

Laying the foundation for beauty empire

- Company target revenue of THB4b and NPM of around 23%.
- At least 1 M&A commitment in 2025E.
- Beautifully valued, maintaining with a BUY and TP of THB15.

Focusing on products, brands, and global reach

At its Investor Day on 28-Mar-25, KAMART outlined its strategic direction for the year ahead, reaffirming its revenue target of THB4b and aiming to maintain a core NPM of 23%, in line with 2023 and 2024 levels. The company will prioritize sustaining momentum in its existing hero products while actively developing new ones. A key focus will be expanding in high-growth international markets, particularly within ASEAN and the Middle East. Additionally, KAMART plans to invest in strengthening its newly launched brands, including ACCA, GetSkin, and Dr.NIKS, as part of its long-term brand portfolio strategy.

KAMART eyes M&A and infrastructure growth

Regarding M&A, KAMART has taken a cautious and selective approach, engaging in discussions with various companies throughout 2024 but holding off on any deals due to its conservativeness and focus on high-success-rate opportunities. However, the management has committed to completing at least one M&A in 2025E, utilizing part of the remaining THB1b from Marubeni's PP. In addition, the company plans to invest in a new fulfillment center to support its e-commerce expansion, with a CAPEX of THB45m and expected completion in 4Q25E. It also plans to build a new office, with a THB200m budget and completion targeted for 2026E. Despite the increase in CAPEX, KAMART remains focused on managing costs effectively to maintain its core net profit margin.

How KAMART stays ahead in beauty?

In 1Q25, KAMART launched several new products (Exhibit 4), showing its continued ability to keep pace with innovation and evolving beauty trends. With today's consumers placing greater emphasis on product ingredients and innovation, the steady rollout of new offerings highlights KAMART's proactive approach in capturing market share and strengthening its position within the competitive beauty landscape.

Beautifully valued

We maintain our positive view on KAMART, despite adopting a more conservative forecast than the company's guidance, with 2025E revenue at THB3.8b and net profit at THB822m. We believe the current valuation presents an attractive entry point into a high-growth beauty company, supported by strong fundamentals and brand momentum. Additionally, the dividend yield of 5% offers a compelling return, particularly for a growth-oriented stock.

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.

ESG Rating : -

CG Rating : -

BUY

Target Price 12M (THB)	15.00
VS. BB Consensus TP (%)	+33.7%
Share Price (THB)	8.85
Upside/Downside	+69.5%

Share Data

Market Cap (THB m)	11,357.48
Par (THB)	0.60
Free Float (%)	53.12
Issued shares (m shares)	1,283

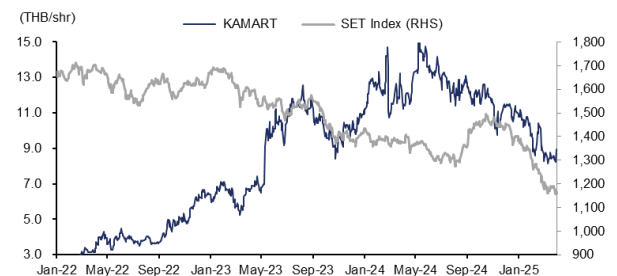
Financial forecast

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	13.82	11.64	10.52
P/BV (x)	4.12	2.80	2.45	2.17
ROE (%)	21.67	21.95	22.45	21.92
Dividend yield (%)	2.36	3.56	4.23	4.68

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	0.56	(17.89)	(26.03)	(18.64)
Market	3.22	(3.38)	(8.45)	(2.85)
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"

KARMART Financial Highlights

	2024	2023	Changes
Revenue	3,203.90 M	2,447.84 M	30.89%
Net Profit <small>(including unrealized gains/loss)</small>	677.96 M	660.97 M	2.57%
Net Profit <small>(excluding unrealized gains/loss)</small>	755.91 M	576.45 M	31.14%
% Net Profit to Sales	23.59%	23.55%	

Sources: KAMART

Exhibit 2: Aon Somrutai collaborated with LISA

KARMART Financial Highlights (Con'd)

YEAR	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
DIVID- END / SHARE in THB	0.41*	0.36	0.26	0.18	0.14	0.28	0.28	0.28	0.28	0.24

* Subject to shareholders' approval

The company will pay dividend on at least 50% of net profit as per profit and loss statement of individual company

Sources: KAMART

Exhibit 3: Brands portfolio

KARMART Brands as of 2024

CATHY DOLL
BABY KEUMYON
BRIGHT Jejuvita
BOYA 7CLEAN
CATHY CHOO SKYNLAB+
REUNROM

OWN Brands (9)

Get SkinDr.DSP
Cathy intimi
Nesty BROWIT
ACCA HAIR IT
Dr.NIKS Lipit.
BEAUTILOX

Collaboration Brands (11)

IFME

Distribution Brand (1)

Sources: KAMART

Exhibit 4: Products launched in 1Q25

KARMART Announcements: NPDs

Sources: KAMART

Exhibit 5: Presenters in 2024

KARMART Highlight in 2024: Presenters

Bella Rane, Ling-Orm, Yaya Urassaya, SP Saypan, taew Natapohn, Lookkaew Kamolak, Nesty Nipitpong Lipit, Davika Hoorne, Aim Thananan, Aum-Kaimook, Salfern Planchanok, Zee-Nunew, Nutt Nisarnae, Milky Pralya

Sources: KAMART

Exhibit 6: Presenters in 2024

KARMART Highlight in 2024: Presenters

Eyeta Sornsawan, Nan Lardapha, PP-Krit, Bilikin-Pathipong, Charlotte Austin, Pailu Kamonwarai, Aoom Thaweporn, Meena Rina, Tia Li, Vanessa Natcha, Earn Pattaravadee, Snack Ajcharee, Ket Ketwalee

Sources: KAMART

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		2,455	3,204	3,804	4,166	4,563	
Account receivable	517	622	746	882	1,032		(1,459)	(1,963)	(2,347)	(2,525)	(2,788)	
Inventories	581	840	1,004	1,081	1,193		Gross profit	997	1,241	1,457	1,640	1,775
Others	912	1,063	1,262	1,382	1,514		Operating expenses	(263)	(314)	(418)	(417)	(456)
Non-current assets						Operating profit						
Net fixed assets	485	689	701	711	720		EBIT	676	870	981	1,166	1,278
Others	913	952	952	952	952		Depreciation	(58)	(57)	(58)	(58)	(41)
Total Assets	4,250	4,723	5,453	6,074	6,743		EBITDA	733	927	1,039	1,224	1,319
Current liabilities						Non-operating income						
Account payable	309	368	440	474	523		Other incomes	0	19	0	0	0
ST borrowing	392	624	624	624	624		Other non-op income	97	(10)	28	25	25
Others	126	151	179	196	215		Non-operating expense	(16)	(19)	(22)	(22)	(22)
Long-term liabilities						Interest expense						
Long-term debts	38	5	5	5	5		Other non-op expense	0	0	0	0	0
Others	80	77	77	77	77		Equity income/(loss)	50	(6)	40	50	70
Total liabilities	945	1,226	1,326	1,377	1,445		Pre-tax Profit	808	854	1,027	1,219	1,351
Paid-up capital	660	770	770	770	770		Extraordinary items					
Retained earnings	910	989	1,618	2,189	2,790		Current taxation	(145)	(172)	(205)	(244)	(270)
Others	1,671	1,671	1,671	1,671	1,671		Minorities	(2)	(4)	0	0	0
Minority interest	64	68	68	68	68		Net Profit	661	678	822	975	1,081
Shareholders' equity	3,304	3,498	4,127	4,698	5,298		Core net profit	521	723	822	975	1,081
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	9.5	9.5			(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						
Gross margin	40.6	38.7	38.3	39.4	38.9		Change in other assets	(659)	(401)	422	683	746
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						
Asset turnover (X)	0.5	0.6	0.6	0.7	1.4		0.31	0.26	0.32	0.37	0.41	
Days receivables	76.8	70.8	71.6	77.3	82.5		Valuation					
Days inventory	145.4	156.2	156.2	156.2	156.2		P/E (x)	18.5	20.8	14.3	12.0	10.9
Days payable	77.3	68.5	68.5	68.5	68.5		P/BV (x)	4.45	4.12	2.89	2.54	2.25
Cash cycle days	144.9	158.5	159.3	165.0	170.2		Dividend yield (%)	2.33	2.36	3.44	4.09	4.53
							Dividend payout ratio (%)	43.27	49.22	49.22	49.22	49.25

GENERAL DISCLAIMER

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.