

Navigating the Noise of a Structural Reset

- 4Q25 earnings met expectations but were distorted by one-off.
- Expected a dip in 2026E profit due to divestments and FX drags.
- We upgrade CRC to BUY with a TP of THB 20.

The 2025 Structural Reset: Steady Core, Heavy Noise

Operationally, 2025 marked a year of structural reset for CRC. The company closed out the year with 4Q25 results directly in line with our estimates, posting a core net profit of THB3.0b (+1.4% y-y) on core revenue of THB64.4b (+0.9% y-y). However, the quarter's reported bottom line contains significant noise from special items. This includes a THB6.7b profit from the Rinascente divestment, which was largely offset by a THB6.0b loss from the Nguyen Kim divestment, alongside THB 1.1b in tax expenses. Notably, the tax impact from the Nguyen Kim loss falls under Thai Watsadu and will be recorded as deferred tax.

Dividends, M&A, and the 2026 Macro Outlook

On the capital return front, CRC announced a dividend of THB 1.11 per share, which includes a special payout stemming from the Rinascente divestment. Strategically, the company continues to expand its portfolio, recently acquiring a 40% stake in JD Sports TH—a move we estimate will contribute an additional THB 100m+ to CRC's bottom line. Looking ahead to 2026E, our macroeconomic outlook remains cautious. While we anticipate a slight tailwind from recovering inbound tourism, driven by the return of Chinese travelers, we expect the broader domestic Thai economy to remain largely unchanged from the previous year.

Bridging the Gap: Life After the Rinascente Divestment

We expect CRC's underlying business to strengthen in 2026E, driven by improvements in Thailand and exceptionally strong local-currency performance in Vietnam. However, headline figures will be weighed down by structural and macro headwinds. We forecast 2026E net profit to contract to THB 7.8b (from THB 8.1b in 2025) due to the absence of Rinascente's profit contribution—a gap we expect will take at least 1-2 years to fully bridge. Furthermore, foreign exchange remains a challenging factor, as we anticipate the VND drag effect will continue to pressure translated earnings throughout the 1H26E.

Vietnam Accelerates as Thailand Softens

QTD (until Feb), we estimate total CRC SSSG at -4%. Vietnam remains a bright spot, posting +11% SSSG in local currency (+2% in THB) driven by strong economic growth and a low base from prior-year renovations. Thailand SSSG contracted by 4%. While domestic food sales offered support (+4%), performance was weighed down by weakness in fashion and hardlines (-7% to -9%) alongside a 1-2% headwind stemming from last year's Easy E-Receipt high base.

Upgrade to BUY with TP of THB20

We upgrade our recommendation to BUY on CRC, but maintain a TP of THB20, based on 15x 2026E P/E. In our view, the current share price already discounts most of the negatives. We see a favorable risk-reward profile at current levels.

ESG Rating : AA

CG Rating : ▲▲▲▲▲

BUY (from HOLD)

Target Price 12M (THB)	20.00
VS. BB Consensus TP (%)	-10.6%
Share Price (THB)	18.10
Upside/Downside	+10.5%

Share Data

Market Cap (THB m)	109,161.10
Par (THB)	1.00
Free Float (%)	57.77
Issued shares (m shares)	6,031

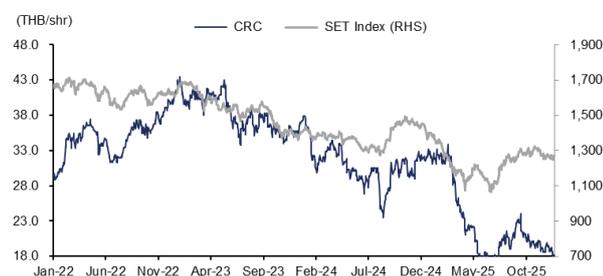
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	253,165	255,755	262,232	268,879
Net profit	7,411	7,776	8,364	8,948
Core net profit	7,411	7,776	8,364	8,948
vs Consensus (%)	-	(3.3)	(6.2)	(3.9)
Net profit growth (%)	(8.9)	4.9	7.6	7.0
Core net profit growth (%)	(15.7)	4.9	7.6	7.0
EPS (THB)	1.23	1.29	1.39	1.48
Core EPS (THB)	1.23	1.29	1.39	1.48
Chg in core EPS (%)	-	0.00	0.00	0.00
DPS (THB)	1.81	0.57	0.62	0.66
P/E (x)	17.91	14.04	15.87	12.20
P/BV (x)	2.97	2.03	1.75	1.97
ROE (%)	11.03	12.17	12.91	12.81
Dividend yield (%)	1.76	8.23	3.17	2.80

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(5.61)	(5.13)	(22.27)	2.78
Market	(10.34)	(14.74)	(30.63)	(8.65)
12M High/Low (THB)	31.75 / 15.80			



Major Shareholders (%) as of 8 Dec 2025

Central Department Store	35.06
Deutsche Bank AG Singapore PWM	4.61
Social Security Office	3.06

Company Profile

Central Retail Corporation operates a diverse portfolio across three key categories: Food (40% of revenue), Fashion (28% of revenue), and Hardline (32% of revenue). The company's major brands include Central and Robinson in the department store sector, Tops and Go Wholesale in food retail, and Thai Watsadu in hardline products.

Source: SETSMART, SET

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Exhibit 1: Summary of 4Q25/2025 operations

	4Q24	3Q25	4Q25		2024	2025	chg.	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)		
Revenue	69,194	62,458	58,923	(6)	(15)	262,542	253,165	(4)
Operating costs	(64,477)	(59,511)	(54,737)	(8)	(15)	(246,741)	(239,183)	(3)
EBITDA	9,282	7,621	8,534	12	(8)	33,900	32,046	(5)
<i>EBITDA margin (%)</i>	13.4	12.2	14.5	na	na	13	13	na
EBIT	4,717	2,947	4,186	42	(11)	15,801	13,981	(12)
Interest expense	(1,245)	(1,132)	(556)	(51)	(55)	(4,995)	(3,887)	(22)
Exceptionals	(333)	138	649			477	1,174	
Pretax profit	3,140	1,953	4,279	119	36	11,283	11,268	(0)
Tax	(848)	(561)	(1,597)	185	88	(2,646)	(3,482)	32
<i>Tax rate (%)</i>	27	29	37	na	na	23	31	na
Minority interests	(115)	(91)	(51)	na	na	(501)	(374)	-
Net profit	2,176	1,301	2,630	102	21	8,136	7,411	(9)
EPS (THB)	0.36	0.22	0.44	102	21	1.35	1.23	(9)

Sources: CRC; Globlex Research

Exhibit 2: Financial Overview

THB million	Reported		Core		% YoY	
	4Q2025	4Q2024	4Q2025	4Q2024	4Q2025	4Q2024
Sales	56,800	56,800	56,800	56,800	0.2%	0.2%
Rental & Rendering services income	2,341	2,341	2,341	2,341	1.9%	1.9%
Other income	12,020	12,020	12,020	12,020	159.4%	9.1%
Total Revenue	71,162	71,162	71,162	71,162	119.9%	6.9%
Cost of sale of goods	(42,381)	(42,381)	(42,381)	(42,381)	0.2%	0.2%
Cost of rental and rendering	644	644	644	644	8.8%	8.8%
SOBA expenses	23,097	23,097	23,097	23,097	38.0%	2.2%
Selling expenses	12,230	12,230	12,230	12,230	0.7%	0.7%
Administrative expenses	10,867	10,867	10,867	10,867	196.2%	5.8%
Operating Profit	3,040	3,040	3,040	3,040	28.7%	2.7%
Share of Profit of Associates & JV	158	158	158	158	138.9%	(31.9%)
EBIT	3,198	3,198	3,198	3,198	45.5%	0.4%
Finance expenses	907	907	907	907	(10.6%)	(10.6%)
Tax expenses	1,130	1,130	1,130	1,130	138.1%	(11.7%)
Profit (loss) from continuing operations (TH & VN)	2,399	2,399	2,399	2,399	45.4%	13.7%
Profit (loss) to Owner from continuing operations (TH & VN)	2,348	2,348	2,348	2,348	52.9%	17.1%
Total Profit (loss)	2,661	2,661	2,661	2,661	(56.0%)	(56.0%)
Total Profit (loss) to Owner	2,630	2,630	2,630	2,630	20.8%	1.4%

Sources: CRC

Exhibit 3: 4Q25 Business Development

4Q 2025 Business Development Highlights:

Fashion

- Central Childom celebrated 1st year anniversary with uplifted Sales and EBITDA since reopening in May 24
- CRC Sports acquired 40% stake in JD Sports TH, expanding into Premium Sports-Lifestyle Segment
- TH Fashion Tourist sales mix firm at mid-teens level, despite lower int'l tourists' arrivals
- Centifly DS spending remained resilient with teens level growth in Q4 vs LY

Hardline

- Thaiwatsadu +1 new store in Q4, ending the year with 88 stores across 52 provinces
- Autol accelerated expansion exceeding 50 stores (+5 stores in 4Q25 | +13 stores in FY2025), capitalizing on the growing automotive aftermarket
- Power Buy opened 1st store in Krabi, offering leading electronic brands, omnichannel shopping, tourist-friendly services & reliable after-sales support

Food

- TOPS rolled out 4 more stores in 4Q25, total +3 stores in FY2025, and completed 1 renovation at Tops Suphanburi
- TOPS Online Sales posed strong growth of over 20%
- GO Wholesale partnered with GrabMart, launched GO Express, taking Food Wholesale business to real-time era
- VN Food sees strong growth and traffic momentum with +5% total sales and +1% SSSG growth (VND)

Property

- RBS Lifestyle rolled out 2 'Night Market' (Larkrabang, Somdejprakam, and Kancharaburi) and 2 'Strip Mall' (Suphanburi and Roi Et)
- RBS Lifestyle remains resilient with +4% rental income growth YoY
- GOI rental income growth momentum continued with increased traffic +8% vs LY
- GOI Thong Lang and GOI Dong Mai relaunched after major renovation

Sources: CRC

Exhibit 4: Vietnam Food Momentum in 2025

Vietnam Food sustained growth momentum and profitable share gains, with +2 GO! hyperts and 6 go! openings in 2026

Nielsen FMCG* tracker

- Sales growth FY25 vs. LY
- Total Urban: +1%
- Modern Trade: +4%
- Super / Hyper: +2%

Our FMCG market share FY25

20.3% (of Modern trade) vs 38.6% (of Super/Hyper)

GO! #1 Hypermarket in Vietnam

Maintained growth momentum and market share gain

- YTD FY25: Total Sales +Mid Single Digit
- Omni sales: +Mid single +Mid Teens
- Key highlights: Traffic +4% reaching 52M in FY25, ticket size +3% for LFL stores; New Private Label products: GO! Viet Farm, fresh, safe and high-quality agricultural products, and Viet Gems - regional specialty products with OCOP certified
- Target 2026: +2 GO! Hypermarkets +8 mini go!

Sources: CRC

Exhibit 5: CRC's Dividend Payment 4Q25

Interim dividend payment
Paid 19 Dec 2025

- Baht 0.70 per share
- #1 Special dividend from Rinascente department store business divestment

Annual dividend payment
To be approved by the 2026 AGM (Apr 2026)

- Baht 0.53 per share
- The appropriation of annual dividends based on the operating profit for the year 2025 derived from net operating profits, excluding one-time non-cash impairment loss on investment in Nguyen Kim

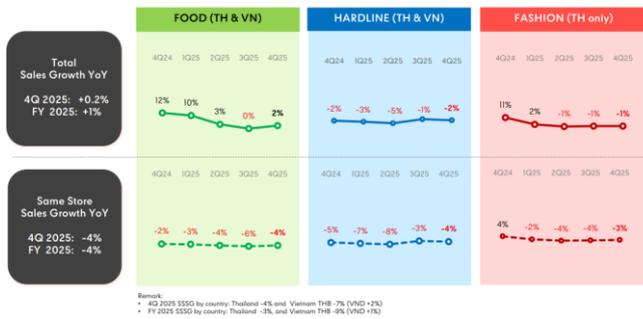
Baht 0.58 per share

- #2 Special dividend from Rinascente department store business divestment

Total dividend payment will amount to Baht 10,916,110,000 representing 147.29% of NPAT attributable to the owners of the Company based on the consolidated financial statements and in accordance with the Company's dividend payment policy

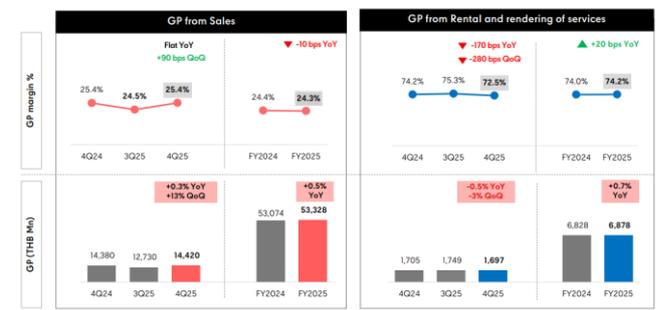
Sources: CRC

Exhibit 6: Sales Trend by Business Segment



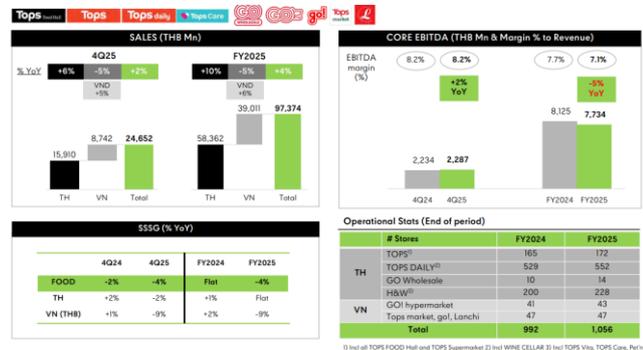
Sources: CRC

Exhibit 7: Gross Profit Margin



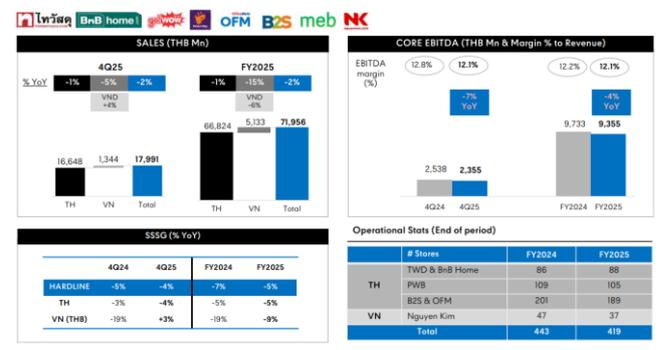
Sources: CRC

Exhibit 8: CRC's Food



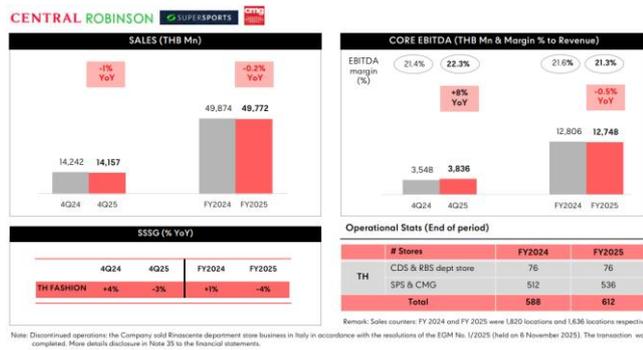
Sources: CRC

Exhibit 9: CRC's Hardline



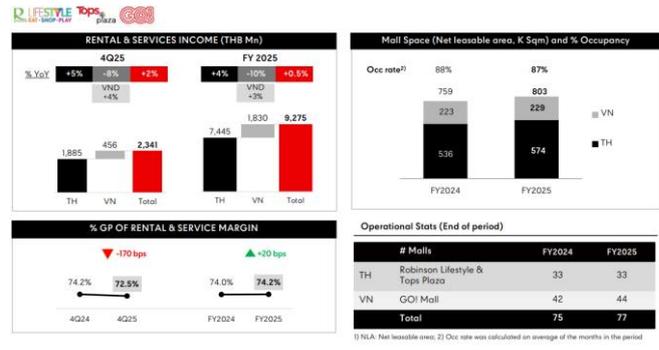
Sources: CRC

Exhibit 10: CRC's Fashion



Sources: CRC

Exhibit 11: CRC's Property Rental



Sources: CRC

Balance sheet (THB m)						Profit & loss (THB m)						
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E	
Current assets						Revenue						
Cash & ST investment	9,777	9,895	45,689	68,695	91,670		262,542	253,165	255,755	262,232	268,879	
Account receivable	13,129	10,051	6,941	3,752	483		(208,511)	(197,068)	(202,558)	(207,425)	(212,683)	
Inventories	47,462	43,455	44,665	45,739	46,898	Gross profit	54,032	56,097	53,197	54,806	56,196	
Others	5,672	6,894	6,925	7,003	7,084		(20,131)	(24,051)	(22,148)	(22,945)	(23,527)	
Non-current assets						Operating profit						
Net fixed assets	67,193	65,121	29,797	15,713	2,102		33,900	32,046	31,049	31,861	32,669	
Others	147,816	111,433	111,433	111,433	111,433	EBIT	15,801	13,981	12,984	13,796	14,604	
Total Assets	291,049	246,849	245,451	252,336	259,670		(18,100)	(18,065)	(18,065)	(18,065)	(18,065)	
Current liabilities						EBITDA						
Account payable	41,544	37,261	38,299	39,220	40,214		33,900	32,046	31,049	31,861	32,669	
ST borrowing	68,264	49,697	49,697	49,697	49,697	Non-operating income	262	691	0	0	0	
Others	21,176	20,552	20,762	21,288	21,827		0	0	0	0	0	
Long-term liabilities						Non-operating expense						
Long-term debts	66,300	48,341	48,341	48,341	48,341		(4,995)	(3,887)	(2,941)	(2,941)	(2,941)	
Others	21,384	21,710	21,710	21,710	21,710		(4,995)	(3,887)	(2,941)	(2,941)	(2,941)	
Total liabilities	218,668	177,561	178,810	180,256	181,790	Equity income/(loss)	215	483	700	700	700	
Paid-up capital	6,031	6,031	6,031	6,031	6,031		11,283	11,268	10,743	11,555	12,363	
Retained earnings	23,124	23,739	20,596	25,502	30,731							
Others	39,821	35,699	35,699	35,699	35,699	Extraordinary items						
Minority interest	3,404	3,819	4,315	4,849	5,420		(2,646)	(3,482)	(2,471)	(2,658)	(2,843)	
Shareholders' equity	72,381	69,287	66,641	72,081	77,880		(501)	(374)	(496)	(534)	(571)	
Key ratios						Cash flow (THB m)						
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E	
Growth (%YoY)						Operating cash flow						
Sales	5.7	(3.6)	1.0	2.5	2.5		16,366	16,508	22,662	23,243	23,536	
Operating profit	8.8	(5.5)	(3.1)	2.6	2.5		8,136	7,411	7,776	8,364	8,948	
EBITDA	8.8	(5.5)	(3.1)	2.6	2.5		18,100	18,065	18,065	18,065	18,065	
Net profit	1.5	(8.9)	4.9	7.6	7.0		(2,422)	(340)	3,116	3,483	3,563	
Core net profit	9.7	(15.7)	4.9	7.6	7.0		(7,447)	(8,628)	(6,295)	(6,668)	(7,040)	
EPS	1.5	(8.9)	4.9	7.5	7.0	Investment cash flow	(18,047)	(5,483)	23,554	2,687	2,586	
Core EPS	9.7	(15.7)	4.9	7.5	7.0		Net CAPEX	(27,796)	(15,993)	(15,993)	(15,993)	
Profitability (%)						Free cash flow						
Gross margin	20.6	22.2	20.8	20.9	20.9		(629)	50,347	46,712	26,464	26,694	
Operation margin	12.9	12.7	12.1	12.2	12.2		10,377	(39,837)	(7,165)	(7,784)	(8,115)	
EBITDA margin	12.9	12.7	12.1	12.2	12.2	Financing cash flow	(3,416)	(10,503)	(10,422)	(2,924)	(3,149)	
Net margin	3.1	2.9	3.0	3.2	3.3		Change in share capital	0	0	0	0	
ROE	12.9	11.0	12.2	12.9	12.8		Net change in debt	203	415	496	534	
ROA	3.0	2.8	3.2	3.4	3.5		Dividend paid	(3,619)	(10,918)	(10,918)	(3,458)	
Stability						Net cash flow						
Interest bearing debt/equity (x)	1.9	1.4	1.5	1.4	1.3		(5,097)	522	35,794	23,006	22,974	
Net debt/equity (x)	1.7	1.3	0.8	0.4	0.1	Per share (THB)						
Interest coverage (x)	3.2	3.6	4.4	4.7	5.0		EPS	1.35	1.23	1.29	1.39	1.48
Interest & ST debt coverage (x)	0.2	0.3	0.2	0.3	0.3		Core EPS	1.46	1.23	1.29	1.39	1.48
Cash flow interest coverage (x)	0.1	0.1	0.1	0.1	0.1		CFPS	4.43	4.29	4.37	4.47	4.57
Current ratio (x)	0.6	0.7	1.0	1.1	1.3		BVPS	11.44	10.86	10.33	11.15	12.01
Quick ratio (x)	0.2	0.2	0.5	0.7	0.8		Sales/share	43.53	41.98	42.40	43.48	44.58
Net debt (THB m)	124,787	88,143	52,349	29,343	6,368		EBITDA/share	5.62	5.31	5.15	5.28	5.42
Activity						Valuation						
Asset turnover (X)	1.0	1.0	1.0	1.5	3.1		DPS	0.60	1.81	0.57	0.62	0.66
Days receivables	18.3	14.5	9.9	5.2	0.7		P/E (x)	25.2	17.9	14.0	15.9	12.2
Days inventory	83.1	80.5	80.5	80.5	80.5		P/BV (x)	3.69	2.97	2.03	1.75	1.97
Days payable	72.7	69.0	69.0	69.0	69.0		Dividend yield (%)	1.34	1.76	8.23	3.17	2.80
Cash cycle days	28.6	26.0	21.4	16.7	12.1		Dividend payout ratio (%)	44.47	147.31	44.47	44.47	44.47

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.