Berli Jucker (BJC TB)

3Q26: Results In Line; BigC And MMVN Driving Growth

Highlights

- BJC's 3Q26 core profit came in at Bt1.27b, up 36% yoy, in line with our forecast. Modern retail was the key earnings driver, with both Big C and MMVN showing a recovery
- We expect core profit to grow 21% yoy in 2027, driven primarily by Big C's earnings recovery following cost reduction initiatives. Full-year consolidation of MMVN will provide an additional earnings boost.
- Maintain BUY with a target price of Bt24.50, based on 2027F PE of 17x.

3Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q25	2Q26	yoy (%)	qoq (%)
Sales and services	**41,307**	**43,744**	**44,098**	**6.8**	**0.8**
Sales - Packaging	5,654	7,452	7,196	27.3	(3.4)
Sales – Consumer	5,552	5,670	5,880	5.9	3.7
Sales – HTSC	2,037	2,215	2,056	0.9	(7.2)
Sales – Modern retail	28,619	28,928	29,488	3.0	1.9
Sales – Other	(499)	(521)	(522)	4.6	0.2
Gross profit	**8,069**	**8,822**	**8,415**	**4.3**	**(4.6)**
SG&A	(8,472)	(8,876)	(8,913)	5.2	0.4
Other income	3,106	5,228	4,468	43.9	(14.5)
Interest expense	(1,451)	(1,375)	(1,370)	(5.6)	(0.4)
Net profit	637	2,882	1,806	183.7	(37.3)
Core profit	**639**	**1,273**	**869**	**36.1**	**(31.7)**
Gross margin	19.5	20.2	19.1	(0.45)	(1.08)
SG&A to sales	20.5	20.3	20.2	(0.30)	(0.08)

Source: Berli Jucker, UOB Kay Hian

Analysis

- **Results in line.** Berli Jucker (BJC) reported 3Q26 core profit of Bt869m (+36% yoy, -32% qoq), in line with our and consensus estimates. Modern retail was the key earnings driver, with both Big C and MMVN showing a recovery, while non-retail businesses remained subdued. Sales grew 7% yoy, mainly driven by the consolidation of MMVN. Gross margin declined 45bps yoy to 19.1%, pressured by weaker margins in non-retail businesses. However, SG&A-to-sales improved by 30bps yoy, reflecting effective cost control, while interest expenses decreased 5% yoy. Overall, 3Q26 results were largely in line with expectations, with no major surprises.

Key Financials

Year to 31 Dec (Bt m)	2024	2025	2026F	2027F	2028F
Net turnover	170,814	166,542	195,807	196,127	200,836
EBITDA	22,292	21,005	25,837	23,546	23,777
Operating profit	12,904	11,795	15,995	13,652	13,822
Net profit (rep./act.)	4,001	4,011	7,170	5,763	5,898
Net profit (adj.)	4,771	4,373	4,747	5,763	5,898
EPS	1.0	1.0	1.8	1.4	1.5
PE (x)	16.9	18.4	17.0	14.0	13.7
P/B (x)	0.7	0.7	0.6	0.6	0.6
EV/EBITDA (x)	10.9	11.6	9.2	10.0	9.8
Dividend yield (%)	3.5	2.5	4.5	3.6	3.7
Net margin (%)	2.3	2.4	3.7	2.9	2.9
Net debt/(cash) to equity(%)	129.9	129.6	118.5	114.4	109.8
Interest cover (x)	4.0	3.9	4.8	4.3	4.4
ROE (%)	3.2	3.2	5.5	4.3	4.3
Consensus net profit	n.a.	n.a.	5,393	4,843	5,210
UOBKH/Consensus (x)	n.a.	n.a.	1.3	1.2	1.1

Source: Berli Jucker, Bloomberg, UOB Kay Hian

Analyst(s)

Tanapon Cholkadidamrongkul
Tanapon.c@uobkh.co.th
662 090 3359

BUY (Maintained)

Share Price	Bt19.00
Target Price	Bt24.50
Upside	28.95%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	BJC TB
Shares issued (m)	4,007.8
Market cap (Btm)	72,140.3
Market cap (US$m)	2,166.5
3-mth avg daily t'over (US$m)	5.1

Price Performance (%)

52-week high/low				Bt20.5/Bt13.3
1mth	3mth	6mth	1yr	YTD
7.8	24.1	26.8	(11.3)	25.0

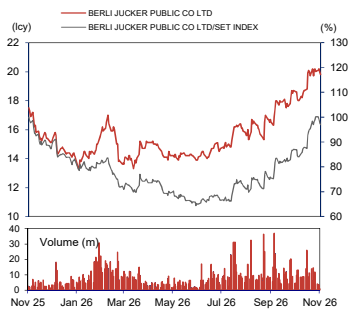
Major Shareholders (%)

TCC Corporation	45.68
TCC Holding (1995)	29.32
RAFFLES NOMINEES (PTE) LIMITED	4.07

Balance Sheet Metrics

FY26 NAV/Share (Bt)	n.a
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

Berli Jucker Pcl (BJC) is a conglomerate that operates in: a) packaging supply chain, b) consumer supply chain, c) healthcare and technical supply chains, and d) modern retail supply chain..

Essential

- **Packaging supply chain.** Sales grew strongly by 27.3% yoy to Bt7,196m, driven by both glass (+27.8%) and aluminium can (+26.8%). Glass growth was supported by stronger third-party customer demand and consolidation of overseas operations, while aluminium can benefitted from domestic market share gains and continued strong export sales. However, gross margin declined 229bps yoy to 20.9% due to higher utility costs and a greater contribution from the lower-margin overseas glass business.
- **Consumer supply chain.** Sales increased 5.9% yoy to Bt5,880m, driven by strong non-foods growth (+18.4% yoy), particularly tissues, alongside foods growth of 4.0% yoy from continued demand for snacks and new product launches. However, gross margin declined to 18.7% due to higher raw material and packaging costs, as well as an unfavourable sales mix.
- **Healthcare and technical supply chain.** Sales grew slightly by 0.9% yoy to Bt2,056m, mainly supported by strong specialty division sales and a return to positive growth in pharmaceutical sales, but partly offset by weak medical equipment sales due to delayed government budget spending. Gross margin declined 88bps yoy to 34.5%, mainly due to an unfavourable sales mix.
- **Modern retail supply chain**. Sales increased 3.0% yoy to Bt29,488m, supported by consolidated SSSG of +2.7%, with BigC's SSSG turning slightly positive and MMVN's SSSG maintaining double-digit yoy growth. Food sales remained solid while non-food sales continued to improve, alongside higher rental and service income from occupancy reaching 92.5%. Gross margin expanded 57bps yoy to 17.6%, driven by a better sales mix, lower coupon expenses, and improved stock loss control.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt24.50**. We peg our target price to a 2027F PE of 17x, equivalent to -1.0SD to peers' five-year averages.
- **2027 will be a stronger year.** We expect core profit to grow 21% yoy in 2027, driven primarily by Big C's earnings recovery following cost reduction initiatives, which are expected to deliver annual savings of Bt500m–600m. The full-year consolidation of MMVN will provide an additional earnings boost.

Earnings Revision/Risk

- **Fine-tune earnings.** We fine-tune our earnings forecasts, lowering 2026 net profit estimate by 1% while raising 2027 net profit forecast by 1%.

Environment, Social, Governance (ESG) Updates

CG Report: 5, SET ESG Rating: AA

Environmental

- BJC aims to become a net zero company by 2050. It is committed to developing the business to be sustainable in accordance with sustainable development frameworks, to comply with Sustainable Development Goals.

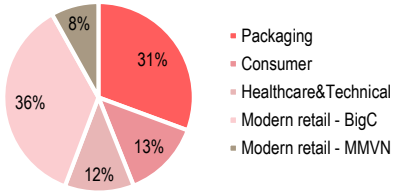
Social

- The company emphasises business operations with social responsibility in every operation by treating every stakeholder with respect for human rights as a basis, emphasises fair and equal treatment of workers, and strictly complies with relevant laws.

Governance

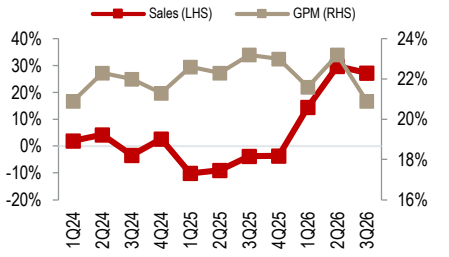
- BJC is committed to operating its business in accordance with good corporate governance policy and management excellence. BJC received the "Excellent" rating on good corporate governance from the Thai Institute of Directors.

Estimated 2026 EBIT Contribution Before Inter-company Transactions



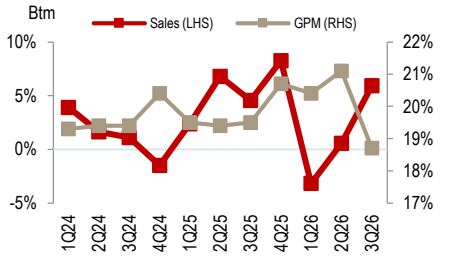
Source: UOB Kay Hian

Packaging Supply Chain



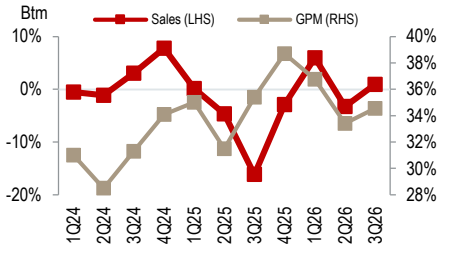
Source: UOB Kay Hian

Consumer Supply Chain



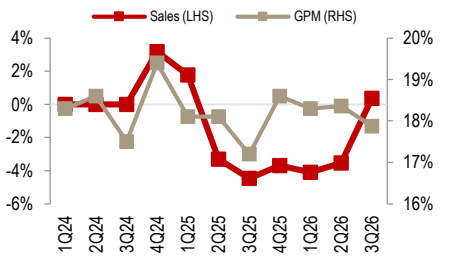
Source: UOB Kay Hian

Healthcare and Technical



Source: UOB Kay Hian

Big C



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**166,542**	**195,807**	**196,127**	**200,836**
EBITDA	21,005	25,837	23,546	23,777
Deprec. & amort.	9,209	9,841	9,894	9,954
EBIT	11,795	15,995	13,652	13,822
Total other non-operating income	-	-	-	-
Associate contributions	100	130	139	146
Net interest income/(expense)	(5,345)	(5,429)	(5,415)	(5,422)
Pre-tax profit	**6,440**	**10,696**	**8,375**	**8,546**
Tax	(1,527)	(2,219)	(1,812)	(1,848)
Minorities	(903)	(1,307)	(800)	(800)
Net profit	**4,011**	**7,170**	**5,763**	**5,898**
Net profit (adj.)	4,373	4,747	5,763	5,898

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	285,312	285,544	286,012	286,807
Other LT assets	2,492	3,168	3,194	3,208
Cash/ST investment	4,133	29,752	32,478	35,103
Other current assets	39,944	46,576	47,606	48,724
Total assets	**334,491**	**367,701**	**372,006**	**376,616**
ST debt	34,544	23,540	23,540	23,540
Other current liabilities	58,718	53,132	54,044	55,007
LT debt	125,478	154,856	154,856	154,856
Other LT liabilities	11,710	14,695	15,178	15,064
Shareholders' equity	126,616	133,049	135,959	139,720
Minority interest	6,292	7,599	8,399	9,199
Total liabilities & equity	**334,490**	**367,701**	**372,006**	**376,616**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**19,959**	**20,316**	**19,550**	**19,708**
Pre-tax profit	6,440	10,696	8,375	8,546
Tax	(1,527)	(2,219)	(1,812)	(1,848)
Deprec. & amort.	9,209	9,841	9,894	9,954
Working capital changes	1,138	(1,030)	(168)	(178)
Non-cash items	1,487	(183)	50	24
Other operating cashflows	3,210	3,210	3,210	3,210
Investing	**(8,905)**	**(11,027)**	**(13,170)**	**(14,146)**
Capex (growth)	(10,137)	(10,073)	(10,362)	(10,749)
Investments	21	(52)	(55)	(58)
Others	1,210	(902)	(2,752)	(3,339)
Financing	**(11,738)**	**16,330**	**(3,654)**	**(2,937)**
Dividend payments	(3,444)	(2,044)	(3,654)	(2,937)
Issue of shares	-	-	-	-
Proceeds from borrowings	(1,007)	18,374	-	-
Others/interest paid	(7,287)	-	-	-
Net cash inflow (outflow)	**(684)**	**25,619**	**2,726**	**2,625**
Beginning cash & cash equivalent	5,144	4,133	29,752	32,478
Ending cash & cash equivalent	4,460	29,752	32,478	35,103

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	12.6	13.2	12.0	11.8
Pre-tax margin	3.9	5.5	4.3	4.3
Net margin	2.4	3.7	2.9	2.9
ROE	3.2	5.5	4.3	4.3
Growth				
Net profit (adj.)	(8.3)	8.6	21.4	2.3
Leverage				
Debt to total capital	126.4	134.1	131.2	127.7
Debt to equity	133.0	142.2	139.9	136.7
Net debt/(cash) to equity	129.6	118.5	114.4	109.8
Interest cover	3.9	4.8	4.3	4.4

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at this link or by scanning the QR code below:

The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full."