

WHA Corporation Pcl (WHA TB) - BUY

Rata Limsuthiwanpoom | Email: rata.lim@thanachartsec.co.th

Earnings Preview**Strong 1Q25F land presales and profit**

- **Robust IE land presales of 850rai (+35% y-y) in 1Q25F**
- **We estimate Bt1.6bn profit, up 35% y-y, in the quarter**
- **Key driver is land transfer**
- **We have a BUY rating to NAV SOTP of Bt3.70**
- WHA's industrial estate (IE) land presales are expected to reach approximately 850 rai in 1Q25F, representing robust growth of 35% y-y and 12% q-q. This includes a major transaction involving a data center project covering around 450 rai. The majority of the presales occurred in Thailand.
- Land transfers are also projected at 850 rai, marking an increase of 46% y-y and 89% q-q, with a high gross margin exceeding 60%. Backlog is to remain above 1,500 rai, relatively flat q-q, by the end of 1Q25F.
- Additionally, a Letter of Intent (LOI) was signed for a large lot of 500 rai from an electrical appliance manufacturer, with conversion into presales expected in 2H25. This brings the total LOI outstanding to 1,200 rai as of the end of 1Q25F.
- WHA conducted a survey following the recent U.S. tariff announcement. Demand for industrial land in Thailand remains strong, particularly from sectors whose end products are intended for markets outside the United States. In contrast, potential buyers in Vietnam are delaying land purchase decisions.
- WHA targets 2025F land presales of 2,350 rai, with 1,700 rai in Thailand and 650 rai in Vietnam. Management remains confident in achieving the Thailand target, while acknowledging that any downside risk lies with Vietnam.
- WHA has set a 2025F capex target of Bt20 billion, with approximately 50% allocated to its industrial estate business. However, actual capex for the year may fall short of the target if Vietnam's investment outlook weakens further. In that case, the company may postpone land acquisition and development activities in Vietnam. Meanwhile, land-related capex for Thai industrial estates remains intact, underscoring management's sustained confidence in domestic demand.
- As for profit, the company expects profit front-loading in 1H25, with stronger performance in the first half compared to the second. We estimate 1Q25 profit at Bt1.6 billion, a solid growth of +35% y-y and +37% q-q, supported by a significant increase in land transfers.

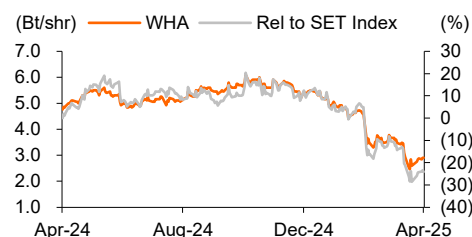
Key Valuations

Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Revenue	11,335	12,774	9,829	10,495
Net profit	4,359	3,796	2,434	2,261
Norm net profit	4,511	3,796	2,434	2,261
Norm EPS (Bt)	0.3	0.3	0.2	0.2
Norm EPS gr (%)	2.1	(15.8)	(35.9)	(7.1)
Norm PE (x)	9.6	11.4	17.8	19.2
EV/EBITDA (x)	16.5	16.7	25.0	22.6
P/BV (x)	1.2	1.2	1.2	1.1
Div. yield (%)	6.6	3.5	2.2	2.1
ROE (%)	13.2	10.7	6.6	5.9
Net D/E (%)	104.9	92.1	84.4	78.3

Source: Thanachart estimates

Stock Data

Closing price (Bt)	2.90
Target price (Bt)	3.70
Market cap (US\$ m)	1,298
Avg daily turnover (US\$ m)	14.8
12M H/L price (Bt)	6.10/2.46

Price Performance

Source: Bloomberg

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