

# Company Update

Friday, September 05, 2025



I V Global Securities Public Company Limited

## Thai Union Group Pcl (TU)

Rating: BUY

Fair price: Bt14.3

Close price: Bt12.7

### Company Information

Ticker:	TU TB
Sector:	Food
Shares outstanding (m):	4,455.13
Market capitalization (Btm):	56,580.19
Trading vol/day (Btm):	171.21
Free float (%):	61.08
Beta:	0.71

### Major Shareholders

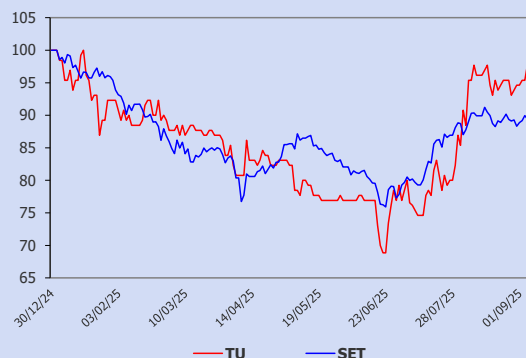
Chansiri Family and related	21.82%
Thai NVDR	6.25%
Mitsubishi UFJ	5.36%

### Consensus Bloomberg

2025F EPS (Bt):	0.98
Target price (Bt):	12.43

### Price Performance

52 Wk high/low:	15.60 / 8.60			
	1M	3M	1Y	YTD
Absolute (%)	10.4	27.0	-18.1	-2.3
Relative (%)	8.6	16.4	-9.8	8.2



Rating	CGR	Thai CAC	SET ESG
TU		Certified	A

### Analyst

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### General offer details

- Event:** Referring to the previous disclosure to the SET on 4 Aug 2025 regarding Mitsubishi Corporation's (MC) intention to launch a general offer to acquire additional shares in TU, the details regarding the offer were announced on Sept 4. The offeror is now proceeding with the formal launch of the offer with an official offer price of Bt12.50 per share. The offer will be conducted on a first-come, first-served basis and will remain open for acceptance for a period of 15 business days, commencing on 8 Sept and concluding on 26 Sept 2025 (both dates inclusive) (the "offer period"). MC's acquisition plan is on an all-or-nothing basis, i.e., if it is unable to raise its equity stake to 20%, the transaction will be cancelled.
  - Recap.** Mitsubishi Cop (MC) intends to make a general offer to acquire 532.3m shares of TU (13.81%) from minority shareholders to raise its shareholding to a 20% stake. The original shareholder family will remain the largest stakeholder. Mitsubishi Corp currently holds a 6.19% equity stake in TU (or 5.36% including treasury stock). MC does not intend to acquire any additional shares beyond the 20% stake in TU.
  - TU's share price at the last close was at Bt12.7/share, already hitting the acquisition price quoted by MC. Therefore, there remains uncertainty about whether MC will be able to acquire TU's shares as planned, unless MC decides to increase the acquisition price. The acquisition of 532.2736m shares of TU would be worth Bt6.65bn/US\$205m. Following the acquisition, TU and MC would sign a Business Alliance Agreement for business collaboration for mutual benefit and to enhance long-term growth. With the 20% holding, MC would increase its representation on the BOD from one to two out of 12 members.
- |                           |                                      |
|---------------------------|--------------------------------------|
| Offer period              | 8 Sept – 26 Sept (15 business days)  |
| Gross offer price         | Bt12.5 gross (net = Bt12.46656)      |
| Number of shares acquired | 532.27m (13.81% exc treasury shares) |
| Payment date              | 3 Oct                                |
| Offering basis            | First-come, first-served basis       |
- Recap of key financial targets.** Management has recently revised key financial targets, including a sales growth target of -1-2%. Gross profit margin is set at 18.5-19.5%. Meanwhile, SG&A to sales is maintained at 13.5-14%. Its capex budget is Bt3.5bn-4.0bn. The 2H25 performance should see better sales growth versus -7.8% YoY in 1H25, while export sales are based on CIF with buyers paying for the import tariff. In the longer term, management expects the gross profit margin to hit 20%-plus, versus 19.3% in 1H25. The cost-transformation Sonar program will end this year, while the Tailwind program will end in 2026.
  - Maintain BUY.** We maintain our earnings estimates and BUY call, with a price target of Bt14.3, based on a rolling 14x mid-2026F target P/E multiple. The stock trades at 12.8x earnings for 2025F. Risks to our forecasts include seafood price volatility, foreign exchange fluctuations, and the ability to pass on raw material cost increases.

### Investment summary

FY 31 Dec	2022	2023	2024	2025F	2026F	2027F
Sales (Btm)	155,586	136,153	138,433	132,370	135,292	138,279
Change (%)	10.3	-12.5	1.7	-4.4	2.2	2.2
Net profit (Btm)	7,138	(13,933)	4,985	4,404	4,708	4,986
Change (%)	-10.9	-295.2	-135.8	-11.7	6.9	5.9
EPS (Bt)	1.50	(2.99)	1.12	0.99	1.06	1.12
Change (%)	-10.9	-300.1	-137.4	-11.7	6.9	5.9
P/E (x)	8.5	n.m.	11.4	12.8	12.0	11.3
EV/EBITDA (x)	7.7	9.0	8.2	10.1	8.9	8.5
BVPS (Bt)	16.90	12.59	10.92	10.16	10.46	10.83
P/BV (x)	0.8	1.0	1.2	1.3	1.2	1.2
DPS (Bt)	0.84	0.54	0.66	0.66	0.69	0.73
Yield (%)	6.6	4.3	5.2	5.2	5.4	5.7
ROE (%)	10.2	-20.0	9.3	9.4	10.2	10.5
ROA (%)	4.1	-8.0	3.1	2.9	3.2	3.4
Net D/E ratio (%)	53.7	78.1	94.2	108.1	97.6	92.9

Source: Company and IVG estimates

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## Results

(Btm)	2Q25	2Q24	% YoY	1Q25	% QoQ	1H25	1H24	% YoY
Sales	33,389	35,283	(5.4)	29,789	12.1	63,178	68,503	(7.8)
Gross profit	6,567	6,535	0.5	5,611	17.0	12,178	12,277	(0.8)
SG&A	4,639	4,582	1.2	4,700	(1.3)	9,340	8,779	6.4
EBIT	1,927	1,953	(1.3)	911	111.6	2,839	3,498	(18.8)
Other income	212	337	(37.0)	188	13.0	400	586	(31.6)
Interest expense	586	620	(5.4)	585	0.2	1,172	1,267	(7.5)
Share of profit	158	179	(12.0)	291	(45.8)	449	338	32.7
Pre-tax profit	1,726	1,544	11.8	809	113.4	2,535	3,081	(17.7)
Tax	(209)	(44)	373.5	41	(608.8)	(168)	(173)	(2.5)
<b>Net profit</b>	<b>1,273</b>	<b>1,219</b>	<b>4.4</b>	<b>1,019</b>	<b>24.9</b>	<b>2,292</b>	<b>2,372</b>	<b>(3.4)</b>
EPS (Bt)	0.29	0.26	9.1	0.23	24.9	0.51	0.51	1.0

Source: Company and IVG estimates; adjusted net profit excluding Red Lobster and tax credit

## Financial ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Sales growth YoY	1.7	3.6	2.7	(1.2)	(10.3)	(5.4)
Sales growth QoQ	(6.5)	6.2	(1.3)	0.7	(15.1)	12.1
Gross margin	17.3	18.5	19.5	18.7	18.8	19.7
SG&A as % of sales	12.6	13.0	13.5	14.0	15.8	13.9
EBIT margin	4.7	5.5	6.0	4.6	3.1	5.8
Net margin	3.5	3.5	4.0	3.5	3.4	3.8
Net profit growth YoY	12.9	18.8	16.1	(107.1)	(11.6)	4.4
Net profit growth QoQ	(106.7)	5.7	14.9	(13.4)	(16.0)	24.9
Net D/E ratio	81.8	82.2	79.5	94.2	100.0	112.4

Source: Company and IVG estimates

## Track record

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Sales	33,220	35,283	34,840	35,090	29,789	33,389
Gross profit	5,742	6,535	6,793	6,554	5,611	6,567
SG&A	4,197	4,582	4,693	4,929	4,700	4,639
EBIT	1,545	1,953	2,100	1,625	911	1,927
Other income	248	337	283	269	188	212
Interest expense	647	620	627	598	585	586
Forex gain	159	179	275	157	291	158
Pre-tax profit	1,537	1,544	1,919	1,503	809	1,726
Tax	(128)	(44)	(208)	(50)	422	(209)
<b>Net profit</b>	<b>1,153</b>	<b>1,219</b>	<b>1,400</b>	<b>1,213</b>	<b>1,019</b>	<b>1,273</b>

Source: Company and IVG estimates

## Financial ratios

(%)	2021	2022	2023	2024
Sales growth YoY	6.5	10.3	(12.5)	1.7
Sales growth QoQ	0.0	0.0	0.0	0.0
Gross margin	18.2	17.5	17.1	18.5
SG&A as % of sales	12.4	12.3	12.0	13.3
EBIT margin	5.9	5.2	5.1	5.2
Net margin	5.7	4.6	(10.2)	3.6
Net profit growth YoY	28.3	(10.9)	(295.2)	(135.8)
Net D/E ratio	98.6	53.7	78.1	94.2

Source: Company and IVG estimates

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## Tuna Skipjack Price

US\$/ton	2019	2020	2021	2022	2023	2024	2025
1Q	1,453	1,442	1,283	1,717	1,820	1,333	1,660
YoY	-7.8%	-0.8%	-11.0%	+33.8%	+6.0%	-26.7%	+24.5%
QoQ	3.2%	51.8%	-3.8%	+6.2%	+9.6%	-12.1%	+8.5%
2Q	1,217	1,267	1,323	1,608	2,000	1,478	1,510
YoY	-27.0%	+4.1%	+4.5%	+21.5%	+24.4%	-26.1%	+2.1%
QoQ	-16.3%	-12.1%	+3.1%	-6.3%	+9.9%	+10.9%	-9.0%
3Q	1,217	1,500	1,400	1,667	1,800	1,410	
YoY	-17.0%	+23.3%	-6.7%	+19.0%	+8.0%	-21.7%	
QoQ	0.0%	+18.4%	+5.8%	+3.6%	-10.0%	-4.6%	
4Q	950	1,333	1,617	1,660	1,517	1,530	
YoY	-32.5%	+40.4%	+21.3%	+2.7%	-8.6%	+0.9%	
QoQ	-21.9%	-11.1%	+15.5%	-0.4%	-15.7%	+8.5%	
<b>Average</b>	<b>1,209</b>	<b>1,385</b>	<b>1,406</b>	<b>1,663</b>	<b>1,784</b>	<b>1,438</b>	<b>1,585</b>
<b>YoY</b>	<b>-20.9%</b>	<b>+14.6%</b>	<b>+1.5%</b>	<b>+18.3%</b>	<b>+7.3%</b>	<b>-19.4%</b>	<b>+10.2%</b>

Source: Company

## TU

### E: Environmental

As a responsible business, Safety, Occupational Health, and Environments are key pillars that have important roles and responsibilities in contributing to sustainable harmonization. Part of this responsibility is to communicate about TU's environmental management policy and environmental impacts, both internally and externally, between operations, employees, ecosystems, and society

### S: Social

TU Group and its subsidiaries support and respect internationally proclaimed human rights protection. It continues to advance efforts to improve the lives and livelihoods of all workers by providing safe and decent work within its own operations and only sourcing from suppliers that are committed to improving working conditions in line with current industry standards. This incorporates changes to employment practices such as responsible recruitment, access to worker voice mechanisms, equal opportunity practices, occupational health and safety, and supply chain traceability. Although TU does not own any vessels, it is responsible for ensuring the vessels sourced are free from exploitation or mistreatment. TU continues to work with suppliers to understand the supply chain and implement effective and lasting improvements. Through its SeaChange® 2030 strategy, it is embarking on a profound commitment to drive forward labor rights advancements across its global operations, from upstream to downstream, working to ensure the well-being and dignity of its workers and suppliers' workers at every stage.

### G: Governance

TU's corporate governance policy adheres to legal compliance as a basis and is developed to be transparent, credible, and acceptable according to guidelines of excellence in business operations, with criteria for governance and sustainable growth at the national and international levels. The Board of Directors has approved that TU defines a policy to control operations in various areas according to the principles of good corporate governance. TU's policies and operational guidelines cover the placing of directors and specify compensation, the independence of the Board of Directors from management, developing directors and evaluating their performance, the governance of subsidiary companies and joint ventures, as well as policies and guidelines concerned with shareholders and stakeholders, looking after shareholders, equal treatment for all shareholders, promotion and exercise of shareholders' rights, protection and use of internal data, preventing conflict of interest, responsibility to stakeholders, taking an anti-corruption stance as well as being committed to other relevant policies and guidelines. In the event that TU discovers that any criterion in any matter has not been defined as a policy or has not been carried out, management will propose that the Board of Directors consider reviewing this to be consistent with principles.

## Comment

TU indicates a strong commitment to environmental, social, and governance (ESG) practices, as well as clear long-term objectives. Furthermore, the company demonstrates an ability to execute short-term goals effectively.

*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.

Nevertheless, the survey or assessment result is made from the perspective of the IOD or Thaipat Institute that are the third party only. It is not an assessment of operation of the listed company and is not based on any inside information."

Since this survey or assessment result is only the survey or assessment result as of the date appearing in the survey or assessment result only, it may be changed after that date or when there is any change to the relevant information. Nevertheless, I V Global Securities Plc. (IVG) does not confirm, verify, or certify the accuracy and completeness of the survey or assessment result.



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