

# Company Update

Monday, August 04, 2025



I V Global Securities Public Company Limited

## i-Tail Corp (ITC)

Rating: HOLD

Fair price: Bt15.4

Close price: Bt14.0

### 2Q25 comes in soft

#### Company Information

Ticker:	TU TB
Sector:	Food
Shares outstanding (m):	3,000.00
Market capitalization (Btm):	42,000.00
Trading vol/day (Btm):	125.00
Free float (%):	20.01
Beta:	1.22

#### Major Shareholders

Thai Union Group	78.82%
Thai NVDR	2.80%

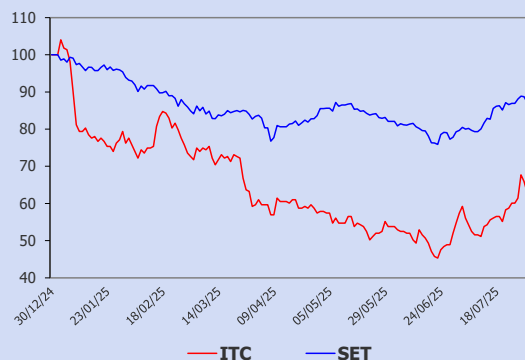
#### Consensus Bloomberg

2025F EPS (Bt):	0.98
Target price (Bt):	14.77

#### Price Performance

52 Wk high/low:	26.00 / 10.00
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	1M	3M	1Y	YTD
Absolute (%)	14.8	8.5	-35.8	-37.2
Relative (%)	5.0	6.8	-27.9	-24.2



- ITC reported a net profit of Bt696m (-31% YoY and +3% QoQ). 2Q25 earnings came in lower than our estimate of Bt761m and below the consensus forecast of Bt733m. During 2Q25, sales fell 2% YoY but rose 5% QoQ to Bt4.47bn, largely due to the impact of a lower premium mix sales and the baht's appreciation against the US dollar. 1H25 net profit of Bt1.37bn dropped 25% YoY, accounting for 51% of our full-year estimate.
- A 1H25 DPS of Bt0.40 was announced, implying a dividend yield of 2.86% for the half-year performance. The half-year payout ratio is 87%. The XD date is on 13 Aug for payment on 27 Aug.
- The sales performance in 2Q25 was contributed to by +8.9% YoY growth in volume, +2.1% in prices, -5.1% in premium mix products, and -8% from the forex impact. The average baht to US dollar rate was Bt32.8 in 2Q25, compared with Bt36.9 a year ago. In baht terms, sales were down 2% YoY. Meanwhile, in US dollar terms sales were up 10% YoY, and 9% QoQ to US\$136m.
- Sales to the US rose 7.5% YoY, accounting for 57.6% of total sales. Sales in Asia and Oceania countries declined 12.6% YoY with lower sales to Japan, making up 28.9% of the total. Sales to Europe also fell 12.6% YoY on declining demand along with deteriorating economic conditions, contributing 13.5% of the total. Sales of cat food accounted for 67.7% of the total, followed by dog food (17.5%), pet treats (12.7%), and others (2.0%). The high-margin premium product sales mix saw a declining contribution from 54.7% in 2024 to 47.5% in 1H25.
- Gross profit margin softened from 30% in 2Q24 to 25% in 2Q25, slightly higher than 24.1% in 1Q25. The decline in profit margin was due to lower sales of premium products, higher depreciation costs, higher overheads, and the absence of an inventory provision reversal in 2Q24.
- SG&A accounted for 10.1% of sales during 2Q25, up 16% YoY in absolute terms to Bt453m. However, other income fell YoY and QoQ to Bt114m. EBIT declined by 32% YoY but rose 19% QoQ to Bt667m, providing an EBIT margin of 17.1%.
- The company booked a higher-than-expected corporate tax expenses of Bt67m in 2Q25, suggesting an effective tax rate of 8.8%.
- The company had a net cash position.
- Management has provided new financial targets, including 3-5% growth in sales and gross profit margin of 23-25%, and SG&A to sales of 10-11% (+100bps higher than its previous target). The capex budget is revised down to Bt1.2bn (from Bt1.5bn). The dividend payment policy is at least 50% of net profit (versus 87% in 1H25). Meanwhile, the effective tax rate impact from the global minimum tax is now estimated at 5-6%.
- Maintain HOLD.** We have raised our 2025-27F earnings by 6%/5%/5%, respectively, to assume improved profit margin and a lower effective tax rate. We prefer to maintain our HOLD rating with a new price target of Bt15.4 (from Bt13.5), based on a rolling 15x 2026F P/E. ITC offers a 2025F dividend yield of 6.5% based on a 95% payout ratio. Risks to our forecasts lie with the final US tariff rate, tuna price volatility, forex fluctuations, and the ability to pass on raw material cost hikes.

#### Investment summary

FY 31 Dec	2022	2023	2024	2025F	2026F	2027F
Sales (Btm)	22,528	15,577	17,729	18,233	18,950	19,694
Change (%)	55.1	-30.9	13.8	2.8	3.9	3.9
Net profit (Btm)	4,470	2,281	3,597	2,869	3,083	3,335
Change (%)	64.3	-49.0	57.7	-20.2	7.4	8.2
EPS (Bt)	2.56	0.76	1.20	0.96	1.03	1.11
Change (%)	-66.1	-70.3	57.7	-20.2	7.4	8.2
P/E (x)	5.5	18.4	11.7	14.6	13.6	12.6
EV/EBITDA (x)	2.7	11.1	7.0	8.2	7.6	7.2
BVPS (Bt)	12.95	7.71	8.05	8.07	8.15	8.25
P/BV (x)	1.1	1.8	1.7	1.7	1.7	1.7
DPS (Bt)	1.66	0.60	1.15	0.91	0.98	1.06
Yield (%)	11.9	4.3	8.2	6.5	7.0	7.5
ROE (%)	33.2	10.0	15.2	11.9	12.7	13.6
ROA (%)	22.0	8.9	13.7	10.6	11.2	12.0
Net D/E ratio (%)	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash

Source: Company and IVG estimates

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## Results

(Btm)	2Q25	2Q24	% YoY	1Q25	% QoQ	1H25	1H24	% YoY
Sales	4,473	4,567	(2.0)	4,249	5.3	8,722	8,596	1.5
Gross profit	1,120	1,368	(18.2)	1,022	9.6	2,141	2,403	(10.9)
SG&A	453	390	16.1	460	(1.6)	913	700	30.5
Operating profit	667	979	(31.9)	562	18.7	1,228	1,703	(27.9)
Other income	114	180	(36.5)	153	(25.4)	267	343	(22.1)
EBIT	765	1,047	(26.9)	694	10.2	1,459	1,877	(22.3)
Interest expense	1	1	1.9	1	(1.4)	3	3	(4.2)
Pre-tax profit	763	1,046	(27.0)	693	10.2	1,456	1,874	(22.3)
Tax	(67)	(36)	86.1	(16)	323.5	(83)	(44)	88.0
<b>Net profit</b>	<b>696</b>	<b>1,010</b>	<b>(31.1)</b>	<b>677</b>	<b>2.8</b>	<b>1,373</b>	<b>1,831</b>	<b>(25.0)</b>
EPS (Bt)	0.23	0.34	(31.1)	0.23	2.8	0.46	0.61	(25.0)

Source: Company and IVG estimates

## Financial ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Sales growth YoY	12.3	40.8	10.9	(1.1)	5.5	(2.0)
Sales growth QoQ	(15.2)	(70.7)	10.1	2.9	(9.6)	5.3
Gross margin	25.7	30.0	29.8	25.5	24.1	25.0
SG&A as % of sales	7.7	8.5	9.2	11.2	10.8	10.1
EBIT margin	20.6	22.9	23.1	17.9	16.3	17.1
Net margin	20.4	22.1	22.0	16.8	15.9	15.6
Effective tax rate	(1.0)	(3.5)	(4.6)	(5.9)	(2.3)	(8.8)
Net D/E ratio (%)	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash

Source: Company and IVG estimates

## Track record

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Sales	4,029	4,567	4,436	4,698	4,249	4,473
Gross profit	1,034	1,368	1,320	1,196	1,022	1,120
SG&A	310	390	410	528	460	453
Operating profit	724	979	911	668	562	667
Other income	163	180	168	185	153	114
EBIT	830	1,047	1,025	841	694	765
Interest expense	1	1	2	1	1	1
Pre-tax profit	829	1,046	1,024	840	693	763
Tax	(8)	(36)	(47)	(49)	(16)	(67)
Net profit	821	1,010	976	790	677	696

Source: Company and IVG estimates

## P&L

(Btm)	2021	2022	2023	2024
Sales	14,529	22,528	15,577	17,729
Gross profit	3,892	5,425	3,038	4,919
SG&A	1,518	1,266	1,183	1,638
Operating profit	2,374	4,158	1,854	3,281
Other income	121	248	603	696
EBIT	2,781	4,586	2,426	3,744
Interest expense	32	86	11	6
Pre-tax profit	2,749	4,500	2,415	3,738
Tax	(28)	(70)	(132)	(141)
Net profit	2,721	4,470	2,281	3,597

Source: Company and IVG estimates

## Financial ratios

(%)	2021	2022	2023	2024
Sales growth YoY	18.9	47.4	(30.9)	13.8
Gross margin	26.8	25.0	19.5	27.7
SG&A as % of sales	10.4	5.8	7.6	9.2
EBIT margin	19.1	21.2	15.6	21.1
Net margin	18.7	20.5	14.7	20.3
Effective tax rate	(1.0)	(1.1)	(5.5)	(3.8)
Net profit growth YoY	6.8	61.7	(48.9)	57.7

Source: Company and IVG estimates

## I V Global Investment Research – Recommendation Definitions

### Sector Recommendations

**OVERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index by at least 10% over the next 12 months.

**NEUTRAL:** The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

**UNDERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index by 10% over the next 12 months.

### Stock Recommendations

**BUY:** Expecting positive total returns of 15% or more over the next 12 months.




**HOLD:** Expecting total returns of not more than -10% to +10% over the next 3 months.

**SELL:** Expecting negative total returns of 15% or more over the next 12 months.

## Anti-corruption Progress Indicator Definitions

<b>Level 5 Extended</b>	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
<b>Level 4 Certified</b>	Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)
<b>Level 3 Established</b>	Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes. (3A: Established by Declaration of Intent, 3B: Established by Internal Commitment and Policy)
<b>Level 2 Declared</b>	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
<b>Level 1 Committed</b>	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
<b>Partially progress</b>	Insufficient or not clearly defined policy
<b>No progress</b>	Data not available / no policy

## Corporate Governance Report (CGR)

	Excellent
	Very good
	Good

## Disclaimers

The disclosure of the survey result of corporate governance, which is surveyed by the Thai Institute of Directors Association ("IOD"), and the Anti-Corruption Progress Indicators, which is assessed by Thaipat Institute, are the disclosure of the survey or assessment result based on the information received from the listed company that was stipulated in the form for Annual Corporate Governance Report of Thai Listed Companies (CGR) and the form for the assessment of Anti-corruption that refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) or other relevant documents or reports of such listed company (as the case may be). The survey or assessment result is based on the information of the listed company, which is disclosed to the public and can be accessed by all investors and is made in order to comply with the policy of the Office of the Stock Exchange of Thailand.

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