

A gold rider is a rare growth in SET

- 1Q25 net profit of THB398m beat our and consensus estimates
- AURA's integrated buy-sell gold (AURORA-Thong Ma Ngern Pai)
- Maintain BUY and a TP of THB21.4

Solid 1Q25 net profit beat our and consensus estimates

1Q25 net profit (NP) was THB398m (+45% y-y, +28% q-q), beating our estimate by 10% and consensus estimate by 15%. While revenue dipped 7.6% y-y due to lower revenue from gold shops, gross profit shot up to THB1.1b (+24% y-y, +12% q-q) and EBITDA increased to THB736m (+38% y-y, +18% q-q) due to higher gross profit margin (GPM) to 12.2% (vs 1-1% in 4Q24 and 10.7% in 1Q24) thanks to the significant growth in gold financing business.

AURA's integrated buy-sell gold business model

Net profit of THB398m in 1Q25 truly reflected AURA's superb business model of gold shops (sell side) and gold financing (buy side) under multiple brands of gold shops (AURORA, Seng Heng) and gold financing (Thong Ma Ngern Pai). As a result of the highly integrated business portfolio and the ongoing expansion in number of branches to strategically fit into the fast-changing, highly unpredictable direction of gold price, AURA has proven itself as a successful gold venture to generate net profit margin (NPM) rose to 4.5% in 1Q25, up from 3.2% in 4Q24 and 3.4% in 1Q24.

Riding on gold price uptrend

The 96.5% pure gold bullion price has now been highly volatile yet sustained at high level above THB48,000 per Bt gold weight, influenced by global uncertainties of geopolitical and currency risks triggered by multiple US-China wars of trade, currency, tariff, and capitals. We highlight that AURA's existing business model of gold shops (sells gold on gold price downswing) and gold financing (buys gold on gold price upswing) should continue to enable AURA to ride on global gold price uptrend in 2025E-27E, which we project to rise to USD4,000/oz by 1H26E and USD5,000/oz by 2027E-28E.

Capitals, not demand or gold price trend, may be its growth limit

Thanks to AURA's gold shops-financing, gold smith's fee-NIM business model, AURA has proven itself to be a great beneficiary for the up-down (direction) gold price trend and the high-volatility (% change from trough-to-peak gold price) gold price movement, mirrored in its stronger-than-expected net profit growth in the past few years. However, AURA needs to improve its capital management to fund and match the liquidity and working capitals of its business model.

Maintain BUY and a TP of THB21.4

We maintain BUY and a TP of THB21.4, based on 20.0x 2025E P/E. We think AURA's net profit growth will continue to be solid in 2025E-27E on our projected uptrend of global gold price, driven by the still pent-up demand from global central banks.

ESG Rating : n.a

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	21.40
VS. BB Consensus TP (%)	+1.9%
Share Price (THB)	16.90
Upside/Downside	+26.6%

Share Data

Market Cap (THB m)	22,544.60
Par (THB)	1.00
Free Float (%)	34.80
Issued shares (m shares)	1,334

Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	32,616	34,133	39,479	46,264
Net profit	1,135	1,430	1,691	1,907
Core net profit	1,135	1,430	1,691	1,907
vs Consensus (%)		7.6	5.6	3.8
Net profit growth (%)	33.5	26.0	18.3	12.8
Core net profit growth (%)	33.5	26.0	18.3	12.8
EPS (THB)	0.85	1.07	1.27	1.43
Core EPS (THB)	0.85	1.07	1.27	1.43
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.38	0.32	0.38	0.43
P/E (x)	17.16	15.77	13.33	11.82
P/BV (x)	3.04	3.08	2.63	2.26
ROE (%)	18.8	20.8	21.3	20.5
Dividend yield (%)	2.60	1.90	2.25	2.54

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	1.81	19.86	26.12	15.75
Market	(3.80)	27.65	52.32	35.69
12M High/Low (THB)				17.80 / 11.70



Major Shareholders (%) as of 14 Mar 2025

Thum Enterprise Co., Ltd	32.23
Miss Nichanan Srirungthum	5.81
Mr. Aniwat Srirungthum	5.64

Company Profile

Retail business of gold jewelries, diamond and gemstone jewelries and other relating businesses providing one-stop service

Source: SETSMART, SET

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Exhibit 1: Summary of 1Q25 operations

	1Q24	4Q24	1Q25			2024	2025E	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Revenue	8,062	9,426	8,685	(7.9)	7.7	32,616	34,133	4.7
Operating costs	(7,635)	(8,971)	(8,141)	(9.3)	6.6	(30,889)	(32,532)	5.3
EBITDA	427	455	545	19.6	27.5	1,727	1,601	(7.3)
EBITDA margin (%)	5.3	4.8	6.3	nm	nm	5.3	4.7	nm
Depn & amort.	(113)	(131)	(127)	(3.2)	12.0	(487)	(364)	(25.3)
EBIT	314	324	418	28.9	33.1	1,240	1,237	(0.2)
Interest expense	(78)	(109)	(107)	(1.7)	36.5	(400)	(251)	(37.3)
Interest & invt inc	99	163	178	8.8	na	541	770	na
Other income	8	8	14	74.9	65.5	35	31	(11.4)
Associates' contrib	-	-	-	na	na	-	-	na
Exceptionals	0	1	(1)	(144.2)	na	-	-	na
Pretax profit	343	387	501	29.4	46.2	1,416	1,787	26.2
Tax	(68)	(77)	(103)	33.9	51.0	(281)	(357)	27.1
Tax rate (%)	19.8	19.8	20.5	nm	nm	19.9	20.0	nm
Minority interests	-	-	-	na	na	-	-	na
Net profit	275	311	398	28.3	45.1	1,135	1,430	26.0
Non-recurring	-	-	-	na	na	-	-	na
Core net profit	275	311	398	28.3	45.1	1,135	1,430	26.0
EPS (THB)	0.21	0.23	0.30	28.3	45.1	0.85	1.07	26.0
Core EPS (THB)	0.21	0.23	0.30	28.3	45.1	0.85	1.07	26.0

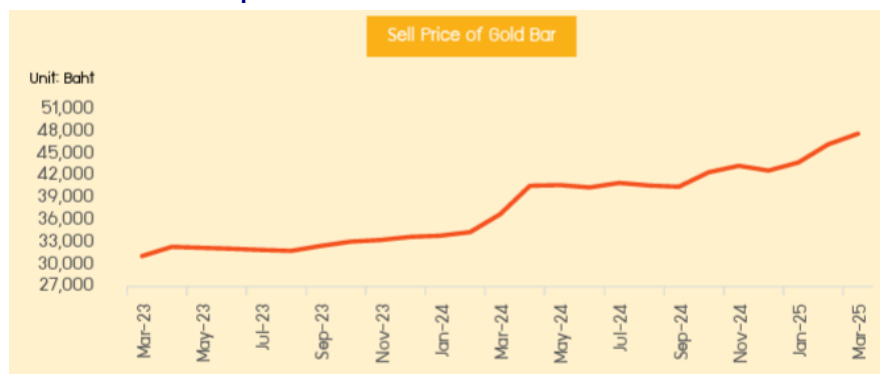
Sources: AURA, Globlex Research

Exhibit 2: 1Q25 key performance

(%)	1Q24	4Q24	1Q25	(q-q)	(y-y)
Gross profit margin	10.7	10.1	12.2	2.1	1.5
EBITDA margin	6.5	6.5	8.3	1.8	1.8
Net profit margin	3.4	3.2	4.5	1.3	1.1

Sources: AURA, Globlex Research

Exhibit 3: Gold bar price



Sources: AURA

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	560	575	1,898	1,221	1,270
Account receivable	2,895	5,070	7,346	9,979	13,065
Inventories	8,369	9,479	2,943	3,392	3,970
Others	26	52	54	63	73
Non-current assets					
Net fixed assets	201	237	493	669	765
Others	1,360	1,257	1,257	1,257	1,257
Total Assets	13,412	16,669	13,992	16,581	20,401
Current liabilities					
Account payable	1,301	1,275	1,349	1,555	1,820
ST borrowing	3,932	6,709	3,000	4,000	6,000
Others	761	743	778	899	1,054
Long-term liabilities					
Long-term debts	1,684	1,480	1,480	1,480	1,480
Others	56	64	64	64	64
Total liabilities	7,734	10,270	6,670	7,997	10,417
Paid-up capital	1,334	1,334	1,334	1,334	1,334
Retained earnings	1,115	1,837	2,760	4,022	5,422
Others	3,228	3,228	3,228	3,228	3,228
Minority interest	0	0	0	0	0
Shareholders' equity	5,678	6,399	7,322	8,584	9,984

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	0.7	10.3	4.7	15.7	17.2
Operating profit	13.0	25.9	(7.3)	20.2	19.1
EBITDA	13.0	25.9	(7.3)	20.2	19.1
Net profit	20.2	33.5	26.0	18.3	12.8
Core net profit	20.2	33.5	26.0	18.3	12.8
EPS	20.2	33.5	26.0	18.3	12.8
Core EPS	20.2	33.5	26.0	18.3	12.8
Profitability (%)					
Gross margin	10.0	11.1	10.1	10.4	10.5
Operation margin	4.6	5.3	4.7	4.9	5.0
EBITDA margin	4.6	5.3	4.7	4.9	5.0
Net margin	2.9	3.5	4.2	4.3	4.1
ROE	16.0	18.8	20.8	21.3	20.5
ROA	7.0	7.5	9.3	11.1	10.3
Stability					
Interest bearing debt/equity (x)	1.0	1.3	0.6	0.6	0.7
Net debt/equity (x)	0.9	1.2	0.4	0.5	0.6
Interest coverage (x)	3.7	3.1	4.9	4.8	4.2
Interest & ST debt coverage (x)	0.2	0.2	0.4	0.3	0.3
Cash flow interest coverage (x)	(0.2)	(0.2)	0.8	(0.2)	(0.2)
Current ratio (x)	2.0	1.7	2.4	2.3	2.1
Quick ratio (x)	0.6	0.6	1.8	1.7	1.6
Net debt (THB m)	5,056	7,614	2,582	4,259	6,210
Activity					
Asset turnover (X)	2.4	2.2	2.2	2.6	2.5
Days receivables	35.7	56.7	78.6	92.3	103.1
Days inventory	114.8	119.3	35.0	35.0	35.0
Days payable	17.8	16.0	16.0	16.0	16.0
Cash cycle days	132.6	160.0	97.5	111.2	122.0

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue					
Revenue	29,578	32,616	34,133	39,479	46,264
Cost of goods sold	(26,619)	(28,998)	(30,696)	(35,378)	(41,399)
Gross profit	2,960	3,617	3,437	4,101	4,865
Operating expenses	(1,588)	(1,890)	(1,836)	(2,177)	(2,574)
Operating profit	1,372	1,727	1,601	1,924	2,291
EBIT	966	1,240	1,237	1,480	1,768
Depreciation	(406)	(487)	(364)	(444)	(524)
EBITDA	1,372	1,727	1,601	1,924	2,291
Non-operating income					
Other incomes	47	35	31	41	53
Other non-op income	311	541	770	899	983
Non-operating expense	(263)	(400)	(251)	(307)	(419)
Interest expense	(263)	(400)	(251)	(307)	(419)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	1,062	1,416	1,787	2,114	2,384
Extraordinary items					
Current taxation	(212)	(281)	(357)	(423)	(477)
Minorities	0	0	0	0	0
Net Profit	850	1,135	1,430	1,691	1,907
Core net profit	850	1,135	1,430	1,691	1,907
EPS (THB)	0.64	0.85	1.07	1.27	1.43
Core EPS (THB)	0.64	0.85	1.07	1.27	1.43

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow					
Operating cash flow	(1,415)	(2,375)	5,459	(1,461)	(1,797)
Net profit	850	1,135	1,430	1,691	1,907
Depre. & amortization	406	487	364	444	524
Change in working capital	(2,187)	(3,354)	4,365	(2,763)	(3,254)
Others	(484)	(642)	(700)	(833)	(974)
Investment cash flow					
Investment cash flow	(996)	(2,437)	5,983	(740)	(953)
Net CAPEX	(467)	(523)	(10)	(10)	(10)
Change in LT investment	(573)	(2,051)	5,539	(1,248)	(1,443)
Change in other assets	45	137	454	518	500
Free cash flow	(2,410)	(4,811)	11,442	(2,201)	(2,750)
Financing cash flow					
Financing cash flow	2,552	4,826	(10,119)	1,524	2,800
Change in share capital	0	0	0	0	0
Net change in debt	0	0	0	0	0
Dividend paid	(827)	(507)	(507)	(429)	(507)
Others	3,379	5,333	(9,612)	1,953	3,307
Net cash flow	142	14	1,323	(677)	49
Per share (THB)					
EPS	0.64	0.85	1.07	1.27	1.43
Core EPS	0.64	0.85	1.07	1.27	1.43
CFPS	0.94	1.22	1.34	1.60	1.82
BVPS	4.26	4.80	5.49	6.43	7.48
Sales/share	22.17	24.45	25.59	29.59	34.68
EBITDA/share	1.03	1.29	1.20	1.44	1.72
DPS	0.62	0.38	0.32	0.38	0.43
Valuation					
P/E (x)	na	17.16	15.77	13.33	11.82
P/BV (x)	na	3.04	3.08	2.63	2.26
Dividend yield (%)	4.03	2.60	1.90	2.25	2.54
Dividend payout ratio (%)	97.30	44.67	30.00	30.00	30.00

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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.