Central Retail Corporation PLC

Corporate | Retailers

6 August 2026

Issuer Credit Rating: AA-/Stable

Issue Ratings:

Senior Unsecured: AA-/Stable

Rating Action

TRIS Rating affirms the issuer credit rating on Central Retail Corporation PLC (CRC) and the ratings on CRC's senior unsecured debentures at "AA-", with a "Stable" rating outlook. The ratings reflect the company's strong and well-established position in the retail industry, supported by its proven operating track record, extensive store network, and portfolio of widely recognized brands. The ratings also consider CRC's sound ecosystem and operating performance. These strengths are partially offset by intense competition in the retail sector, as well as external headwinds stemming from macroeconomic uncertainty and subdued consumer confidence, which may continue to weigh on same-store sales growth (SSSG).

Key Rating Considerations

Extensive retail network and strong multi-format expertise

CRC's strong business profile is anchored by its leading position in the Thai retail market, extensive store network, as well as diversified presence across multiple retail formats and geographic markets. As of March 2026, the company operated more than 2,000 stores across a broad range of retail segments, including food, fashion, and hardline categories. Its presence in Vietnam's retail market has further enhanced geographic diversification. In 2025, CRC generated total operating revenue of THB246.1 billion, reflecting its large scale in the retail market.

The company has a long and proven track record in managing a wide range of retail formats, including department stores, supermarkets, hypermarkets, home improvement stores, and specialized retail outlets. This diversified platform enables CRC to respond effectively to changing consumer preferences and evolving market dynamics.

During 2025-2026, CRC streamlined its business portfolio and improved capital allocation. The company divested its Rinascente department store business in Italy at the end of 2025 as well as its Nguyen Kim (NK) electrical appliance business in Vietnam in April 2026. These transactions are expected to sharpen the company's strategic focus by reallocating resources to improve operational efficiency, support expansion, and enhance returns from its core businesses in Thailand and Vietnam, while strengthening its ability to capture growth opportunities in Southeast Asia.

Food business to remain a key growth driver

In 2025, CRC reported total sales of THB219.1 billion, up 1% year-on-year (y-o-y). Sales continued to improve in the first quarter of 2026, increasing by 1.5% y-o-y to THB59.6 billion. Growth was primarily driven by the food business, which remained the company's largest revenue contributor, accounting for 44%-48% of total sales. The segment maintained positive momentum, supported by 2% SSSG in the first quarter of 2026, while the fashion and hardline segments continued to record negative SSSG amid weak consumer sentiment and cautious discretionary spending.

During 2026-2028, we expect CRC's total sales to grow at a low- to mid-single-digit annual rate, with the food business remaining the primary growth driver. Despite macroeconomic uncertainty, geopolitical risks, and weak purchasing power, the food segment should continue generating low-single-digit SSSG, supported by the nondiscretionary nature of its products and their essential role in consumers' daily lives. The company's new food wholesale business is also expected to continue expanding, driven by the growth of existing stores and new store openings, which will further contribute to overall growth.

Meanwhile, subdued consumer confidence is likely to continue weighing on demand for fashion and hardline products, resulting in soft SSSG over the forecast period. Nevertheless, growth should be supported by continued store expansion, broader market penetration, and ongoing initiatives to enhance product offerings and customer engagement.

Leading position in department store segment

CRC remains the leader in Thailand's department store sector, supported by the country's largest nationwide network. As of March 2026, the company operated 75 department stores as well as more than 500 fashion and lifestyle specialty stores nationwide. In 2025, the fashion segment reported sales of THB49.7 billion, reflecting the company's large scale and strong market presence.

The company's competitive strengths are supported by its portfolio of well-maintained department stores and shopping malls, strategically located in prime retail areas, as well as its established department store brands, including Central and Robinson. In addition, the company continues to invest in store renovations and asset enhancement initiatives to improve customer experience and maintain the competitiveness of its network.

Rental and service income to continue growing

Beyond its retail operations, the company's property platform provides an additional source of recurring income and stable cash flow. As of March 2026, the company had a net leasable area of 0.79 million square meters and maintained a healthy occupancy rate of 90%. Rental and service income amounted to THB2.3 billion in the first quarter of 2026.

Over the next three years, we expect CRC's rental and service income to continue growing steadily. Growth is expected to be underpinned by ongoing tenant mix optimization, store layout reconfiguration, expansion of tenant offerings, and the development of new shopping malls. In addition, rental space renovations completed over the past year should further enhance performance through improved space utilization and stronger tenant retention, supporting consistently high occupancy rates. Accordingly, we forecast its rental and service income to reach THB9.6-THB10.5 billion per annum during 2026-2028. With higher margins relative to the retail segment, the property business is expected to contribute disproportionately to EBITDA growth and enhance overall earnings stability.

Profitability to remain resilient despite portfolio rationalization

We forecast CRC's annual EBITDA to remain strong at THB30-THB35 billion during 2026-2028, with an EBITDA margin of 12.0%-12.5%. Growth from core operations, supported by sales growth and the high-margin property business, should partly offset the loss of THB4.0-THB4.5 billion in annual EBITDA from the Rinascente divestment. The sale of the loss-making NK business should also ease margin pressure and support profitability.

Profitability should remain supported by efficiency improvements, better inventory management, cost control, economies of scale, and strong procurement capabilities. Wider use of artificial intelligence (AI) and data analytics should further improve productivity and cost efficiency over the forecast period.

Divestment supports deleveraging and strengthens leverage ratios

The company completed the sale of Rinascente department store to its major shareholders on 19 November 2025. The transaction generated net proceeds of about THB13 billion, of which THB5.3 billion was used for debt repayment and around THB7.7 billion was distributed as a special dividend.

Following the divestment, the company's debt burden declined notably, owing to debt repayments from the sale proceeds, repayments of bank loans, and a reduction in lease liabilities associated with the disposed assets. As a result, CRC's adjusted net debt, including lease-related financial liabilities, decreased to about THB98.6 billion as of March 2026, compared with THB134.7 billion in 2024. The debt to EBITDA ratio (annualized, trailing 12 months) improved to 3.2 times as of March 2026, while the funds from operations (FFO) to debt ratio increased to 24.7%.

We expect the company's leverage profile to continue strengthening over the forecast period, aided by disciplined capital spending, prudent financial management, and sound operating cash flow generation. Capital expenditures are projected at about THB50 billion in aggregate during 2026-2028, primarily for new store openings, store renovations, as well as the ongoing maintenance and enhancement of existing facilities.

Under our base-case assumptions, we project CRC's debt to EBITDA ratio to stay at 3.0-3.3 times during the next two years, before gradually improving to nearly 3.0 times by 2028. Meanwhile, we expect the company's FFO to debt ratio to remain in the 25%-29% range throughout the forecast period.

Adequate liquidity

We assess CRC's liquidity position as adequate over the next 12 months. As of March 2026, the company had cash and cash equivalents of THB14.3 billion, alongside about THB48 billion in undrawn uncommitted credit facilities from several banks. We project FFO of about THB25 billion in 2026. These funds should be sufficient to meet the company's capital expenditure needs and scheduled debt repayments.

As of March 2026, the company had THB27.4 billion in long-term debt and lease obligations due within the next 12 months, along with about THB25.5 billion in short-term bank loans. Given CRC's strong track record of refinancing and repaying debt obligations, the company generally rolls over its short-term debts. Capital spending for 2026 is expected to be around THB14.5 billion. In addition, the company's liquidity position is expected to remain adequate to support the dividend distribution of around THB6.7 billion in 2026.

Debt structure

As of March 2026, CRC's consolidated debt, excluding lease liabilities, totaled about THB73 billion. Of this, about THB3.6 billion was priority debt, including secured borrowings and total debt obligations of its subsidiaries. This resulted in a priority debt to total debt ratio of about 5%.

Base-case Assumptions

- Total operating revenue to grow at a low- to mid-single-digit rate annually during 2026-2028.
- EBITDA margin at about 12.0%-12.5%.
- Total capital spending of around THB50 billion during the next three years.

Rating Outlook

The "Stable" rating outlook reflects our expectation that CRC will be able to maintain its leading position in the Thai retail market. We expect its financial position and operating performance to remain broadly in line with our forecasts, with the debt to EBITDA ratio staying at a moderate level of around 3 times over the forecast period.

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Rating Sensitivities

The credit ratings and/or outlook could be upgraded if the company improves its capital structure stronger than our expectations on a sustained basis. Conversely, the ratings could be downgraded if the company's operating performance deteriorates materially, or if debt-funded large-scale investments cause financial leverage to exceed our forecast levels significantly for an extended period.

Company Overview

CRC is a leading retailer in Thailand, offering a wide range of products through multiple store formats, including department stores, specialty stores, supermarkets, and related retail outlets. Its key brands include Central, Robinson, Supersports, Thai Watsadu, BnB Home, B2S, Power Buy, and Tops, all of which are well recognized by customers.

The company was established by the Chirathivat family, with its business roots dating back to a small shop founded by Mr. Tiang Chirathivat in Bangkok in 1947. CRC was listed on the Stock Exchange of Thailand (SET) in 2020. As of May 2026, Harng Central Department Store Ltd. (HCDS) was its major shareholder, holding about 35.1% of shares.

CRC expanded from Central Trading Store, established in 1950, and opened its first department store, Central Department Store Wangburapha, in 1956. The company later developed key retail brands such as Tops, Supersports, Power Buy, B2S, Thai Watsadu, Baan & Beyond, and expanded internationally to Italy in 2011 and Vietnam in 2012. In 2020, it acquired COL PLC, and in 2023 it launched GO Wholesale to serve the hotel, restaurant, and café or catering (HORECA) sector and food retailers.

In November 2025, CRC sold Rinascente Department Store in Italy to HCDS, its major shareholder. It also sold its entire stake in NK, an electrical appliance retail business in Vietnam, to PICO Holdings Joint Stock Company in April 2026.

As of 2025, CRC operated more than 2,013 stores and 32 malls in Thailand, as well as 127 stores and 45 malls in Vietnam. The company recorded total operating revenue of THB246.1 billion in 2025, with sales contributing nearly 90%. Sales came mainly from food, fashion, and hardline segments, with about 80% generated in Thailand and 20% in Vietnam. Online sales accounted for about 9% of total sales in Thailand.

Key Operating Performance

Table 1: Sales Contribution by Segment

Business	2023		2024*		2025*		Jan-Mar 2026	
	Mil. THB	%	Mil. THB	%	Mil. THB	%	Mil. THB	%
Fashion	62,578	28.2	49,874	22.9	49,772	22.7	12,431	20.9
Hardline	74,192	33.4	73,798	33.9	71,956	32.8	18,423	30.9
Food	85,155	38.4	93,811	43.1	93,374	44.4	28,759	48.2
Total sales	**221,926**	**100.0**	**217,483**	**100.0**	**219,102**	**100.0**	**59,612**	**100.0**

* *Restated to reflect no sales generated by Rinascente Department Store in Italy.*

Source: *CRC*

Table 2: Same-store Sales Growth (Y-O-Y)

Unit: %

Business	2022	2023	2024	2025*	Q1/26
Fashion	38.0	12.0	1.0	(4.0)	(7.0)
Hardline	5.0	(4.0)	(7.0)	(5.0)	(4.0)
Food	15.0	(0.2)	0.0	(4.0)	2.0

* *Restated to reflect no sales generated by Rinascente Department Store in Italy.*

Source: *CRC*

Financial Statistics and Key Financial Ratios*

Unit: Mil. THB

	Jan-Mar 2026		---------- Year Ended 31 December ----------- 2025	2024	2023	2022
Total operating revenues	66,462		246,075	243,971	248,391	235,425
Earnings before interest and taxes (EBIT)	4,526		13,799	14,394	14,942	12,274
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	8,194		31,947	32,645	32,699	28,952
Funds from operations (FFO)	6,608		24,909	26,134	26,138	23,670
Adjusted interest expense	783		3,892	4,580	4,667	3,492
Capital expenditures	1,750		11,215	21,324	17,703	15,593
Total assets	249,913		246,849	291,049	287,097	275,984
Adjusted debt	98,559		99,480	134,679	127,219	123,923
Adjusted equity	73,811		69,287	72,381	70,260	64,885
Adjusted Ratios						
EBITDA margin (%)	12.3		13.0	13.4	13.2	12.3
Pretax return on permanent capital (%)	6.9	**	7.0	6.7	7.2	6.1
EBITDA interest coverage (times)	10.5		8.2	7.1	7.0	8.3
Debt to EBITDA (times)	3.2	**	3.1	4.1	3.9	4.3
FFO to debt (%)	24.7	**	25.0	19.4	20.5	19.1
Debt to capitalization (%)	57.2		58.9	65.0	64.4	65.6

* *Consolidated financial statements*

** *Annualized with the trailing 12 months*

Related Criteria

- Corporate Rating Methodology, 29 December 2025
- Key Financial Ratios and Adjustments for Corporate Issuers, 7 November 2025
- Issue Rating Criteria, 26 December 2024

Central Retail Corporation PLC (CRC)

Issuer Credit Rating:	**AA-**
Issue Ratings:	
CRC26NA: THB5,700 million senior unsecured debentures due 2026	AA-
CRC28OA: THB3,500 million senior unsecured debentures due 2028	AA-
CRC28NA: THB1,000 million senior unsecured debentures due 2028	AA-
CRC295A: THB3,000 million senior unsecured debentures due 2029	AA-
CRC309A: THB1,000 million senior unsecured debentures due 2030	AA-
CRC30OA: THB3,000 million senior unsecured debentures due 2030	AA-
CRC30NA: THB300 million senior unsecured debentures due 2030	AA-
CRC315A: THB3,000 million senior unsecured debentures due 2031	AA-
Up to THB6,000 million senior unsecured debentures due within 10 years	AA-
Rating Outlook:	**Stable**

Rating History

Last Review Date: 20 March 2026

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

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