Amata Corporation (AMATA TB)

Land Transfer Momentum Remains On Track

Highlights

- The tone of the 2Q26 analyst meeting was neutral.
- Data centre pipeline remains a key upside, with six operators representing around 300 rai of potential land sales, which AMATA expects to secure within 2026.
- Maintain BUY with an unchanged target price of Bt38.00.

Analysis

- **Neutral tone from the meeting.** We attended Amata Corporation's (AMATA) 2Q26 analyst meeting, which had a neutral tone. The company reiterated its 2026 land sales target.
- **Land transfer momentum continues into 2H26.** Land transfers progressed faster than expected in 1H26, supported by improved execution efficiency. We expect this momentum to continue into 2H26, with land transfers remaining on track and less affected by seasonality. The company also expects stronger transfer momentum to continue into 2027 given a more balanced and less seasonal land transfer pattern going forward.
- **Over 1,00 rai of high potential customers.** The company currently has over 1,000 rai of high-potential customers under discussion, with new inquiries continuing to come in. The pipeline comprises 22 customers, with the majority coming from data centre and electronics projects, along with auto parts and machinery. In Vietnam, the company sees potential to achieve around 550 rai of land sales, although the timing could be affected by the pace of FDI approvals and progress on the Ha Long project. In Laos, customer discussions remain active, with around 300 rai of high-potential demand currently under discussion.
- **Gross margin to soften slightly in 2H26.** We expect gross margin to decline slightly in 2H26, mainly due to a higher contribution from the Thai-Chinese Rayong site, which carries a lower margin of around 55-60%, compared with 65-70% for the Smart City project. In 1H26, Smart City accounted for around 20% of total land transfers and supported the overall margin while there is no transfer from Thai-Chinese Rayong in 1H26. Management indicated that land transfer margins do not differ materially by customer industry, including data centres, as margins are driven more by the location and characteristics of each site.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	14,723.6	14,281.5	16,312.4	15,738.8	16,949.7
EBITDA	3,972.6	5,070.4	5,892.9	5,443.3	5,901.8
Operating profit	3,521.5	4,608.0	5,406.5	4,937.2	5,376.2
Net profit (rep./act.)	2,482.9	3,148.7	4,229.2	3,962.2	4,278.6
Net profit (adj.)	2,482.9	3,148.7	4,229.2	3,962.2	4,278.6
EPS	2.2	2.7	3.7	3.4	3.7
PE (x)	14.0	11.0	8.2	8.8	8.1
P/B (x)	1.6	1.5	1.3	1.2	1.1
EV/EBITDA (x)	9.9	8.7	5.9	6.1	5.5
Dividend yield (%)	2.6	3.6	4.6	4.3	4.7
Net margin (%)	16.9	22.0	25.9	25.2	25.2
Net debt/(cash) to equity(%)	58.2	69.5	22.4	12.9	6.8
Interest cover (x)	6.4	8.9	10.6	11.7	13.0
Consensus net profit	n.a	n.a	3,803.4	3,732.7	3,992.2
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.1

Source: Amata Corporation, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt30.50
Target Price	Bt38.00
Upside	24.59%

Stock Data

Sector	Real Estate
Bloomberg ticker	AMATA TB
Shares issued (m)	1,150.0
Market cap (Btm)	34,787.5
Market cap (US$m)	1,064.8
3-mth avg daily t'over (US$m)	10.8

Price Performance (%)

52-week high/low: Bt32.2/Bt14.1

1mth	3mth	6mth	1yr	YTD
3.4	19.8	55.1	82.2	82.2

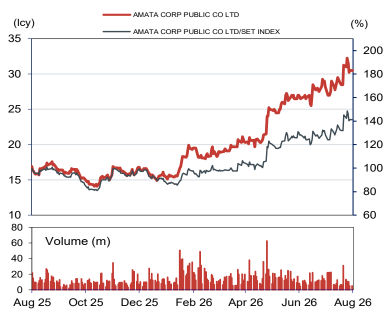
Major Shareholders (%)

Mr. Vikrom Kromadit	26.23
Thai NVDR	16.86

Balance Sheet Metrics

FY26 NAV/Share (Bt)	23.2
FY26 Net Debt/Share (Bt)	5.2

Price Chart



Source: Bloomberg

Company Description

AMATA is Thailand's leading industrial estate developer. It operates two industrial estates in Eastern Thailand, which are Amata Nakorn and Amata City, and one in Vietnam, Amata City Bien Hoa.

- **Vietnam land transfers expected in 4Q26.** We expect Vietnam to record land transfers in 4Q26 at a pace broadly similar to that of 2Q26's. The company is confident of achieving around 35 hectares (219 rai) of land sales, while total land sales could reach 60-65 hectares (375-406 rai) if ongoing negotiations with multiple customers are successfully concluded. The upside would depend mainly on the speed of agreement and documentation processes, which could allow deals to close within a shorter timeframe. Demand remains diversified across industries. In northern Vietnam, potential customers include ready-built factories (RBF), plastics, metal processing, and electronics, while southern Vietnam has a broader mix of demand, including food processing, RBF, data centres, electronic devices, and storage and logistics facilities.
- **300 rai in data centre pipeline.** The company currently has six data centre operators in its pipeline, representing around 300 rai of potential land sales. While one customer is targeting a 3Q26 deal, the other five are more likely to conclude discussions in 4Q26. However, the company remains confident that the full 300 rai will be secured within 2026. For new data centre projects, electricity availability remains the key requirement, while water supply is already sufficient. The company is awaiting further clarity from the government regarding electricity supply and data centre regulations. Management does not expect the regulatory process to materially delay either new customers or existing customers currently in negotiations.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt38.00.** Our target price is based on the SOTP methodology. We value the core businesses (industrial land development and logistics) at Bt28.66/share. The industrial estate business is valued at 12.5x 2027F PE, while the logistics business is valued using the GNAV method. Investments in associate companies are valued at Bt12.65/share, based on 14x 2027F PE. We believe AMATA's strong backlog will continue to support earnings.

Earnings Revision/Risk

- We fine-tune our 2026-28 earnings forecasts up by 1.3%, 1.7%, 3.2% respectively.

Share Price Catalyst

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

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AAA

Environmental

- Minimises social and environmental impact to protect and restore natural resources, transparently disclosing natural resources and implementing environmental management practices through various channels.

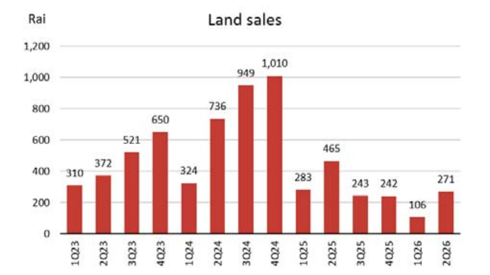
Social

- The business operation plays a crucial role in promoting positive human rights impacts by contributing to the local economy, creating employment opportunities, and enhancing overall community wellbeing.

Governance

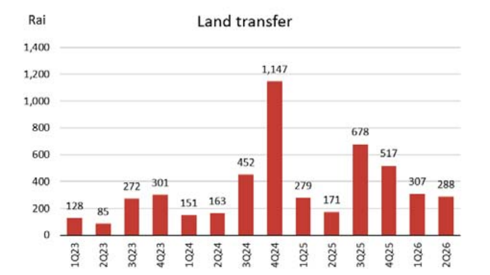
- Places a strong emphasis on transparency, integrity, and compliance with laws and regulations, as well as the principles of good corporate governance and a business code of ethics.

Land Sales



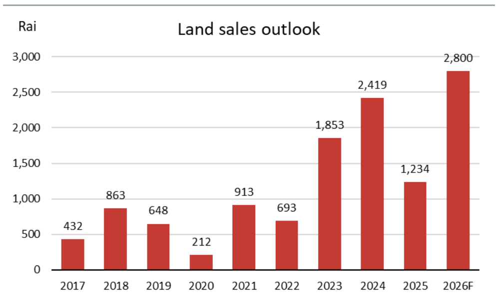
Source: AMATA, UOB Kay Hian

Land Transfer



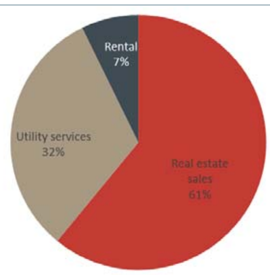
Source: AMATA, UOB Kay Hian

Land Sales Target



Source: AMATA, UOB Kay Hian

Revenue Contribution



Source: AMATA, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	14,281	16,312	15,739	16,950
EBITDA	5,070	5,893	5,443	5,902
Deprec. & amort.	462	486	506	526
EBIT	4,608	5,406	4,937	5,376
Total other non-operating income	148	127	139	144
Associate contributions	927	796	981	970
Net interest income/(expense)	(570)	(557)	(464)	(454)
Pre-tax profit	5,113	5,772	5,593	6,036
Tax	(884)	(827)	(875)	(943)
Minorities	(949)	(1,082)	(756)	(814)
Net profit	3,149	4,229	3,962	4,279
Net profit (adj.)	3,149	4,229	3,962	4,279

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	9,935	10,213	10,470	10,708
Other LT assets	30,965	32,945	34,461	35,518
Cash/ST investment	4,038	14,443	16,591	18,170
Other current assets	24,716	16,547	16,308	17,658
Total assets	69,654	74,147	77,830	82,053
ST debt	5,693	5,693	5,693	5,693
Other current liabilities	14,468	14,771	14,735	14,965
LT debt	14,708	14,708	14,708	14,708
Other LT liabilities	4,363	4,363	4,363	4,363
Shareholders' equity	23,531	26,639	29,602	32,780
Minority interest	6,891	7,973	8,729	9,543
Total liabilities & equity	69,654	74,147	77,830	82,053

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	(5,182)	14,269	5,428	4,499
Pre-tax profit	4,982	6,138	5,593	6,036
Tax	(884)	(827)	(875)	(943)
Deprec. & amort.	462	486	506	526
Working capital changes	(10,354)	8,472	203	(1,119)
Other operating cashflows	612	0	0	0
Investing	2,556	(2,257)	(1,774)	(1,294)
Capex (growth)	2,870	(1,778)	(1,257)	(738)
Investments	(445)	(479)	(516)	(557)
Others	130	0	0	0
Financing	894	(1,607)	(1,506)	(1,626)
Dividend payments	(1,265)	(1,607)	(1,506)	(1,626)
Issue of shares	0	0	0	0
Proceeds from borrowings	1,927	0	0	0
Others/interest paid	232	0	0	0
Net cash inflow (outflow)	(1,733)	10,405	2,148	1,579
Beginning cash & cash equivalent	5,770	4,038	14,443	16,591
Ending cash & cash equivalent	4,038	14,443	16,591	18,170

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	35.5	36.1	34.6	34.8
Pre-tax margin	35.8	35.4	35.5	35.6
Net margin	22.0	25.9	25.2	25.2
Growth				
Turnover	218.0	263.2	250.4	277.4
EBITDA	171.6	215.6	191.6	216.1
Pre-tax profit	141.4	172.6	164.1	185.0
Net profit	123.4	200.0	181.1	203.5
Net profit (adj.)	26.8	34.3	(6.3)	8.0
EPS	107.2	178.4	160.8	181.6
Leverage				
Debt to total capital	67.1	58.9	53.2	48.2
Debt to equity	86.7	76.6	68.9	62.2
Net debt/(cash) to equity	69.5	22.4	12.9	6.8
Interest cover	8.9	10.6	11.7	13.0