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CreditUpdate เครดิตวาระ
New Issue Report

CENTRAL RETAIL CORPORATION PLC

No. 114/2025
7 October 2025

CORPORATES

Company Rating: AA-
Issue Ratings:
Senior unsecured AA-
Outlook: Stable

Last Review Date: 08/08/25

Company Rating History:

Date	Rating	Outlook/Alert
01/09/23	AA-	Stable

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RATIONALE

TRIS Rating assigns a rating of "AA-" to Central Retail Corporation PLC's (CRC) proposed issue of up to THB7.5 billion senior unsecured debentures due within five years. The company intends to use proceeds from the new debenture issuance for debt refinancing, funding investments, and/or for working capital needs. At the same time, TRIS Rating affirms the company rating on CRC and the ratings on its outstanding senior unsecured debentures at "AA-", with a "stable" rating outlook.

The ratings continue to reflect the company's proven track record in the retail industry, underpinned by its strong market presence and leading competitive position. The company's key strengths are in its extensive store network, a portfolio of widely recognized brands, well-established supporting infrastructure, and consistently sound operating performance. However, these strengths are weighed by intense industry competition, as well as challenges posed by a fragile economic environment and weak consumer spending.

CRC's operating performance in the first half of 2025 was broadly in line with our expectations. The company reported total operating revenue of THB131.8 billion, supported mainly by growth in its food business. Its EBITDA amounted to THB16.5 billion, with an EBITDA margin of 12.5%.

As of June 2025, CRC's adjusted net debt, including lease-related financial liabilities, totaled about THB142.7 billion. The debt to EBITDA ratio, calculated on a trailing 12-month basis, stood at 4.2 times, while the funds from operations (FFO) to debt ratio was around 19%, reflecting a moderate level of financial leverage.

We assess CRC's liquidity as adequate over the next 12 months. As of June 2025, CRC held THB10.4 billion in cash and cash equivalents, along with about THB38 billion in undrawn uncommitted credit facilities from several banks. We project FFO of nearly THB27 billion over the next 12 months. These sources of funds are expected to cover planned capital expenditures of about THB17.5 billion in 2025 and long-term debt and lease obligations totaling nearly THB21.7 billion due within the next 12 months, as well as around THB49 billion in short-term bank loans. Given CRC's credit standing, we expect the company to continue receiving support from banks in rolling over its short-term borrowings. As of June 2025, CRC's priority debt ratio remained low at around 8% of total debt.

Recently, CRC's board of directors has approved the disposal of its Rinascente department store business in Italy to its major shareholder Harng Central Department Store Co., Ltd. (HCDS) for the pre-tax proceeds about THB14.7 billion. The proposed disposal aligns with CRC's strategy to focus on Thailand and Vietnam to maximize benefits in the high-growth markets. Expected net proceeds after tax from the transaction of about THB13.0 billion will go towards debt repayment of around THB5.3 billion and a special dividend payment of about THB7.7 billion. In our assessment, the divestment will provide modest deleveraging benefits, although revenue and profit contributions from the company's Italian operations will cease from 2026 upon shareholder's approval. An extraordinary general meeting of shareholders (EGM) is scheduled on 6 November 2025. Overall, we do not expect the transaction to have material impact on CRC's financial profile.

RATING OUTLOOK

The "stable" outlook reflects our expectation that CRC will be able to maintain its leading position in the Thai retail market while achieving growth aligned with overall market trends. We expect its financial position and operating performance to remain in line with our forecasts.

RATING SENSITIVITIES

The ratings and/or outlook could be revised upward if the company's capital structure improves significantly, with the debt to EBITDA ratio remaining below 2.5 times on a sustained basis. Conversely, the ratings could be downgraded if CRC's operating performance deteriorates significantly, resulting in an adjusted debt to EBITDA ratio exceeding 5 times for an extended period. Any large debt-funded investment and/or acquisitions that materially weaken the company's balance sheet could also pressure the ratings.

RELATED CRITERIA

- Issue Rating Criteria, 26 December 2024
- Corporate Rating Methodology, 15 July 2022
- Key Financial Ratios and Adjustments for Corporate Issuers, 11 January 2022

Central Retail Corporation PLC (CRC)

Company Rating:	AA-
Issue Ratings:	
CRC26NA: THB5,700 million senior unsecured debentures due 2026	AA-
CRC28NA: THB1,000 million senior unsecured debentures due 2028	AA-
CRC30NA: THB300 million senior unsecured debentures due 2030	AA-
Up to THB7,500 million senior unsecured debentures due within 5 years	AA-
Rating Outlook:	Stable

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