WHA Corporation (WHA TB)

2Q26 Results Preview: Data Centre Demand and Investment Pipeline Remain Robust

Highlights

- We expect WHA to report 2Q26 core earnings of Bt1.19b (+2% yoy, +54% qoq).
- The industrial estate market remains solid, supported by strong momentum from data centre demand, while investment from high-potential industries and strategic investor groups continues to flow in.
- Maintain BUY with a higher target price of Bt6.30 (previously Bt5.00).

2Q26 Results Preview

Year to 31 Dec (Btm)	2Q26F	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Net turnover	3,356	3,166	3,333	6.0%	0.7%
Gross profit	1,629	1,586	1,576	2.7%	3.4%
EBIT	1,197	1,092	1,058	9.6%	13.1%
EBITDA	1,618	1,352	1,315	19.6%	23.0%
Net profit	1,186	1,508	980	-21.3%	21.0%
Core profit	1,186	771	1,164	53.9%	1.9%
Ratio (%)					
Gross margin	48.5%	50.1%	47.3%	n.a.	n.a.
SG&A to sales	12.9%	15.6%	15.5%	n.a.	n.a.
Net profit margin	35.3%	47.6%	29.4%	n.a.	n.a.

Source: WHA Corporation, UOB Kay Hian

Analysis

- **Earnings momentum continues.** We expect WHA Corporation (WHA) to report 2Q26 core earnings of Bt1.19b (+2% yoy, +54% qoq). The slight yoy improvement is driven by higher revenue across all business segments, while the strong qoq growth is mainly attributable to the rebound in the power business following the loss incurred from the GHECO-One shutdown in 1Q26.
- **Revenue to increase yoy and qoq.** We expect revenue to come in at Bt3.3b (+0.7% yoy, +6.0% qoq), supported by higher revenue from the industrial estate business on the back higher land transfers, together with stronger utility revenue driven by higher sales volumes.
- **Gross margin to decline qoq.** We expect gross margin to ease from 50.1% in 1Q26 to 48.5% in 2Q26 due to higher contribution from land transfers from WHA Industrial Estate Rayong (WHAIER), for which management guided would account for around two-thirds of total land transfers in the quarter. We forecast total land transfers of 304 rai, comprising 190 rai from WHA IER and 114 rai from company-owned land.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	11,334.8	15,264.9	16,328.7	18,079.3	19,852.6
EBITDA	5,065.4	5,964.2	7,031.6	7,644.4	8,563.0
Operating profit	4,150.4	4,935.1	5,349.6	5,899.2	6,637.9
Net profit (rep./act.)	4,359.4	5,135.0	5,506.4	5,723.2	6,272.7
Net profit (adj.)	4,359.4	5,135.0	5,506.4	5,723.2	6,272.7
EPS	0.3	0.3	0.4	0.4	0.4
PE (x)	18.7	15.9	14.8	14.2	13.0
P/B (x)	2.3	2.2	2.1	2.0	1.9
EV/EBITDA (x)	22.9	19.8	16.0	14.9	13.4
Dividend yield (%)	3.5	3.9	4.1	4.4	4.8
Net margin (%)	38.5	33.6	33.7	31.7	31.6
Net debt/(cash) to equity(%)	88.4	89.8	68.2	67.3	65.3
Interest cover (x)	47.2	9.2	23.6	22.0	18.3
Consensus net profit	n.a	n.a	5,131.5	5,378.7	5,654.7
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.1

Source: WHA Corporation, Bloomberg, UOB Kay Hian

BUY (Maintained)	
Share Price	Bt5.45
Target Price	Bt6.30
Upside	15.60%
Previous TP	Bt5.00

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Stock Data

GICS sector	Real Estate
Bloomberg ticker:	WHA TB
Shares issued (m):	14,946.8
Market cap (Btm):	66,364.0
Market cap (US$m):	2,026.8
3-mth avg daily t'over (US$m):	17.2

Price Performance (%)

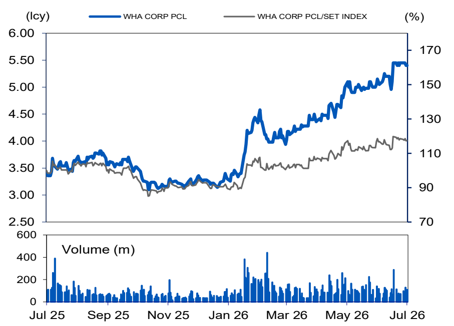
52-week high/low: Bt4.6/Bt2.8

1mth	3mth	6mth	1yr	YTD
5.2	30.6	43.2	44.2	35.4

Major Shareholders	%
Miss Jareeporn Jarukornsakul	23.49
Miss Chatchamol Anantaprayoon	9.07
Thai NVDR	7.60

Balance Sheet Metrics	%
FY26 NAV/Share (Bt)	2.6
FY26 Net Debt/Share (Bt)	1.8

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.

- **1H26 land sales accounts for more than half of full-year target.** Management guided that Thailand land sales accounted for approximately half of its 2,300 rai full-year target in 1H26. We expect 2Q26 land sales to come in at 385 rai, comprising 339 rai in Thailand and 46 rai in Vietnam. Bookings during the quarter were mainly from small- to medium-sized customers rather than data centres, including manufacturers of electrical appliances, and auto parts. Despite softer land transfers in Vietnam, we expect momentum to accelerate in 2H26 as the Thanh Hoa project progresses. Meanwhile, a data centre transaction of 100-150 rai was delayed to 3Q26 due to the approval process. Nevertheless, given the strong sales pipeline, management maintains its 2026 land sales target.
- **Recurring income remains supported by utility business.** Utility sales volume continued to benefit from strong demand following the Middle East conflict, with momentum extending from 1Q26 into 2Q26 across multiple products and customer segments. Management expects utility demand in Thailand to remain solid, while the Vietnam utility business has returned to normal after weakening in 1Q26. The company also recognised capacity charge income in 2Q26, although management indicated it would be lower than the Bt84m recorded in 2Q25. Capacity charge income is expected to increase again in 3Q26.
- **Solid investment momentum continued.** Management remains optimistic on the investment pipeline, with demand from data centre operators continuing to strengthen. Discussions with investors in high-growth industries, including semiconductors and robotics, are also progressing well. In addition, management has started to see interest from investors seeking to diversify or relocate operations from the Gulf states. We believe Thailand is well positioned to attract data centre investments from this region, given the industry's rapid expansion and the opportunity for Gulf-based operators to establish a regional presence.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt6.30 (previously Bt5.00).** Our target price is based on the SOTP methodology. We value its core businesses (industrial land development and logistics) at Bt7.61 per share. The industrial estate business is based on 2026F PE of 17x while the logistics business is based on the GNAV method. Meanwhile, its investments in associate companies are valued at Bt1.86 per share. We expect land sales momentum to continue through 2026-28, supported by government initiatives, BOI incentives, and rising demand from the expanding AI ecosystem, including data centre operators, semiconductor companies, and other high-tech manufacturers.

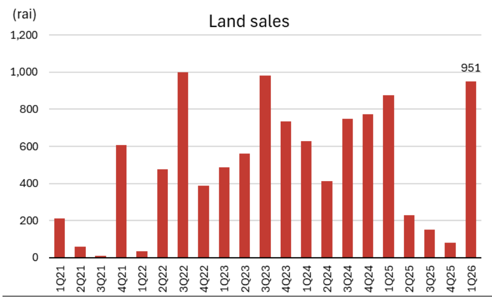
Earnings Revision/Risk

- We revised 2026-28 earnings up by 5.8%, 4%, 3.8% respectively to reflect higher land transfer assumptions, improved gross margin, and stronger recurring income.

Share Price Catalyst

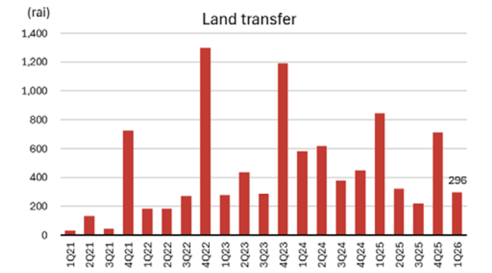
- a) Higher-than-expected land presales volume, b) continued FDI momentum driven by the relocation theme.

Land Sales



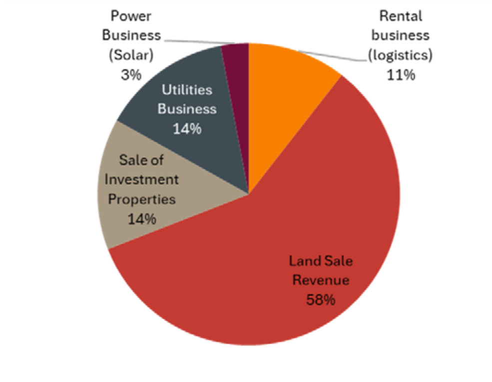
Source: WHA, UOB Kay Hian

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	16,329	18,079	19,853
EBITDA	5,964	7,032	7,644	8,563
Deprec. & amort.	1,029	1,682	1,745	1,925
EBIT	4,935	5,350	5,899	6,638
Associate contributions	1,800	701	1,135	912
Net interest income/(expense)	(646)	(297)	(347)	(468)
Pre-tax profit	6,089	5,753	6,687	7,082
Tax	(553)	(533)	(524)	(416)
Minorities	(401)	(452)	(440)	(394)
Net profit	5,135	5,506	5,723	6,273
Net profit (adj.)	5,135	5,506	5,723	6,273

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	8,568	6,890	9,167
Other current assets	21,863	19,651	23,761	27,501
Total assets	101,404	104,384	107,585	114,190
ST debt	1,150	1,150	1,150	1,150
Other current liabilities	16,653	18,497	19,634	20,461
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	39,095	41,270	43,653
Minority interest	3,689	4,140	4,580	4,974
Total liabilities & equity	101,404	104,384	107,585	114,190

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	(537)	11,696	4,935	5,679
Pre-tax profit	6,089	5,753	6,687	7,082
Tax	(553)	(533)	(524)	(416)
Deprec. & amort.	1,029	1,682	1,745	1,925
Working capital changes	(6,369)	4,056	(2,973)	(2,912)
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)	(4,822)	(4,098)	(889)
Dividend payments	(2,849)	(3,322)	(3,548)	(3,889)
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)	5,007	(1,677)	2,276
Beginning cash & cash equivalent	8,176	3,561	8,568	6,890
Ending cash & cash equivalent	3,561	8,568	6,890	9,167

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	39.1	43.1	42.3	43.1
Pre-tax margin	39.9	35.2	37.0	35.7
Net margin	33.6	33.7	31.7	31.6
Growth				
Turnover	60.4	71.6	90.0	108.7
EBITDA	81.7	114.2	132.9	160.9
Pre-tax profit	48.9	40.7	63.5	73.2
Net profit	57.2	68.6	75.2	92.0
Net profit (adj.)	17.8	7.2	3.9	9.6
EPS	50.7	61.5	67.9	84.0
Leverage				
Debt to total capital	90.4	81.4	75.6	77.4
Debt to equity	99.5	90.1	84.0	86.3
Net debt/(cash) to equity	89.8	68.2	67.3	65.3
Interest cover	9.2	23.6	22.0	18.3