.67	21.95	22.45	21.92
Dividend yield (%)	2.36	3.77	4.48	4.96

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(9.73)	(26.75)	(28.02)	(24.09)
Market	(2.17)	(10.66)	(12.65)	(9.45)
12M High/Low (THB)	15.94 / 8.40			



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

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Exhibit 1: Cathy Doll's new presenter "Aon Somrutai"



Sources: Cathy Doll

Exhibit 2: Aon Somrutai collaborated with LISA



Sources: Sanook

Exhibit 3: KAMART's updated top shareholders

ADDNewSS KAMART			
ข้อมูลผู้ถือหุ้น ณ. วันที่ 11 มี.ค. 2568			
NO	ชื่อผู้ถือหุ้น	จำนวนหุ้น	%
1	นาย วิวัฒน์ ทิมศิริกุล	238,097,752	18.55%
2	บริษัท เวลสยาม จำกัด	231,002,079	18.00%
3	UBS AG SINGAPORE BRANCH	61,000,000	4.75%
4	นาย พลกฤต ทิมศิริกุล	46,542,221	3.63%
5	นาง วณิดา แซ่จิว	43,307,221	3.37%
6	นาย พรหมรัฐ ทิมศิริกุล	38,529,400	3.00%
7	THE HONGKONG AND SHANGHAI BANKING	35,705,021	2.78%
8	นาย เฉลิมเดช ลีวงศ์เจริญ	27,319,710	2.13%
9	QPE Fund 1 Limited	25,666,897	2.00%
10	บริษัท ไทยเอ็นวีดีอาร์ จำกัด	21,772,123	1.70%
11	น.ส. युภา ลีวงศ์เจริญ	17,403,638	1.36%
12	นาง ญาณิศา นันทฤกษ์กุล	13,110,333	1.02%
13	PHILLIP SECURITIES PTE LTD.	11,666,666	0.91%
14	น.ส. ชนาทิพย์ ศรีตระกูล	11,277,925	0.88%
15	นาง พัชรี ศรีตระกูล	10,470,957	0.82%
16	นาย นพดล ตันศลารักษ์	9,833,333	0.77%
17	นาย ณัฐพล ทรงสายชลชัย	9,177,600	0.72%
18	นาย สันติ โกศลวิบูลย์พงศ์	8,054,600	0.63%
19	นาย สันติ ธรรมถาวรวัฒน์	7,777,777	0.61%
20	นาย ธนากร เล็กจิตรธาดา	7,634,700	0.59%
21	บริษัท กรุงเทพประกันชีวิต จำกัด (มหาชน) (2) โดย	6,908,433	0.54%
22	น.ส. มาลี กิตติชูโชติ	6,800,000	0.53%

ADDNewSS KAMART			
ข้อมูลผู้ถือหุ้น ณ. วันที่ 28 พ.ย. 2567			
NO	ชื่อผู้ถือหุ้น	จำนวนหุ้น	%
1	นาย วิวัฒน์ ทิมศิริกุล	238,097,752	18.55%
2	บริษัท เวลสยาม จำกัด	231,002,079	18.00%
3	UBS AG SINGAPORE BRANCH	61,000,000	4.75%
4	นาย พลกฤต ทิมศิริกุล	46,542,221	3.63%
5	นาง วณิดา แซ่จิว	40,568,721	3.16%
6	นาย พรหมรัฐ ทิมศิริกุล	38,529,400	3.00%
7	THE HONGKONG AND SHANGHAI BANKING	35,705,021	2.78%
8	นาย เฉลิมเดช ลีวงศ์เจริญ	25,980,710	2.02%
9	QPE Fund 1 Limited	25,666,897	2.00%
10	บริษัท ไทยเอ็นวีดีอาร์ จำกัด	18,701,000	1.46%
11	น.ส. ยูภา ลีวงศ์เจริญ	13,200,038	1.03%
12	นาง ญาณิศา นันทฤกษ์กุล	13,078,833	1.02%
13	PHILLIP SECURITIES PTE LTD.	11,666,666	0.91%
14	น.ส. ชนาทิพย์ ศรีตระกูล	11,277,925	0.88%
15	นาง พัชรี ศรีตระกูล	10,470,957	0.82%
16	นาย นพดล ตันศลารักษ์	9,833,333	0.77%
17	นาย สันติ โกศลวิบูลย์พงศ์	8,000,000	0.62%
18	นาย ณัฐพล ทรงสายชลชัย	7,980,283	0.62%
19	นาย สันติ ธรรมถาวรวัฒน์	7,777,777	0.61%
20	บริษัท กรุงเทพประกันชีวิต จำกัด (มหาชน) (2) โดย	7,577,933	0.59%
21	นาย ธนากร เล็กจิตรธาดา	6,941,100	0.54%
22	น.ส. มาลี กิตติชูโชติ	6,800,000	0.53%

Sources: NEWSS

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	788	1,066	1,332	Cost of goods sold	(1,459)	(1,963)	(2,347)	(2,525)	(2,788)
Account receivable	517	622	746	882	1,032	Gross profit	997	1,241	1,457	1,640	1,775
Inventories	581	840	1,004	1,081	1,193	Operating expenses	(263)	(314)	(418)	(417)	(456)
Others	912	1,063	1,262	1,382	1,514	Operating profit	733	927	1,039	1,224	1,319
Non-current assets						EBIT	676	870	981	1,166	1,278
Net fixed assets	485	689	701	711	720	Depreciation	(58)	(57)	(58)	(58)	(41)
Others	913	952	952	952	952	EBITDA	733	927	1,039	1,224	1,319
Total Assets	4,250	4,723	5,453	6,074	6,743	Non-operating income					
Current liabilities						Other incomes	0	19	0	0	0
Account payable	309	368	440	474	523	Other non-op income	97	(10)	28	25	25
ST borrowing	392	624	624	624	624	Non-operating expense	(16)	(19)	(22)	(22)	(22)
Others	126	151	179	196	215	Interest expense	(16)	(19)	(22)	(22)	(22)
Long-term liabilities						Other non-op expense	0	0	0	0	0
Long-term debts	38	5	5	5	5	Equity income/(loss)	50	(6)	40	50	70
Others	80	77	77	77	77	Pre-tax Profit	808	854	1,027	1,219	1,351
Total liabilities	945	1,226	1,326	1,377	1,445	Extraordinary items					
Paid-up capital	660	770	770	770	770	Current taxation	(145)	(172)	(205)	(244)	(270)
Retained earnings	910	989	1,618	2,189	2,790	Minorities	(2)	(4)	0	0	0
Others	1,671	1,671	1,671	1,671	1,671	Net Profit	661	678	822	975	1,081
Minority interest	64	68	68	68	68	Core net profit	521	723	822	975	1,081
Shareholders' equity	3,304	3,498	4,127	4,698	5,298	EPS (THB)	0.71	0.53	0.64	0.76	0.84
Key ratios						Core EPS (THB)	0.56	0.56	0.64	0.76	0.84
Year ending Dec	2023	2024	2025E	2026E	2027E	Cash flow (THB m)					
Growth (%YoY)						Year ending Dec	2023	2024	2025E	2026E	2027E
Sales	30.9	30.5	18.7	9.5	9.5	Operating cash flow	(532)	(42)	76	258	251
Operating profit	65.4	26.4	12.1	17.8	7.8	Net profit	661	678	822	975	1,081
EBITDA	65.4	26.4	12.1	17.8	7.8	Depre. & amortization	58	57	58	58	41
Net profit	102.1	2.6	21.2	18.7	10.8	Change in working capital	(956)	(430)	(387)	(282)	(326)
Core net profit	78.1	38.7	13.7	18.7	10.8	Others	(295)	(347)	(416)	(493)	(545)
EPS	90.2	(25.3)	21.2	18.7	10.7	Investment cash flow	(86)	(164)	346	425	495
Core EPS	67.6	1.1	13.7	18.7	10.7	Net CAPEX	(62)	(261)	50	50	50
Profitability (%)						Change in LT investment	(659)	(401)	422	683	746
Gross margin	40.6	38.7	38.3	39.4	38.9	Change in other assets	636	498	(126)	(308)	(301)
Operation margin	29.9	28.9	27.3	29.4	28.9	Free cash flow	(618)	(206)	422	683	746
EBITDA margin	29.9	28.9	27.3	29.4	28.9	Financing cash flow	1,432	(79)	(192)	(404)	(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	22.5	21.9	Net change in debt	2	4	0	0	0
ROA	16.4	16.1	16.2	16.9	16.9	Dividend paid	(165)	(192)	(192)	(404)	(480)
Stability						Others					
Interest bearing debt/equity (x)	0.1	0.2	0.2	0.1	0.1	Net cash flow	814	(284)	230	278	266
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	53.0	58.0	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	4.08
Quick ratio (x)	1.6	1.0	1.2	1.5	1.7	Sales/share	2.79	3.43	2.96	3.25	3.56
Net debt (THB m)	(412)	71	(158)	(437)	(703)	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	0.7	1.4	Valuation					
Days receivables	76.8	70.8	71.6	77.3	82.5	P/E (x)	18.5	20.8	13.0	11.0	9.9
Days inventory	145.4	156.2	156.2	156.2	156.2	P/BV (x)	4.45	4.12	2.64	2.31	2.05
Days payable	77.3	68.5	68.5	68.5	68.5	Dividend yield (%)	2.33	2.36	3.77	4.48	4.96
Cash cycle days	144.9	158.5	159.3	165.0	170.2	Dividend payout ratio (%)	43.27	49.22	49.22	49.22	49.25

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Analyst Certification

Siriluck Pinthusoonthorn, Register No. 119539, Globlex Securities Public Company Limited

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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.