# CP AXTRA (CPAXT TB)

THAILAND / SET / COMMERCE

Globlex Securities Co., Ltd.

11 August 2026

## Still Waiting on the Rebound

- 2Q26 net profit fell 18% y-y to THB1,874m (-33% q-q, -18% y-y).
- AXA Mall's O2O rollout, the 21-Aug Happitat launch.
- Maintain HOLD with TP of THB17.

### Lotus's Weak, Makro Cost Base Holding

CPAXT's 2Q26 print came in slightly below our expectations. At the segment level, Makro sales grew 3.5% y-y against SSSG of -0.9% y-y, while Lotus's sales grew only 0.4% y-y against SSSG of -3.9% y-y. The group GPM fell ~30bps y-y to 11.2% on a mix shift toward lower-margin staples and continued price investment, and Retail GPM at 17.7% (-10bps y-y, but +50–60bps q-q, which management flagged as the more relevant underlying trend). SG&A rose 6.8% y-y, driven by front-loaded new-store, Lucky Frozen Group consolidation, and last-mile delivery investment. The combination dragged group net profit down 18% y-y to THB1,874m (-33% q-q, -18% y-y).

### Asset Optimization Still the Path, Even Off a Weak Quarter

Thai Chuay Thai Plus also bit harder than we had expected, with Lotus's bearing nearly all of the impact as a large-format retailer structurally excluded from the scheme's redemption channel. That said, we still think CPAXT can deliver on the cost side through Asset Optimization — despite the weak 2Q26 print, we believe the company remains on track to optimize costs toward its FY2026E target. Notably, the gap between total sales growth and SSSG at Wholesale narrowed to just 0.4ppt in 2Q26 from 2.2ppt in 4Q25, indicating growth is now coming from existing-asset productivity rather than incremental floor space.

### Omnichannel via Axtra Mall, Flagship Happitat Opening

Omnichannel remains the core strategic priority, and the quarter's key structural addition was Axtra Mall, a new O2O platform launched in late June. It pulls fast-selling online SKUs into dedicated in-store space, enabling 1–3 hour delivery from store stock. On the physical side, the flagship Happitat mall opens 21-Aug-26 at ~80% readiness, introducing two new formats: Lotus's Privé, a high-end supermarket, and Axtra Club, a Costco-style membership warehouse that has been pushed back to 4Q26E. Both are the catalysts we are watching into 2H26.

### Sales Target Intact, Margin Call Downgraded to Flat

Management reaffirmed FY2026 sales growth guidance of 3–4% and an Omnichannel mix target of ~25% of total sales. The one clear guidance change: margin. Where the June guidance called for a slight GPM improvement (+10–30bps), management on this call now frames 2026 margin as "flat" y-y, citing the ongoing cost and mix pressures discussed above. We are keeping our forecast unchanged at this point.

### Maintain HOLD with TP of THB17

We maintain HOLD with a TP of THB17, implying 17x 2026E P/E. We think the momentum for CPAXT has not arrived yet, the headwinds we flagged in June are still live, and instead of the GPM improvement in the original guidance, the company is now fighting simply to hold margin flat. Until the dynamic turns, we see limited catalyst for re-rating.

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**ESG Rating : AA**

**CG Rating :**

## HOLD

| | |
|---|---|
| **Target Price 12M (THB)** | **17.00** |
| VS. BB Consensus TP (%) | +10.2% |
| Share Price (THB) | 14.80 |
| Upside/Downside | +14.9% |

### Share Data

| | |
|---|---|
| Market Cap (THB m) | 154,329.39 |
| Par (THB) | 1.00 |
| Free Float (%) | 15.26 |
| Issued shares (m shares) | 10,428 |

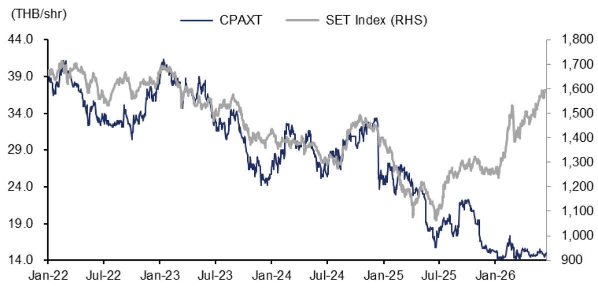
### Financial forecast

| YE Dec (THB m) | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue | 520,706 | 535,211 | 550,165 | 561,324 |
| Net profit | 9,509 | 10,199 | 10,842 | 11,092 |
| Core net profit | 9,509 | 10,199 | 10,842 | 11,092 |
| vs Consensus (%) | - | 1.7 | 0.0 | (5.6) |
| Net profit growth (%) | (10.0) | 7.3 | 6.3 | 2.3 |
| Core net profit growth (%) | (10.0) | 7.3 | 6.3 | 2.3 |
| EPS (THB) | 0.91 | 0.98 | 1.04 | 1.06 |
| Core EPS (THB) | 0.91 | 0.98 | 1.04 | 1.06 |
| Chg in core EPS (%) | - | 0.00 | 0.00 | 0.00 |
| DPS (THB) | 2.31 | 2.48 | 2.64 | 2.70 |
| P/E (x) | 30.98 | 15.13 | 14.24 | 13.92 |
| P/BV (x) | 1.01 | 0.55 | 0.59 | 0.62 |
| ROE (%) | 3.22 | 3.57 | 4.00 | 4.34 |
| Dividend yield (%) | 8.18 | 16.76 | 17.81 | 18.22 |

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

| | 1M | 3M | 6M | YTD |
|---|---|---|---|---|
| Stock | (0.67) | 0.68 | (9.76) | (5.73) |
| Market | (0.84) | (7.01) | (21.64) | (26.90) |
| 12M High/Low (THB) | | | | 23.40 / 13.90 |




### Major Shareholders (%) as of 21 Apr 2026

| | |
|---|---|
| CP ALL PUBLIC COMPANY LIMITED | 34.92 |
| SIAM MAKRO HOLDING | 25.01 |
| CHAROEN POKPHAND HOLDING | 15.96 |

### Company Profile

Retail under the brand name "Makro" and wholesale business under the brand name "Lotus's" and mall management

Source: SETSMART, SET

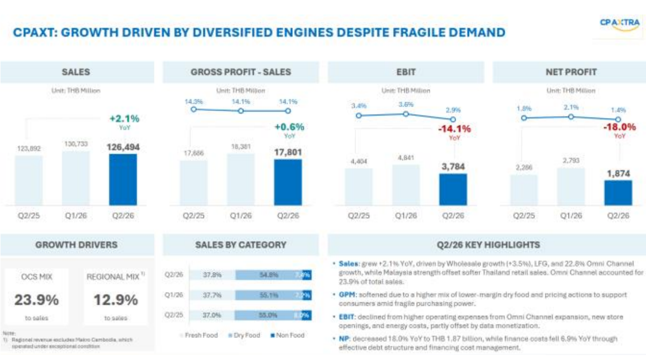
Globlex Securities Company Limited acts as one of the authorized sellers of MQDC debentures.
This declaration is made to ensure transparency and disclose any potential conflict of interest.

## Exhibit 1: Summary of 2Q26/2026E operations

| | 2Q25 | 1Q26 | ---------------- 2Q26 ------------------ | | | 2025 | 2026E | chg. |
|---|---|---|---|---|---|---|---|---|
| | (THB m) | (THB m) | (THB m) | (q-q%) | (y-y%) | (THB m) | (THB m) | (y-y%) |
| **Revenue** | **129,081** | **136,050** | **132,284** | ***(3)*** | ***2*** | **520,706** | **535,211** | **3** |
| Makro revenue | 68,761 | 74,045 | 71,150 | *(4)* | *3* | 283,531 | 293,738 | 4 |
| Lotus's revenue | 55,131 | 56,688 | 55,344 | *(2)* | *0* | 215,685 | 219,567 | 2 |
| Rental revenue | 3,598 | 3,622 | 3,736 | *3* | *4* | 13,834 | 14,249 | 3 |
| Other revenue | 1,591 | 1,695 | 2,054 | *21* | *29* | 7,656 | 7,656 | 0 |
| **Operating costs** | **(124,821)** | **(131,389)** | **(128,684)** | ***(2)*** | ***3*** | **(503,918)** | **(517,150)** | **3** |
| **EBITDA** | **8,545** | **8,570** | **8,391** | ***(2)*** | ***(2)*** | **34,252** | **35,370** | **3** |
| *EBITDA margin (%)* | *6.6* | *6.3* | *6.3* | *na* | *na* | *6.6* | *6.6* | *na* |
| **EBIT** | **4,260** | **4,662** | **3,600** | ***(23)*** | ***(15)*** | **16,788** | **18,061** | **8** |
| Interest expense | (1,422) | (1,290) | (1,323) | *3* | *(7)* | (5,398) | (5,731) | 6 |
| Associates' contrib | 144 | 180 | 183 | *2* | *27* | 580 | 580 | 0 |
| **Pretax profit** | **2,982** | **3,551** | **2,460** | ***(31)*** | ***(17)*** | **11,970** | **12,910** | **8** |
| Tax | (698) | (794) | (626) | *(21)* | *(10)* | (2,645) | (2,711) | 2 |
| *Tax rate (%)* | *23* | *22* | *25* | *na* | *na* | *21* | *20* | *na* |
| Minority interests | 3 | 36 | 40 | *na* | *na* | 31 | 0 | na |
| **Net profit** | **2,286** | **2,794** | **1,874** | ***(33)*** | ***(18)*** | **9,356** | **10,199** | **9** |
| EPS (THB) | 0.22 | 0.27 | 0.18 | *(33)* | *(18)* | 0.88 | 0.98 | 11 |

Sources: CPAXT, Globlex Research

## Exhibit 2: 2Q26 Income Summary

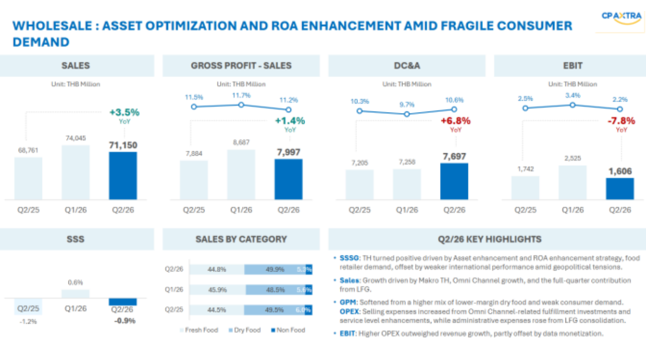



Sources: CPAXT

## Exhibit 3: 2026 CPAXT's Guidance

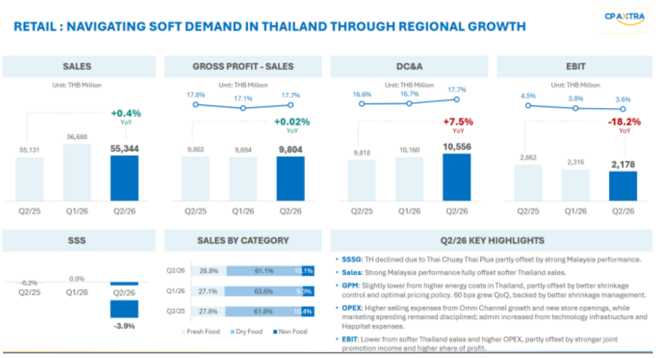

Sources: CPAXT

## Exhibit 4: Makro's Performance




Sources: CPAXT

## Exhibit 5: Lotus's Performance




Sources: CPAXT

| Balance sheet (THB m)<br>Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | | | | | |
| Cash & ST investment | 19,461 | 15,558 | 3,204 | (9,304) | (22,880) |
| Account receivable | 4,558 | 5,080 | 5,615 | 6,166 | 6,729 |
| Inventories | 36,484 | 37,484 | 38,339 | 39,461 | 40,306 |
| Others | 6,420 | 6,528 | 6,710 | 6,898 | 7,038 |
| **Non-current assets** | | | | | |
| Net fixed assets | 117,695 | 117,308 | 116,262 | 114,558 | 112,195 |
| Others | 361,913 | 361,913 | 361,913 | 361,913 | 361,913 |
| **Total Assets** | **546,531** | **543,871** | **532,043** | **519,692** | **505,300** |
| | | | | | |
| **Current liabilities** | | | | | |
| Account payable | 78,205 | 80,348 | 82,180 | 84,587 | 86,398 |
| ST borrowing | 35,704 | 35,704 | 35,704 | 35,704 | 35,704 |
| Others | 8,928 | 9,079 | 9,332 | 9,593 | 9,787 |
| **Long-term liabilities** | | | | | |
| Long-term debts | 115,120 | 115,120 | 115,120 | 115,120 | 115,120 |
| Others | 9,956 | 9,956 | 9,956 | 9,956 | 9,956 |
| **Total liabilities** | **247,914** | **250,208** | **252,293** | **254,960** | **256,966** |
| Paid-up capital | 10,428 | 10,428 | 10,428 | 10,428 | 10,428 |
| Retained earnings | 36,340 | 31,355 | 17,442 | 2,424 | (13,974) |
| Others | 250,906 | 250,906 | 250,906 | 250,906 | 250,906 |
| Minority interest | 943 | 975 | 975 | 975 | 975 |
| **Shareholders' equity** | **298,617** | **293,663** | **279,750** | **264,732** | **248,334** |

| Profit & loss (THB m)<br>Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Revenue** | **512,042** | **520,706** | **535,211** | **550,165** | **561,324** |
| Cost of goods sold | (460,383) | (473,000) | (483,784) | (497,952) | (508,615) |
| **Gross profit** | **51,659** | **47,706** | **51,427** | **52,214** | **52,709** |
| Operating expenses | (15,406) | (13,454) | (16,056) | (16,505) | (16,840) |
| **Operating profit** | **36,254** | **34,252** | **35,370** | **35,709** | **35,870** |
| **EBIT** | **18,633** | **16,788** | **18,061** | **18,552** | **18,865** |
| Depreciation | (17,620) | (17,464) | (17,310) | (17,156) | (17,004) |
| **EBITDA** | **36,254** | **34,252** | **35,370** | **35,709** | **35,870** |
| **Non-operating income** | **0** | **0** | **0** | **0** | **0** |
| Other incomes | 0 | 0 | 0 | 0 | 0 |
| Other non-op income | 0 | 0 | 0 | 0 | 0 |
| **Non-operating expense** | **(5,735)** | **(5,122)** | **(5,731)** | **(5,581)** | **(5,581)** |
| Interest expense | (5,735) | (5,122) | (5,731) | (5,581) | (5,581) |
| Other non-op expense | 0 | 0 | 0 | 0 | 0 |
| **Equity income/(loss)** | 673 | 580 | 580 | 580 | 580 |
| **Pre-tax Profit** | **13,571** | **12,246** | **12,910** | **13,552** | **13,865** |
| Extraordinary items | | | | | |
| Current taxation | (3,026) | (2,706) | (2,711) | (2,710) | (2,773) |
| Minorities | 24 | (31) | 0 | 0 | 0 |
| **Net Profit** | **10,569** | **9,509** | **10,199** | **10,842** | **11,092** |
| **Core net profit** | **10,569** | **9,509** | **10,199** | **10,842** | **11,092** |
| **EPS (THB)** | **1.01** | **0.91** | **0.98** | **1.04** | **1.06** |
| **Core EPS (THB)** | **1.01** | **0.91** | **0.98** | **1.04** | **1.06** |

| Key ratios<br>Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%YoY)** | | | | | |
| Sales | 4.5 | 1.7 | 2.8 | 2.8 | 2.0 |
| Operating profit | 5.6 | (5.5) | 3.3 | 1.0 | 0.5 |
| EBITDA | 5.6 | (5.5) | 3.3 | 1.0 | 0.5 |
| Net profit | 22.3 | (10.0) | 7.3 | 6.3 | 2.3 |
| Core net profit | 22.3 | (10.0) | 7.3 | 6.3 | 2.3 |
| EPS | 24.1 | (10.0) | 7.3 | 6.3 | 2.3 |
| Core EPS | 24.1 | (10.0) | 7.3 | 6.3 | 2.3 |
| **Profitability (%)** | | | | | |
| Gross margin | 10.1 | 9.2 | 9.6 | 9.5 | 9.4 |
| Operation margin | 7.1 | 6.6 | 6.6 | 6.5 | 6.4 |
| EBITDA margin | 7.1 | 6.6 | 6.6 | 6.5 | 6.4 |
| Net margin | 2.1 | 1.8 | 1.9 | 2.0 | 2.0 |
| ROE | 3.6 | 3.2 | 3.6 | 4.0 | 4.3 |
| ROA | 1.9 | 1.7 | 1.9 | 2.1 | 2.2 |
| **Stability** | | | | | |
| Interest bearing debt/equity (x) | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 |
| Net debt/equity (x) | 0.4 | 0.5 | 0.5 | 0.6 | 0.7 |
| Interest coverage (x) | 3.2 | 3.3 | 3.2 | 3.3 | 3.4 |
| Interest & ST debt coverage (x) | 0.4 | 0.4 | 0.4 | 0.4 | 0.5 |
| Cash flow interest coverage (x) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Current ratio (x) | 0.5 | 0.5 | 0.4 | 0.3 | 0.2 |
| Quick ratio (x) | 0.2 | 0.2 | 0.1 | (0.0) | (0.1) |
| Net debt (THB m) | 131,364 | 135,266 | 147,621 | 160,128 | 173,705 |
| **Activity** | | | | | |
| Asset turnover (X) | 0.9 | 1.0 | 1.0 | 1.6 | 3.3 |
| Days receivables | 3.2 | 3.6 | 3.8 | 4.1 | 4.4 |
| Days inventory | 28.9 | 28.9 | 28.9 | 28.9 | 28.9 |
| Days payable | 62.0 | 62.0 | 62.0 | 62.0 | 62.0 |
| Cash cycle days | (29.8) | (29.5) | (29.2) | (29.0) | (28.7) |

| Cash flow (THB m)<br>Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Operating cash flow** | **16,650** | **20,177** | **20,306** | **21,151** | **20,777** |
| Net profit | 10,569 | 9,509 | 10,199 | 10,842 | 11,092 |
| Depre.& amortization | 17,620 | 17,464 | 17,310 | 17,156 | 17,004 |
| Change in working capital | (3,193) | 664 | 512 | 806 | 459 |
| Others | (8,346) | (7,461) | (7,715) | (7,653) | (7,778) |
| **Investment cash flow** | **(19,928)** | **(9,616)** | **(8,549)** | **(7,799)** | **(6,863)** |
| Net CAPEX | (19,741) | (25,859) | (33,872) | (44,367) | (58,115) |
| Change in LT investment | (890) | 10,592 | 11,757 | 13,352 | 13,914 |
| Change in other assets | 704 | 5,651 | 13,566 | 23,216 | 37,338 |
| **Free cash flow** | **(3,278)** | **10,561** | **11,757** | **13,352** | **13,914** |
| **Financing cash flow** | **(8,968)** | **(14,463)** | **(24,111)** | **(25,860)** | **(27,490)** |
| Change in share capital | 5,138 | 0 | 0 | 0 | 0 |
| Net change in debt | 389 | 31 | 0 | 0 | 0 |
| Dividend paid | (14,494) | (14,494) | (24,111) | (25,860) | (27,490) |
| Others | | | | | |
| **Net cash flow** | **(12,246)** | **(3,903)** | **(12,355)** | **(12,508)** | **(13,577)** |

| Per share (THB) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| EPS | 1.01 | 0.91 | 0.98 | 1.04 | 1.06 |
| Core EPS | 1.01 | 0.91 | 0.98 | 1.04 | 1.06 |
| CFPS | 2.66 | 2.59 | 2.64 | 2.68 | 2.69 |
| BVPS | 28.13 | 28.07 | 26.73 | 25.29 | 23.72 |
| Sales/share | 48.40 | 49.94 | 51.33 | 52.76 | 53.83 |
| EBITDA/share | 3.43 | 3.28 | 3.39 | 3.42 | 3.44 |
| DPS | 2.57 | 2.31 | 2.48 | 2.64 | 2.70 |
| **Valuation** | | | | | |
| P/E (x) | 26.9 | 31.0 | 15.1 | 14.2 | 13.9 |
| P/BV (x) | 0.95 | 1.01 | 0.55 | 0.59 | 0.62 |
| Dividend yield (%) | 9.43 | 8.18 | 16.76 | 17.81 | 18.22 |
| Divdend payout ratio (%) | 253.56 | 253.56 | 253.56 | 253.59 | 253.61 |

## CP Axtra (CPAXT TB) | THAILAND / SET / COMMERCE

### ESG Analysis

| ESG Assessment | SET ESG | Bloomberg |
|---|---|---|
| **Environment**<br>CP Axtra's most material environmental exposures are energy/refrigerant use across its Makro and Lotus's cold-chain retail network and food waste from perishables. Total Scope 1-2 GHG emissions (market-based) rose to 909,830 tCO2e in 2025 (+5.2% y-y), reversing a 2022-2024 downtrend, driven partly by a 20% jump in refrigerant-related emissions (119,954 tCO2e vs 99,791 in 2024) as the network expanded into Myanmar and Cambodia. Renewable energy share improved to 16.23% of the mix (up from 13.96% in 2024), but overall energy intensity edged up to 13.08 GJ/million THB revenue. On waste, total waste generated rose to 182,122 tons (+5.7% y-y), but the utilization (recycling/reuse) ratio improved sharply to 81.8% from 70.8%, and food waste fell 10.6% y-y to 37,954 tons with the food-waste-utilization ratio jumping to 42.2% from 14.2%, aided by discounted-product programs that now redirect more food than is wasted. Plastic packaging usage fell 25% y-y to 13,773 tons, with recycled content in own packaging rising to 47.1%. | AA | 5.89 |
| **Social**<br>With ~75,200 full-time employees (43:57 male:female) across Thailand, Malaysia, Myanmar and Cambodia, labor and workplace safety are the Company's most material social issues. Voluntary turnover rose to 26.47% in 2025 from 24.10% in 2024, and workplace safety metrics deteriorated: employee LTIFR climbed to 1.57 (from 1.35 in 2022), and employee work-related fatalities rose to 3 in 2025 (plus 2 among contractors) versus 1 (and 1) in 2024 and zero in 2022-2023 — a trend that coincides with, but is not fully explained by, geographic expansion. On the positive side, CP Axtra supported 18,469 SME vendors and 799 farmers directly in 2025, with SME/farmer subsidiary workers reaching 57,446 and vendor workers rising 29% y-y to 102,279, reflecting the Group's stated "Food Security & Access to Nutrition" and responsible supply chain priorities. On data protection — material given its retail POS and loyalty data footprint — the Company reports 100% employee PDPA training completion and 100% internal audit coverage of its privacy compliance program, appointing a dedicated DPO; no specific count of substantiated customer-data complaints (GRI 418-1) was disclosed in the sources reviewed. | | 4.25 |
| **Governance**<br>CP Axtra received an "Excellent" (5-star) Thai IOD Corporate Governance rating and describes itself as a certified CAC (Thailand's Private Sector Collective Action Against Corruption) member, with 100% of board members, executives and employees trained annually on the Code of Conduct and anti-corruption policy, and 100% of whistleblowing cases investigated. A board-level CG & Sustainable Development Committee (chaired by an independent director) oversees compliance, CAC, environment and social-impact sub-committees, and all Code of Conduct complaints are reportedly investigated within two weeks with quarterly reporting to the Audit and Risk Management Committee. Board composition detail (independent director count, major shareholding structure) was not available in the sustainability report/appendix reviewed and would need to be sourced from the 56-1 One Report. | | 4.26 |
| **Overall \| CG Score: Excellent (5-star) \| CAC: Certified** | **AA** | **4.68** |

*SET ESG Rating as of 9 January 2026.*
*Sources: CP Axtra Sustainability Report 2025, CP Axtra Attachment #9 (GRI Performance Data 2022-2025), Globlex Securities Research.*

# 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 (target price* - current price) / 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.