I.C.C. International PLC

Corporate | Branded Nondurables 30 July 2026

Issuer Credit Rating: A+/Negative

Rating Action

TRIS Rating affirms the issuer credit rating on I.C.C. International PLC (ICC) at "A+" but revises the rating outlook to "Negative" from "Stable". The "Negative" outlook reflects the continued weakening of the company's operating performance amid challenging economic conditions and heightened global trade uncertainties, which have dampened consumer spending, particularly for fashion and apparel products that constitute the company's core earnings segment. The prolonged slowdown in demand is expected to continue pressuring the company's revenue and profitability over the medium term.

The rating continues to reflect ICC's long-standing track record as a distributor of fashion and consumer products within the Saha Group, its strong balance sheet with low debt, recurring cash flow from dividend income, and financial flexibility provided by its substantial portfolio of marketable investment assets. These strengths are partially offset by intense competition in the fashion and apparel industries, as well as limited sales growth prospects amid elevated household debt levels and a sluggish tourism sector.

Key Rating Considerations

Core business pressured by weak demand and high expenses

ICC continued to face challenging operating conditions in 2025 and the first three months of 2026 (3M26). Revenue declined by 4% in 2025 and by 6% year-on-year in 3M26, reflecting weak demand and intensifying competition in the fashion and apparel business. Although gross margin improved, supported by cost-efficiency measures such as improved inventory management, the discontinuation of unprofitable brands, and the reduction of loss-making stores and counters, high selling, general and administrative expenses (SG&A) continued to pressure profitability. Elevated SG&A expenses were partly due to the consolidation of TNLX Co., Ltd. (acquired in 2024) and higher selling expenses from online channels, which have become an increasingly important sales channel. Consequently, the company's total operating loss widened by 17% in 2025 from the previous year, while the operating loss in 3M26 exceeded our base-case expectation.

Expected lower sales over the forecast period

Sales are expected to remain on a declining trend over the forecast period, driven by weak consumer demand for fashion and apparel products amid challenging economic conditions and elevated household debt levels. Following the weak sales performance in 3M26, we forecast a decline in revenue to around THB8.1 billion in 2026 from THB8.6 billion in 2025. Revenue is projected to decrease further to approximately THB7.5-THB7.8 billion per annum during 2027-2028, reflecting both subdued market demand and the company's planned discontinuation of a key apparel brand in 2027.

Profitability expected to gradually improve

While revenue is anticipated to remain on a declining trend over the forecast period, we expect profitability to improve modestly as the benefits of the company's cost-efficiency initiatives gradually become more evident. EBITDA margin excluding dividend income, is expected to improve to around 3% in 2026 from 1%-2% in 2024-2025, before recovering further to 4%-6% during 2027-2028. The projected recovery reflects the company's ongoing efforts to enhance operating efficiency through tighter inventory management and improved procurement efficiency. However, profitability in 2026 is likely to remain constrained by elevated raw material costs and geopolitical uncertainties. In addition, the pace of margin recovery remains contingent on the successful implementation of the company's cost-efficiency initiatives amid an uncertain operating environment.

Dividend income supports EBITDA and cash flow

ICC's sizable investment portfolio has become an increasingly important earnings and cash flow contributor, helping offset weaker profitability in its distribution business. Dividend income rose significantly to around THB900 million-THB1.4 billion per annum during 2023-2025, mainly supported by sizable special dividends from an electronics manufacturer. As a result, dividend income accounted for around 90% of EBITDA in 2024-2025, up from around 50%-60% during 2019-2023. Although dividend income is expected to decline from its recent peak following a reduction in the special dividend received from the electronics manufacturer, we expect ICC's diversified investment portfolio to continue providing meaningful cash flow support. Total dividend income is projected at around THB600-THB700 million per annum during 2026-2028, representing around 70% of EBITDA in 2026 before normalizing to around 50%-60% in 2027-2028. Consequently, we expect EBITDA to range from around THB900 million to THB1.1 billion during 2026-2028.

Conservative capital structure and ample liquidity

We expect ICC's virtually debt-free capital structure and ample liquidity to continue supporting its credit profile. As of March 2026, the company had only THB70 million in outstanding unsecured subsidiary-level debt, primarily used for working capital purposes. ICC had also provided loan guarantees totaling THB248 million to related companies; however, the amount remains small relative to its strong capital base.

ICC's liquidity position remains strong, supported by its substantial cash holdings and limited debt burden. As of March 2026, the company held approximately THB2.7 billion in cash and cash equivalents. Over the following 12 months, we estimate that the company will generate funds from operations (FFO) of around THB830 million. In addition, ICC had access to approximately THB2.2 billion in undrawn credit facilities. These liquidity sources should be sufficient to cover maturing debt of THB70 million within the next 12 months, as well as planned capital expenditures and investments in affiliated companies and new projects within the Saha Group, which are expected to total approximately THB1.5 billion over the same period. We anticipate a dividend payment of THB350 million.

Substantial financial flexibility

ICC maintains a diversified equity portfolio, including investments in 24 listed companies. As of March 2026, this portfolio of marketable securities held a value of approximately THB8.9 billion, predominantly from holdings within the Saha Group. These sizable marketable securities provide ICC with substantial financial flexibility. The portfolio value is roughly 28 times ICC's total outstanding debt, including guarantees to related companies.

Base-Case Assumptions

Key assumptions in TRIS Rating's base-case forecast for ICC's operations during 2026-2028 are as follows:

- Total operating revenue to decline to approximately THB8.1 billion in 2026, and further decrease to THB7.5-THB7.8 billion per annum during 2027-2028.
- Dividend income to remain at around THB600-THB700 million per annum during 2026-2028.
- EBITDA margin at 11% in 2026, improving to around 13%-15% during 2027-2028.
- Net investment spending of THB1.5 billion in 2026 and around THB750 million per annum during 2027-2028.

Rating Outlook

The "Negative" outlook reflects our expectation that the company's operating performance will continue to weaken amid challenging economic conditions and heightened global trade uncertainties, which have dampened consumer spending, particularly for fashion and apparel products that constitute the company's core earnings segment. The prolonged slowdown in demand is expected to continue pressuring the company's revenue and profitability over the medium term.

Rating Sensitivities

The outlook could be revised back to "Stable" if the company's operating performance improves as expected, supported by a recovery in sales and a return to profitability. However, a rating downside may occur if the operating performance deteriorates materially from our base-case forecast or if the company undertakes significant debt-funded investments that weaken its financial profile.

Company Overview

ICC was established in 1964 and listed on the Stock Exchange of Thailand (SET) in 1978. ICC is one of the major companies within the Saha Group, distributing fashion and consumer products. As of May 2026, approximately 61% of ICC's shares were held by the Chokwatana family and companies in the Saha Group.

ICC's business strength is underpinned by its diverse product categories, broad portfolio of brands, and nationwide distribution network. The company has a lengthy track record in the industry and receives support from suppliers within the Saha Group. ICC offers about 60 brands, covering international licensed labels and its own brands. International licensed brands such as "Wacoal", "Lacoste", and "Arrow" are well accepted among Thai consumers and inbound tourists. ICC also manages its own brands such as "BSC", "Enfant", "Essence", and "St. Andrews".

The company's total sales for 2025 were THB8.3 billion. The top contributors were men's and women's apparel (36% of revenue), lingerie (20%), household products (15%), and cosmetics (9%). Department stores and traditional shops are ICC's major distribution channels, making up around 38% and 22% of its total sales, respectively.

Key Operating Performance

Table 1: ICC's Sales Breakdown

Line of Business	2023		2024		2025		Jan-Mar 2026	
	Mil. THB	%	Mil. THB	%	Mil. THB	%	Mil. THB	%
Lingerie	2,353	26.6	2,156	24.7	1,692	20.3	417	21.1
Men's & Women's wear	3,352	37.9	3,102	35.5	3,023	36.3	730	37.0
Cosmetics	647	7.3	622	7.1	709	8.5	182	9.2
Household products	1,290	14.6	1,383	15.8	1,231	14.8	276	14.0
Others	1,200	13.6	1,472	16.9	1,683	20.1	368	18.7
Total sales	**8,843**	**100.0**	**8,735**	**100.0**	**8,337**	**100.0**	**1,973**	**100.0**

Source: ICC

Financial Statistics and Key Financial Ratios*

Unit: Mil. THB

	Jan-Mar 2026		------------Year Ended 31 December -------- 2025	2024	2023	2022
Total operating revenues	2,055		8,637	9,019	9,111	8,683
Earnings before interest and taxes (EBIT)	146		746	1,066	959	240
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	177		1,284	1,600	1,534	736
Funds from operations (FFO)	168		1,241	1,560	1,495	721
Adjusted interest expense	5		35	33	26	19
Capital expenditures	38		242	185	94	160
Total assets	35,076		34,815	35,522	34,816	34,255
Adjusted debt	0		0	0	0	0
Adjusted equity	30,185		29,751	29,729	29,252	28,577
Adjusted Ratios						
EBITDA margin (%)	8.6		14.9	17.7	16.8	8.5
Pretax return on permanent capital (%)	0.9	**	2.4	3.5	3.2	0.8
EBITDA interest coverage (times)	34.6		36.5	48.8	59.5	37.8
Debt to EBITDA (times)	0.0	**	0.0	0.0	0.0	0.0
FFO to debt (%)	n.m.	**	n.m.	n.m.	n.m.	n.m.
Debt to capitalization (%)	0.0		0.0	0.0	0.0	0.0

* *Consolidated financial statements*
** *Annualized with trailing 12 months*
n.m. Not meaningful

Related Criteria

- Corporate Rating Methodology, 29 December 2025
- Key Financial Ratios and Adjustments for Corporate Issuers, 7 November 2025

I.C.C. International PLC (ICC)

Issuer Credit Rating:	**A+**
Rating Outlook:	**Negative**

Rating History

Last Review Date: 11 July 2025

Date	Rating	Outlook/Alert
11-Jul-25	A+	Stable
15-Jul-20	AA-	Stable
23-Mar-05	AA	Stable
12-Jul-04	AA-	Stable
11-Jul-02	AA-	-

Contacts:

Suchana Chantadisai | suchana@trisrating.com
Pramuansap Phonprasert | pramuansap@trisrating.com

No. 205/2026

TRIS Rating Co., Ltd.

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand | Tel: +66 2 098 3000