WHA Corporation (WHA TB)

3Q26: Earnings Grow yoy And qoq But Are Below Expectations

Highlights

- WHA reported 3Q26 earnings of Bt766m (+19% yoy, +15% qoq).
- 9M26 land sales accounted for 62% of the full-year target.
- Maintain BUY with an unchanged target price of Bt6.10.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq%	yoy%
Net turnover	2,259	2,501	1,933	-9.7%	16.8%
Gross profit	1,066	1,007	993	5.8%	7.4%
EBIT	611	550	527	11.2%	15.9%
EBITDA	898	821	786	9.3%	14.1%
Net profit	756	659	634	14.6%	19.1%
Core profit	677	602	679	12.5%	-0.2%
Ratio (%)					
Gross margin	47.2%	40.3%	51.3%		
SG&A to sales	20.1%	18.3%	24.1%		
Net profit margin	33.5%	26.4%	32.8%		

Source: WHA Corporation, UOB Kay Hian

Analysis

- **Results missed expectations.** WHA Corporation (WHA) reported 3Q26 net profit of Bt756m (+19% yoy, +15% qoq). However, earnings missed our and consensus forecasts by 15% and 19% respectively. The earnings miss was mainly attributable to lower-than-expected revenue and gross margin.
- **Revenue was up yoy but declined qoq.** Total revenue reached Bt2.26b (+17% yoy, -19% qoq). Revenue improved yoy across all business segments except utilities due to lower capacity charge revenue. Meanwhile, the qoq decline was driven by weaker revenue across all business segments.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	11,334.8	15,264.9	13,364.4	16,543.2	19,038.5
EBITDA	5,065.4	5,964.2	5,518.0	7,204.3	7,899.5
Operating profit	4,150.4	4,935.1	3,835.9	5,459.1	5,974.4
Net profit (rep./act.)	4,359.4	5,135.0	4,145.6	5,361.0	5,635.5
Net profit (adj.)	4,359.4	5,135.0	4,145.6	5,361.0	5,635.5
EPS	0.3	0.3	0.3	0.4	0.4
PE (x)	17.5	14.8	18.4	14.2	13.5
P/B (x)	2.2	2.1	2.0	1.9	1.8
EV/EBITDA (x)	21.8	19.0	19.2	14.9	13.9
Dividend yield (%)	3.7	4.1	3.3	4.4	4.6
Net margin (%)	38.5	33.6	31.0	32.4	29.6
Net debt/(cash) to equity(%)	88.4	89.8	66.3	65.6	66.8
Interest cover (x)	47.2	9.2	22.1	21.8	21.3
Consensus net profit	n.a	n.a	5,014.5	5,587.7	5,558.5
UOBKH/Consensus (x)	n.a	n.a	0.8	1.0	1.0

Source: WHA Corporation, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt5.10
Target Price	Bt6.10
Upside	19.61%

Stock Data

Sector	Real Estate
Bloomberg ticker	WHA TB
Shares issued (m)	14,946.8
Market cap (Btm)	75,481.5
Market cap (US$m)	2,235.0
3-mth avg daily t'over (US$m)	15.8

Price Performance (%)

52-week high/low				Bt5.4/Bt3.1
1mth	3mth	6mth	1yr	YTD
1.0	5.2	13.7	58.8	54.0

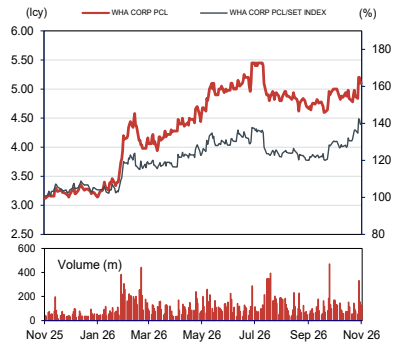
Major Shareholders (%)

Miss Jareeporn Jarukornsakul	23.49
Miss Chatchamol Anantaprayoon	9.07

Balance Sheet Metrics

FY26 NAV/Share (Bt)	2.6
FY26 Net Debt/Share (Bt)	1.7

Price Chart



Source: Bloomberg

Company Description

WHA is one of Thailand's leaders in integrated logistics services, operating through five core business units: Logistics, industrial development, utilities and power, and digital and mobility. The company operates in Thailand and Southeast Asia.

- **Industrial estate revenue grew yoy but declined qoq.** Revenue from industrial land sales reached Bt569m (+55% yoy, -5% qoq). The strong yoy growth was supported by land transfers at Eastern Seaboard Industrial Estate 5 (ESIE5). Meanwhile, the qoq decline reflected a high base from substantial land transfers at WHA Industrial Estate Rayong (WHAIER) in 2Q26. During the quarter, WHA transferred approximately 160 rai of land, comprising 147 rai in Thailand and 13 rai in Vietnam.
- **Land sales reached 62% of the full-year target.** Land sales continued to gain momentum in 3Q26, reaching 346 rai (+125% yoy, +40% qoq). This brought total land sales in 9M26 to 1,545 rai, representing 62% of the company's full-year target of 2,500 rai.
- **Recurring income accounted for 63% of total revenue.** Recurring income reached Bt1.5b in 3Q26, representing approximately 63% of total revenue. We expect its contribution to decline in 4Q26 due to higher revenue from land transfers. For 2026, we expect a balanced revenue contribution between recurring and non-recurring businesses.
- **Gross margin improved qoq.** Gross profit margin increased to 47.2% in 3Q26 from 40.3% in 2Q26, driven by stronger margins in the industrial estate business. However, gross margins in the utilities and power businesses declined qoq due to higher gas costs.
- **Stable interim dividend payment.** WHA announced an interim dividend of Bt0.0669/share, implying a dividend yield of 1.3%. The ex-dividend date is scheduled for 26 Nov 26, with payment on 11 Dec 26.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt6.10.** Our target price is based on the SOTP methodology. We value its core businesses (industrial development and logistics) at Bt7.05/share, with industrial development valued at 14.6x 2027F PE (+1SD to the industrial development historical average) and the logistics business valued using GNAV with a logistics and warehouse capitalisation rate of 8%, in line with Thailand's warehouse industry average. Meanwhile, investments in associates are valued at Bt1.93/share based on 16x 2027F PE (-0.5SD to the utility and power business).
- In addition, the approval of data centre regulations should ease regulatory uncertainty and accelerate discussions among customers.

Earnings Revision/Risk

- We revised our 2026 earnings forecast by 15% following the weaker-than-expected 3Q26 results. Meanwhile, we fine-tuned our 2027-28 earnings forecasts by 1.7% and 1.9% respectively. We expect WHA's earnings outlook to improve from 2027 onwards, supported by higher industrial land selling prices and easing margin pressure from lower-margin land transfers.

Share Price Catalyst

- a) Higher-than-expected land presales volume, and b) continued FDI momentum driven by the relocation theme.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AAA

Environmental

- Focuses on conducting business operations in harmony with surrounding communities and the environment, with an emphasis on sustainability.

Social

- Starting to integrate the vision of "Future of Work" into its workforce strategy, to be inclusive, and to develop employees both personally and professionally, as well as prepare them for future challenges.

Governance

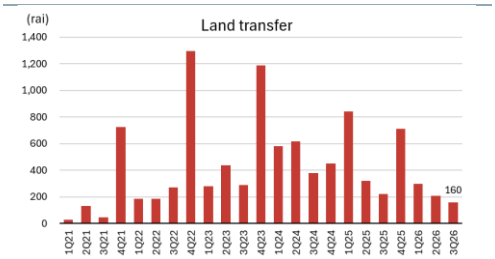
- Transparency, accountability, responsibility, and fairness serve as the foundation for the development of core corporate governance principle.

Land Sales



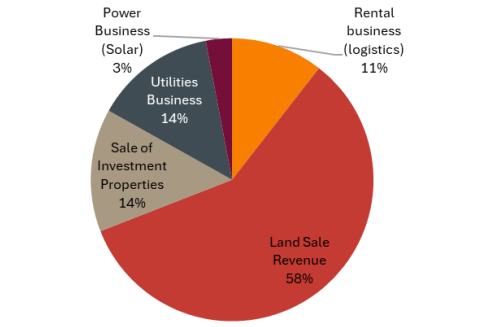
Source: WHA, UOB Kay Hian

Land Transfer



Source: WHA, UOB Kay Hian

Revenue Breakdown



Source: WHA, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**15,265**	**13,364**	**16,543**	**19,038**
EBITDA	5,964	5,518	7,204	7,900
Deprec. & amort.	1,029	1,682	1,745	1,925
EBIT	4,935	3,836	5,459	5,974
Associate contributions	1,800	835	1,135	912
Net interest income/(expense)	(646)	(250)	(330)	(370)
Pre-tax profit	**6,089**	**4,421**	**6,264**	**6,516**
Tax	(553)	(463)	(438)	(456)
Minorities	(401)	(550)	(464)	(424)
Net profit	**5,135**	**4,146**	**5,361**	**5,636**
Net profit (adj.)	5,135	4,146	5,361	5,636

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	25,456	25,641	26,410	26,998
Other LT assets	50,524	50,524	50,524	50,524
Cash/ST investment	3,561	9,645	8,012	9,098
Other current assets	21,863	17,621	21,479	26,564
Total assets	**101,404**	**103,432**	**106,425**	**113,184**
ST debt	1,150	1,150	1,150	1,150
Other current liabilities	16,653	17,987	19,028	20,222
LT debt	35,563	34,063	33,513	36,513
Other LT liabilities	7,439	7,439	7,439	7,439
Shareholders' equity	36,911	38,555	40,592	42,734
Minority interest	3,689	4,239	4,703	5,127
Total liabilities & equity	**101,404**	**103,432**	**106,425**	**113,184**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**(537)**	**11,953**	**4,754**	**4,094**
Pre-tax profit	6,089	4,421	6,264	6,516
Tax	(553)	(463)	(438)	(456)
Deprec. & amort.	1,029	1,682	1,745	1,925
Working capital changes	(6,369)	5,575	(2,816)	(3,891)
Non-cash items	(342)	0	0	0
Other operating cashflows	(391)	737	0	0
Investing	**(1,878)**	**(1,867)**	**(2,514)**	**(2,514)**
Capex (growth)	(1,570)	(1,867)	(2,514)	(2,514)
Investments	(230)	0	0	0
Others	(78)	0	0	0
Financing	**(2,201)**	**(4,001)**	**(3,874)**	**(494)**
Dividend payments	(2,849)	(2,501)	(3,324)	(3,494)
Issue of shares	0	0	0	0
Proceeds from borrowings	929	(1,500)	(550)	3,000
Loan repayment	(207)	0	0	0
Others/interest paid	(73)	0	0	0
Net cash inflow (outflow)	**(4,616)**	**6,085**	**(1,634)**	**1,086**
Beginning cash & cash equivalent	**8,176**	**3,561**	**9,645**	**8,012**
Ending cash & cash equivalent	**3,561**	**9,645**	**8,012**	**9,098**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	39.1	41.3	43.6	41.5
Pre-tax margin	39.9	33.1	37.9	34.2
Net margin	33.6	31.0	32.4	29.6
Growth				
Turnover	60.4	40.5	73.9	100.1
EBITDA	81.7	68.1	119.5	140.7
Pre-tax profit	48.9	8.1	53.2	59.3
Net profit	57.2	26.9	64.1	72.5
Net profit (adj.)	17.8	(19.3)	29.3	5.1
EPS	50.7	21.6	57.3	65.3
Leverage				
Debt to total capital	90.4	82.3	76.5	78.7
Debt to equity	99.5	91.3	85.4	88.1
Net debt/(cash) to equity	89.8	66.3	65.6	66.8
Interest cover	9.2	22.1	21.8	21.3

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