

Central Pattana PLC

Corporate | REITs and Real Estate for Rent

26 February 2026

Issuer Credit Rating: AA+/Stable

Issue Ratings:

Senior Unsecured: AA+/Stable

Rating Action

TRIS Rating upgrades the issuer credit rating on Central Pattana PLC (CPN) and the ratings on its senior unsecured debentures to “AA+” from “AA”, with a “stable” outlook. The upgrade reflects CPN’s strengthened financial position while maintaining its strong business profile.

The ratings continue to reflect the company’s leading market position in Thailand’s retail property sector, its stable and predictable cash flow from retail properties, enhance property value from mixed-use developments, moderate financial leverage, and adequate liquidity.

Key Rating Considerations

Strengthened financial profile

CPN’s financial position has been strengthened over the past two years. Its revenues and EBITDA have expanded meaningfully, while leverage has declined to more moderate levels. This positive transformation is largely attributed to the robust performance of its shopping centers, the growing acceptance of its residential property and hotel ventures, as well as efficient cost management strategies.

During 2024-2025, CPN’s revenue from commercial properties delivered a steady year-on-year (y-o-y) growth of 4%-10%, supported by healthy occupancy rate (OR), gradual rental rate increases, and higher contributions from newly completed assets. The hotel segment likewise gained momentum, with revenue approaching THB2 billion over the same period, driven by capacity expansion and synergies from integrated mixed-use developments. Residential sales reached THB6.2 billion in 2024, bolstered by backlog transfers from condominium projects. However, softer market sentiment in the property sector and elevated mortgage rejection rates weighed on the company’s 2025 performance, leading to a y-o-y contraction of 30% in residential sales.

CPN’s total operating revenue increased to THB52 billion in 2024-2025, up from THB47 billion in 2023 and THB37 billion in 2022. EBITDA also rose to THB32-THB33 billion, compared with THB22-THB28 billion in previous years. Moreover, the company’s leverage, measured by the debt to EBITDA ratio, has improved significantly, decreasing to approximately 3.4-4 times in 2024-2025 from 6-7 times in 2021-2022. Its EBITDA interest coverage ratio has remained strong at 7-9 times over recent years.

Leading position in the retail property sector

CPN is the largest retail property developer and operator in Thailand. As of December 2025, the company operated 44 shopping centers and 16 community malls (including on-site retail spaces), with a total net leasable area (NLA) of approximately 2.3 million square meters (sq.m.), representing roughly 25% of the domestic retail property market. The portfolio is geographically diversified, including 34 shopping centers in the Bangkok Metropolitan Region (BMR),

25 in provincial areas, and one project in Malaysia. The company's ongoing expansion of its retail mall portfolio across the BMR and provincial areas is a key driver of consistent rental income growth and a steady boost to its recurring cash flow.

CPN's competitive strengths stem from its expertise in location selection, high-quality and well-maintained assets, as well as diversified tenant mix. Its shopping centers host a broad mix of tenants, including department stores, supermarkets, fashion retailers, food and beverage operators, lifestyle brands, and service providers. Major anchor tenants such as "Central Department Stores" and "Robinson Department Stores" draw foot traffic and attract a wide array of specialty retailers. In addition, CPN regularly undertakes asset enhancement initiatives and tenant re-merchandising to maintain the competitiveness and relevance of its properties. As a result, the average ORs across its retail spaces have consistently exceeded 90% over the past several years.

Mixed-use strategy enhances property value

CPN actively adopts a retail-led mixed-use development strategy, integrating office spaces, residences, and hotels alongside its shopping centers to drive customer traffic and, in turn, increase the overall value of its properties. Beyond its extensive portfolio of shopping centers, CPN also owns 11 office buildings, 35 existing residential projects, and 11 hotels. As of December 2025, the book value of the company's investment properties stands at approximately THB190 billion, with a market value of THB430 billion.

The company is currently developing major mixed-use projects, undertaken both independently and in collaboration with strategic partners. These include "Dusit Central Park," "The Central Phahonyothin" (formerly known as Bayswater), "Siam Square Soi 1," "The Grand Rama 9," and "Central Embassy 2." By late 2025, all property projects at "Dusit Central Park" — including shopping mall, residential, office, and hotel were completed. Shopping centers at "The Central Phahonyothin," "Siam Square Soi 1," and "The Grand Rama 9" are slated for phased opening from late 2026 to late 2027. Other property types within these locations are expected to be developed and completed in subsequent years. The total capital expenditure (CAPEX) for these mixed-use projects is estimated to be approximately THB20 billion from 2026 to 2028.

Sustained strong performance anticipated

We expect CPN to sustain its revenue and earnings growth momentum through 2026-2028. Its operating performance is expected to be supported by solid underlying demand, effective cost control, and the successful execution of its mixed-use development strategy.

Looking ahead, we project CPN's total operating revenue to rise to THB55-THB60 billion in 2026-2028, with approximately 80% derived from commercial properties, underscoring the strength of its core retail platform. The company is expected to launch 2-4 new shopping centers annually, driving cumulative NLA growth of around 15% by 2028. Our base-case assumes a sustained average OR of about 90% and annual rental rate growth of 2%-3%. We incorporate new residential project launches of approximately THB4 billion per year, while the hotel portfolio is projected to expand to around 2,500 keys by 2028. As a result, revenue from commercial properties is anticipated to reach THB43-THB47 billion over 2026-2028, complemented by THB5-THB8 billion from residential developments and THB2-THB2.4 billion from hotel operations.

Despite rising operating expenses associated with new project development and intensifying competition among leading players, we expect CPN's EBITDA margin to sustain at around 61%-62% over the forecast period. Consequently, EBITDA (excluding gains from asset sales to CPN Retail Growth Leasehold REIT -- CPNREIT) is expected to further increase, reaching THB34-THB37 billion.

Maintains moderate leverage despite major expansion plans

We expect CPN will continue to maintain a moderate level of financial leverage, with a debt to EBITDA ratio remaining below 4 times, while sustaining a strong cash flow adequacy, evidenced by an EBITDA interest coverage ratio above 7 times throughout the forecast period. Its debt to capitalization ratio is expected to sustain at around 47%-50% over the forecast period.

Our base-case scenario assumes a total CAPEX of THB62 billion over the period during 2026-2028, encompassing investments across all business segments, including joint ventures (JVs) and the CPNREIT. Approximately 35% of this sum is earmarked for new shopping centers and enhancing existing ones, while 25% will be allocated to wholly-owned and JV mixed-use projects. The remainder will be directed towards non-retail businesses. In terms of non-retail operations, we anticipate CPN's annual spending of THB3-THB4 billion on land acquisitions and construction for residential projects, alongside THB1.1 billion for expanding its hotel portfolio between 2026 and 2028.

Additionally, the forecast has incorporated the projected leased liabilities for the lease renewal of Central Ladprao Shopping Center into the company's financial forecast from 2026. We also expect CPN to sublease shopping centers to CPNREIT by 2026. After the equity injection into CPNREIT, CPN's net proceeds from the sublease are estimated to be around THB10 billion.

Adequate liquidity

We assess CPN's liquidity as adequate. As of December 2025, CPN's liquidity sources included THB6 billion cash on hand, THB2.8 billion short-term investments, THB4 billion undrawn committed bank facilities, and THB11.4 billion undrawn uncommitted bank facilities. We project that its funds from operations (FFO) for the next 12 months will be approximately THB30 billion. In addition, CPN hold unencumbered assets with a book value of around THB183 billion, which could be pledged as collateral for new credit lines, if needed.

CPN has THB20.2 billion in debts maturing over the next 12 months, including THB8.1 billion debentures, THB4.6 billion long-term loans, and THB7.5 billion short-term obligations. The uses of funds also include projected CAPEX and investments across all businesses totaling THB24 billion in 2026, as well as annual dividend payments of around 60% of net profit.

The financial covenants on its debentures require the company to maintain its net interest-bearing debt (excluding lease liabilities) to equity ratio below 1.75 times and a total asset (excluding secured debt) to unsecured debt ratio above 1.5 times. As of December 2025, these ratios were 0.5 times and 4.8 times, respectively. We believe the company will have no difficulty meeting these financial covenants over the next 12 months.

Debt structure

At the end of December 2025, the ratio of CPN's secured debt to the fair value of its total assets stood at just 2%, well below the 35% threshold outlined in TRIS Rating's "Rating Methodology for Real Estate for Rent Companies".

Base-Case Assumptions

These are the key assumptions in TRIS Rating's base case forecast for CPN's operations in 2026-2028:

- Total operating revenue to range between THB55-THB60 billion, with an EBITDA margin (excluding gains on asset sales to CPNREIT) of around 60%.
- CPN's shopping centers to maintain an average OR of around 90%, while achieving annual rental rate growth of 2%-3%.
- CAPEX across all businesses, including investments through JVs and CPNREIT, to total THB62 billion.
- Projected net present value for the lease renewal of Central Ladprao in 2026.

- Net cash received from the sublease of potential assets to CPNREIT to total THB10 billion in 2026.

Rating Outlook

The “stable” outlook reflects our expectation that CPN will sustain its leadership in Thailand’s retail property market and continue to generate strong operating performance over the forecast period.

Rating Sensitivities

A credit upside is considered unlikely in the medium term. Conversely, the ratings and/or outlook could be revised downward if CPN’s financial profile and operating results weaken materially, or if unexpected debt-funded investments significantly erode the company’s balance sheet strength, leading to a sustained debt to EBITDA ratio above 4 times.

Company Overview

CPN was incorporated in 1980 under the name “Central Plaza Co., Ltd.” to develop and operate shopping centers across Thailand. The company was listed on the Stock Exchange of Thailand (SET) in 1995. As of December 2025, CPN’s major shareholders were the Chirathivat Family (26%) and Central Holding Co., Ltd. (26%). Central Holding, a wholly-owned holding company of Chirathivat Family, operates across real estate development, hospitality, food retail, department stores, hardline products, and online marketing. CPN benefits significantly from its close ties with the Central Group, as many of the group’s anchor tenants serve as strong magnets for CPN’s shopping centers.

CPN is the largest retail property developer in Thailand. The company expanded its portfolio through the acquisition of Grand Canal Land PLC (GLAND) in late 2018 and Siam Future Development PLC (SF) in August 2021. As of December 2025, CPN’s property portfolio comprised 60 shopping centers and community malls with NLA of 2.3 million sq.m., 11 office buildings with NLA of 381,720 sq.m., 11 hotels, one apartment, 40 food centers, 35 active residential projects, and two REITs/property funds.

Over the past five years, CPN’s rental and service income from shopping centers has accounted for approximately 77%-85% of the total revenues from sales and services. The revenue contribution from residential projects for sale increased to 12%-13% in 2023-2024, compared with 8%-9% in 2018-2022. However, this contribution declined to around 9% in 2025. In addition, revenue from office building rentals and hotel operations each accounted for about 4% in 2024-2025.

Key Operating Performance

Table 1: CPN Property Portfolio

Type of Property	Unit	CPN	GLAND	SF	Total
NLA* of retail space	'000 sq.m.	1,982	27	348	2,357
NLA* of office space	'000 sq.m.	238	144	-	382
Hotel	rooms	1,860	-	-	1,860
Unsold value in residential projects	mil. THB	29,610	609	-	30,219

*NLA = Net leasable area

Sources: CPN, GLAND, and SF, as of 2025

Table 2: CPN's Revenue from Sales and Services

Unit: %

Business	2020	2021	2022	2023	2024	2025
Shopping center	83.6	82.7	82.5	77.5	77.5	80.8
Office building	5.6	6.1	5.0	4.3	4.0	4.2
Hotel	1.1	1.2	2.6	3.4	3.9	3.9
Apartment & others	0.0	0.0	0.0	0.0	0.0	0.0
Food & beverage	1.6	1.3	1.8	2.0	2.2	2.4
Residential property development	8.1	8.7	8.1	12.8	12.4	8.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total revenues from sales and services (mil. THB)	27,862	24,840	35,575	45,613	50,184	50,034

Source: CPN

Table 3: Average Occupancy Rate

Unit: %

Occupancy Rate	2020	2021	2022	2023	2024	2025
Shopping centers/ community malls						
CPN	91.9	90.8	90.1	92.3	92.0	92.4
GLAND	57.9	49.9	57.7	69.8	75.5	86.6
SF (excluding JV)		87.7	79.5	80.3	79.7	74.6

Sources: CPN, GLAND, and SF

Financial Statistics and Key Financial Ratios*

Unit: Mil. THB

	----- Year Ended 31 December -----				
	2025	2024	2023	2022	2021
Total operating revenues	51,708	51,741	46,757	36,765	26,220
Earnings before interest and taxes (EBIT)	24,070	22,570	20,040	13,942	9,526
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	32,662	31,614	28,310	22,448	17,630
Funds from operations (FFO)	23,930	23,298	21,742	17,584	12,860
Adjusted interest expense	4,693	4,649	3,227	2,495	2,201
Capital expenditures	11,262	9,823	11,551	7,273	6,908
Total assets	302,623	304,215	279,873	272,692	263,421
Adjusted debt	112,064	125,358	122,535	127,440	127,704
Adjusted equity	119,260	109,829	100,582	89,620	82,075
Adjusted Ratios					
EBITDA margin (%)	63.2	61.1	60.5	61.1	67.2
Pretax return on permanent capital (%)	10.0	9.7	8.9	6.4	4.9
EBITDA interest coverage (times)	7.0	6.8	8.8	9.0	8.0
Debt to EBITDA (times)	3.4	4.0	4.3	5.7	7.2
FFO to debt (%)	21.4	18.6	17.7	13.8	10.1
Debt to capitalization (%)	48.4	53.3	54.9	58.7	60.9

* Consolidated financial statements

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
- Rating Methodology for Real Estate for Rent Companies, 16 December 2024

Central Pattana PLC (CPN)

Issuer Credit Rating:	AA+
Issue Ratings:	
CPN268A: THB4,000 million senior unsecured debentures due 2026	AA+
CPN260A: THB2,100 million senior unsecured debentures due 2026	AA+
CPN272A: THB3,000 million senior unsecured debentures due 2027	AA+
CPN273A: THB1,000 million senior unsecured debentures due 2027	AA+
CPN270A: THB2,000 million senior unsecured debentures due 2027	AA+
CPN293A: THB1,000 million senior unsecured debentures due 2029	AA+
CPN298A: THB5,000 million senior unsecured debentures due 2029	AA+
CPN290A: THB2,200 million senior unsecured debentures due 2029	AA+
CPN318A: THB3,000 million senior unsecured debentures due 2031	AA+
CPN323A: THB2,000 million senior unsecured debentures due 2032	AA+
Rating Outlook:	Stable

Rating History

Last Review Date: 27 February 2025

Date	Rating	Outlook/Alert
29-Dec-21	AA	Stable
12-Jul-21	AA	Alert Negative
16-Jan-19	AA	Stable
18-Sep-18	AA	Alert Developing
22-Sep-17	AA	Stable
12-May-14	AA-	Stable
05-Feb-13	A+	Positive
23-May-07	A+	Stable
22-Feb-05	A	Stable
12-Jul-04	A-	Positive
04-Oct-02	A-	-
17-May-01	BBB+	-

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