



# Analyst Meeting Q1 25 results

Thai Union Feedmill PCL.  
May 9, 2025





## Disclaimer

The information contained in our presentation is intended solely for your personal reference only. In addition, such information contains projections and forward-looking statements that reflect our current views with respect to future events and financial performance. These views are based on assumptions subject to various risks and uncertainties. No assurance is given that future events will occur, that projections will be achieved, or that the assumptions are correct. Actual results may differ materially from those projected.





“TFM delivered a gross profit margin of 21.7%, alongside a 26.8% YoY increase in net profit. In the face of global challenges like climate change, we continue to expand our market share. Sustainability remains at the core of our strategy, and we call for collective action to secure a healthier future for all.”

**Peerasak Boonmechote**  
Chief Executive Officer



# Q1 25: Exceptional 26.8% YoY net profit growth through strategic cost optimization despite a modest 1.4% YoY topline decline



**Q1 25 Summary**  
Revenue from sales  
**THB 1,231 mn** (-1.4% YoY)

**Domestic sales:**  
THB 1,051 mn  
(-0.7% YoY)

**International sales:**  
THB 180 mn  
(-5.7% YoY)



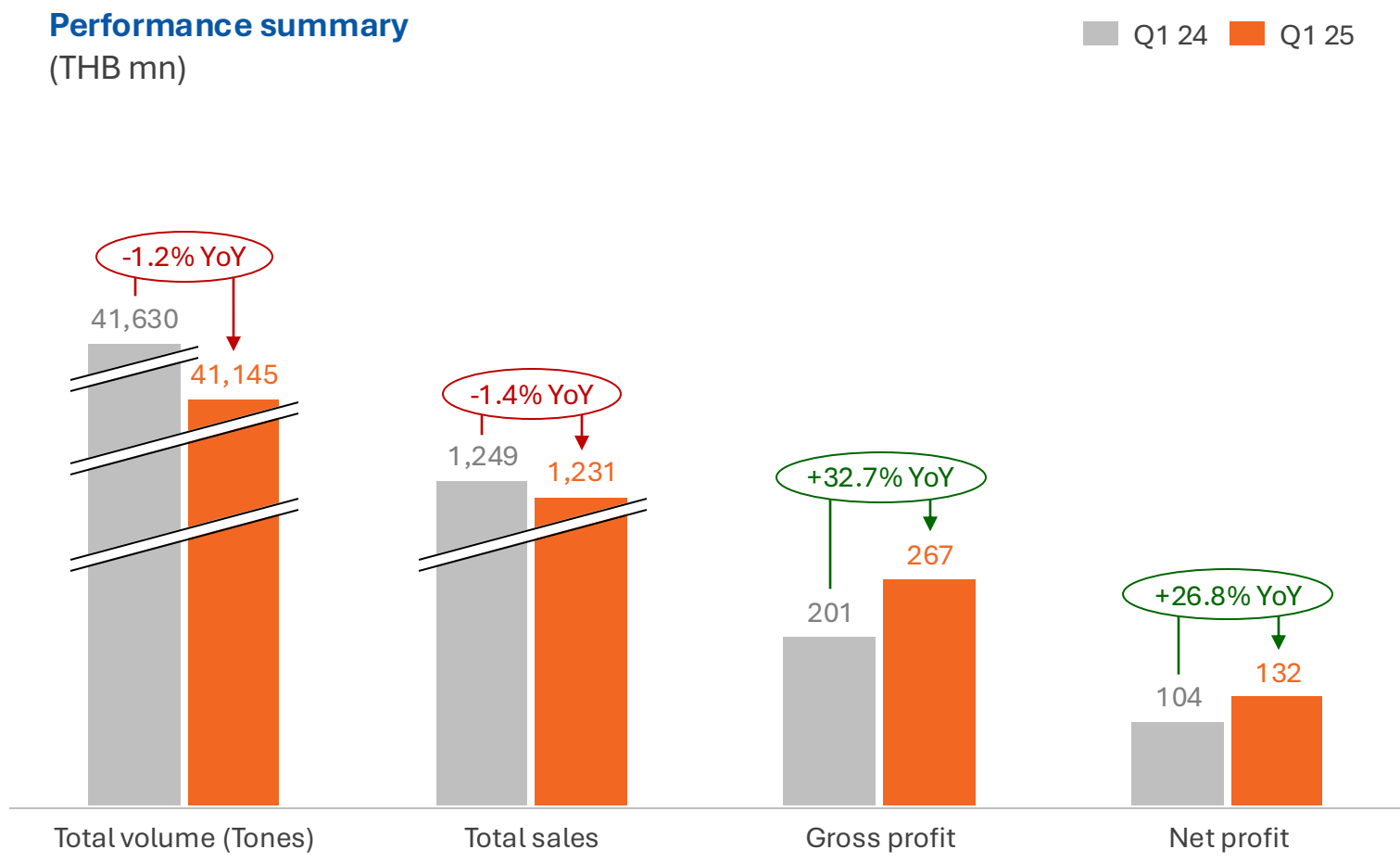
**Gross profit margin**  
**Q1 25: 21.7%** (Q1 24: 16.1%)



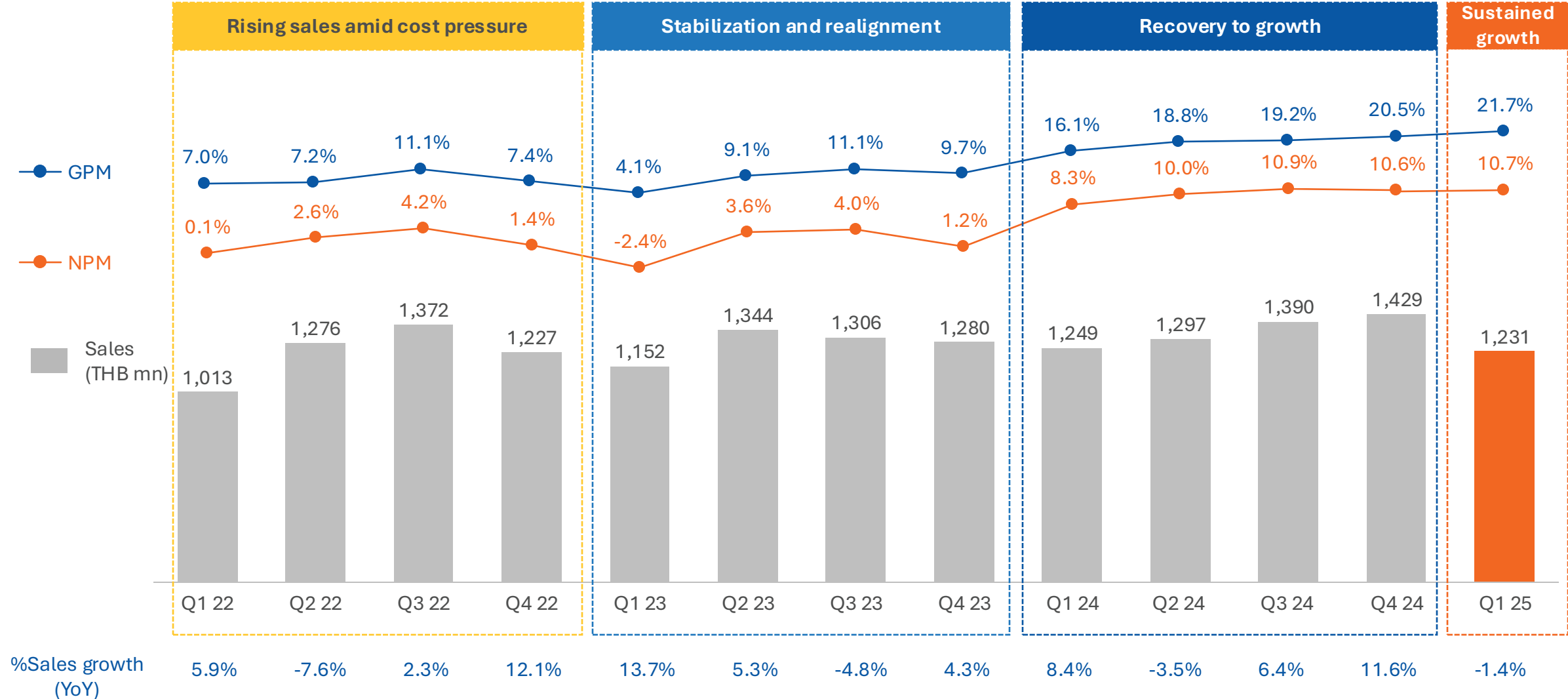
**Net profit margin**  
**Q1 25: 10.7%** (Q1 24: 8.3%)



**IBD/E remained healthy**  
**Q1 25: 0.08x** (Q1 24: 0.07x)

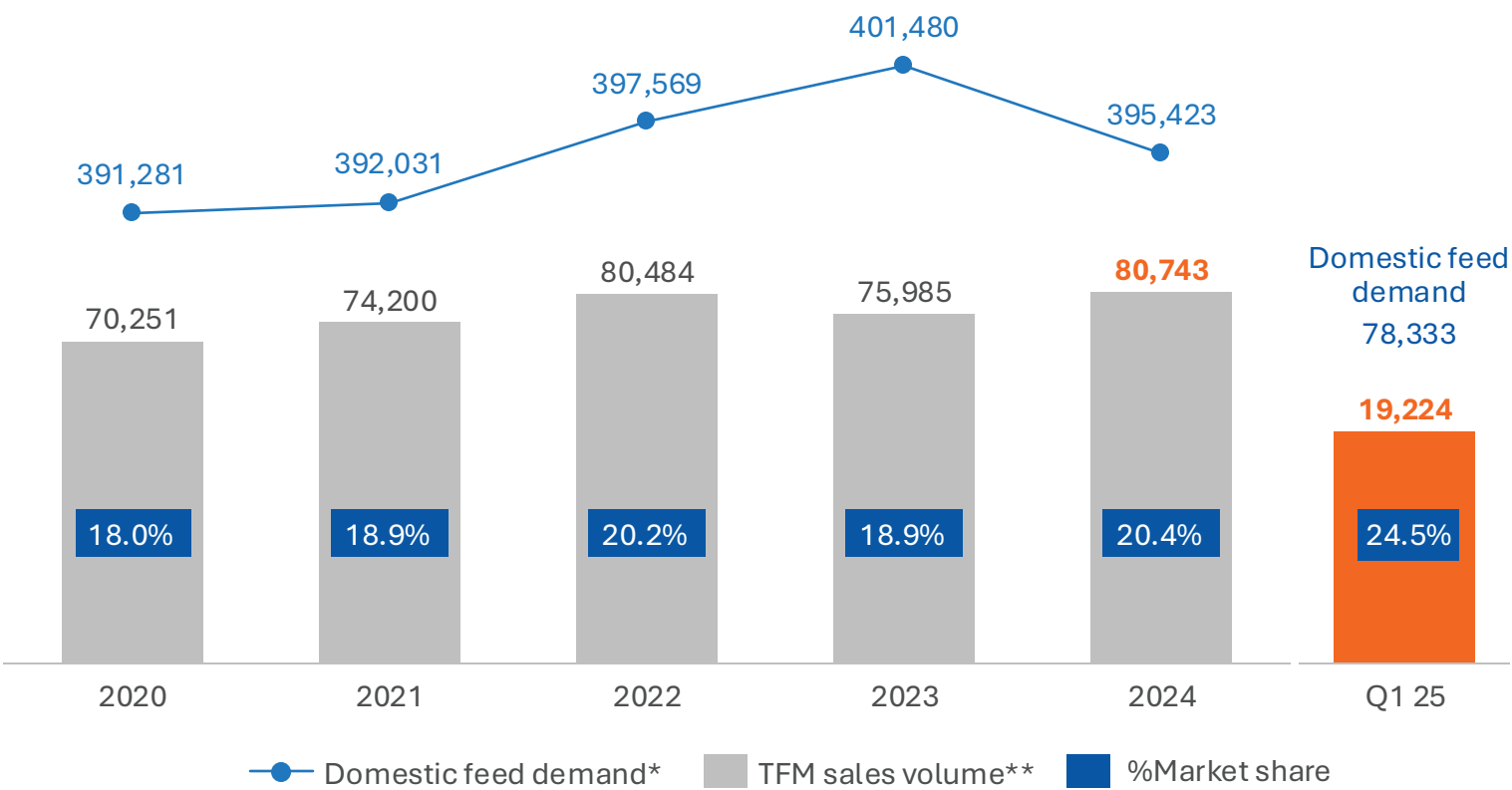


We achieved a record-breaking gross profit margin driven by effective cost optimization, high production yields and optimized product mix



# In Q1 25, TFM captured a 24.5% market share, driven by an 8.1% YoY increase in local shrimp feed sales volume

Thailand shrimp feed market share  
(Unit: Tons)



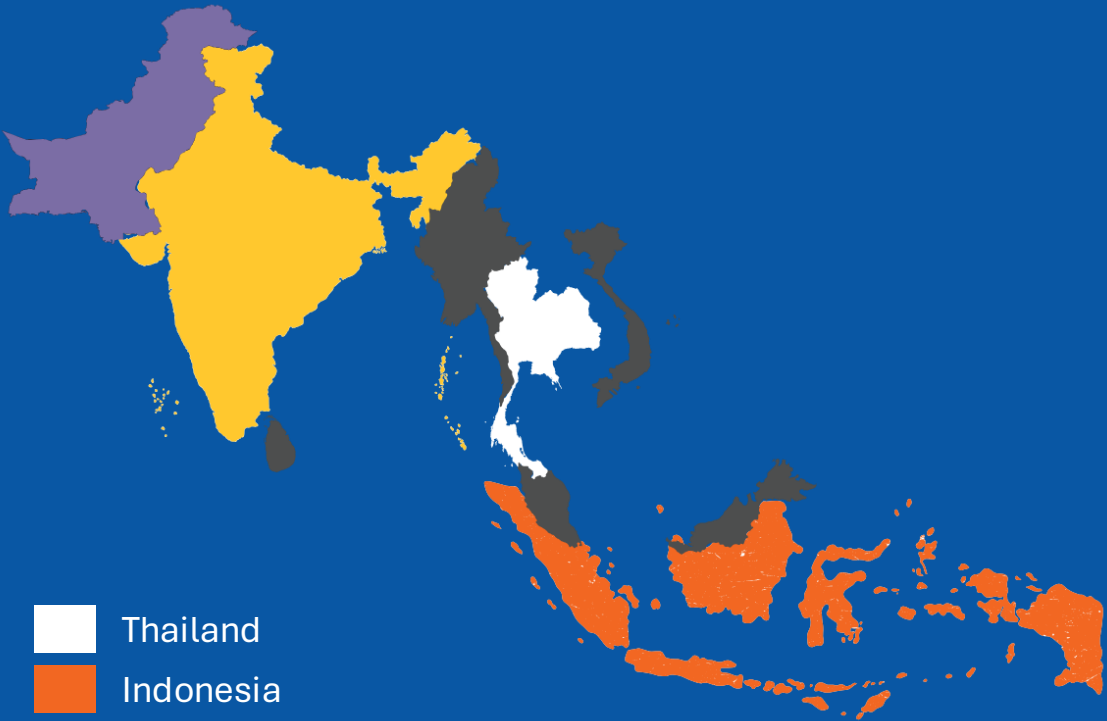
- While local shrimp feed market remains relatively flat YoY, our local sales volume increased by 8.1% YoY in Q1 25, resulting in an increase in market share to 24.5%
- The growth was mainly driven by stronger performance in the East and South of Thailand.

Remark: \*Demand calculated from the total shrimp production multiplied by FCR (feed conversion ratio) of 1.3 times for black and white shrimp and FCR 1.4 for freshwater prawn.

\*\*TFM's shrimp feed sales volume in Thailand including OEM.

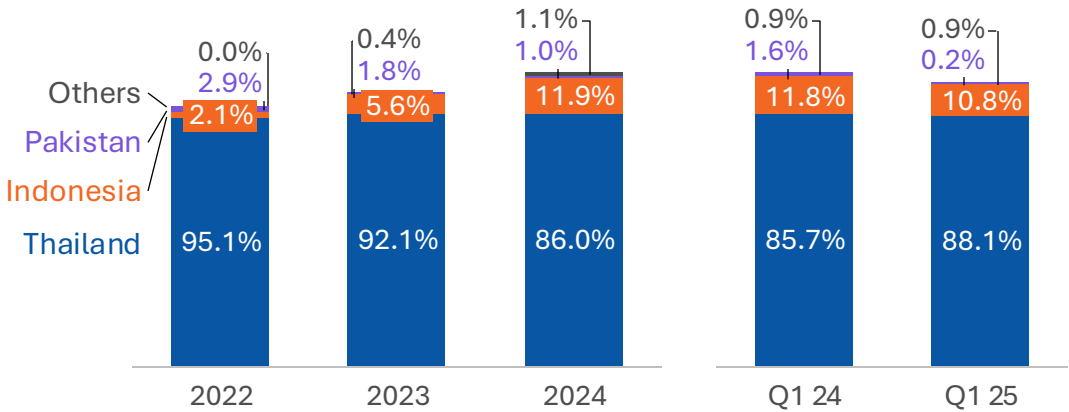
Source: Department of Fisheries

# OUR FOOTPRINT

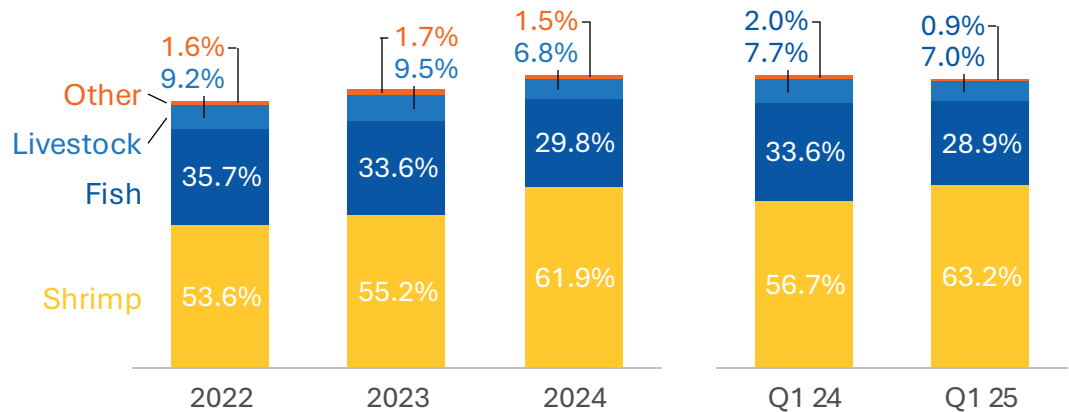


## Q1 25: Strong shrimp feed sales drive growth in Thailand

Revenue by Geography



Revenue by Business





## Q1 25 Business performance





# Slight sales dip, record-setting gross profit, and remarkable net profit growth despite higher taxes from expiration of BOI benefits



▼ -1.4% YoY  
▼ -13.9% QoQ

In Q1 25, sales declined slightly by 1.4% YoY, primarily due to a drop in Fish Feed sales, impacted by cold weather and a shortage of fish fries.



▲ +32.7% YoY  
▼ -9.0% QoQ

Gross profit surged 32.7% YoY, driven by an improved product mix and lower raw material costs. The GPM continued to reach new highs, despite being in the low season.



▲ +15.0% YoY  
▼ -16.9% QoQ

SG&A remained well-managed, reflecting the Company’s disciplined approach to cost control.



▲ +26.8% YoY  
▼ -12.6% QoQ

Net profit continued to show strong YoY growth, as TFM sustained profitability through a margin-focused strategy, despite higher tax expenses following the expiration of BOI incentives.

# Overall sales hold steady YoY, led by Shrimp Feed as key growth driver

Total Q1 25 Sales: THB 1,231mn

**Shrimp Feed**  
THB 778mn



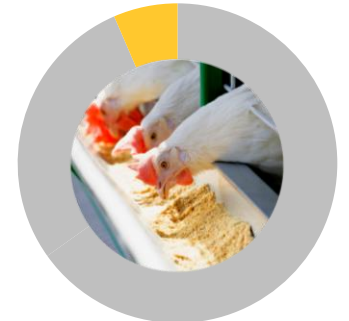
**63.2%** (56.7% LY)

**Fish Feed**  
THB 356mn



**28.9%** (33.6% LY)

**Livestock Feed**  
THB 86mn



**7.0%** (7.7% LY)

**Sales Contribution (%)**

**GPM (%)**

**22.7%**

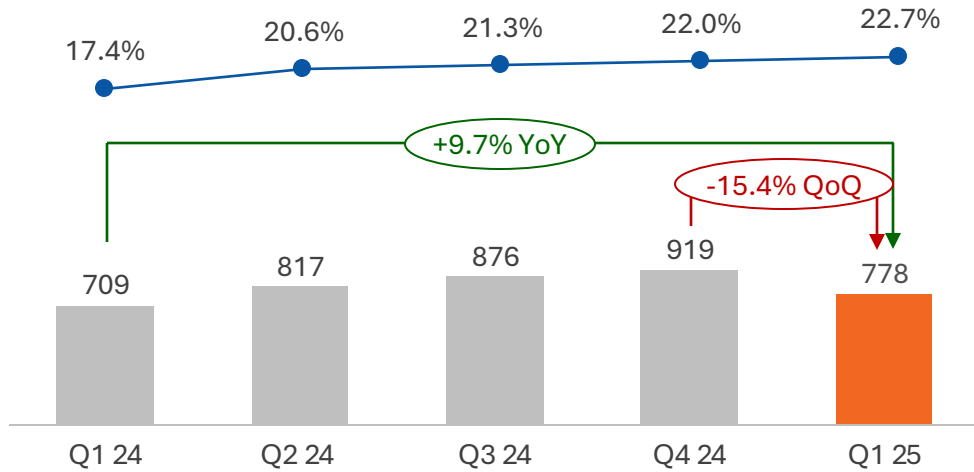
**22.5%**

**13.5%**

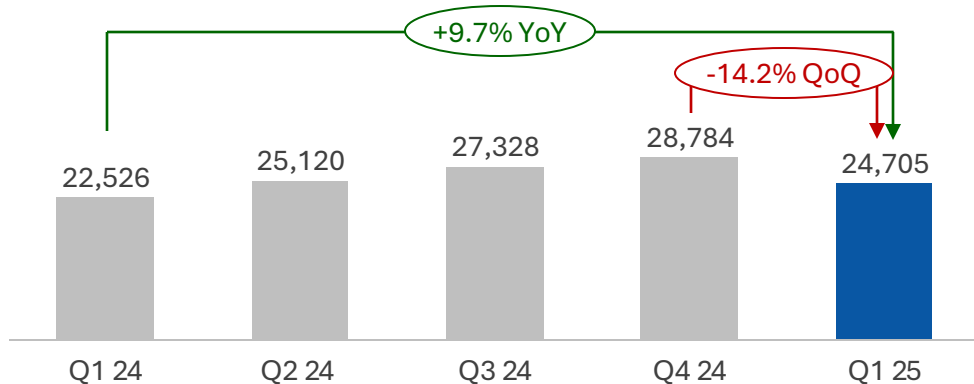
Remark: The remaining proportion constitutes other sales, which include aquatic input product.

# Shrimp Feed: Sales grew 10% YoY, driven by the increase in market share and surge in export sales

Sales (THB mn) and GPM (%)



Volume (Tons)



Shrimp feed performed well this quarter, delivering 9.7% YoY growth, driven by:

- Thailand's local shrimp feed sales increased by 10.0%, supported by continuous efforts to gain market share.
- Export sales surged nearly 200% YoY, driven by the recovery of major existing customers, who impacted by last year's floods and diseases, as well as efforts to acquire new customers.
- Sales in Indonesia decline slightly by 11.0% YoY due to disease outbreaks affecting our major customers.

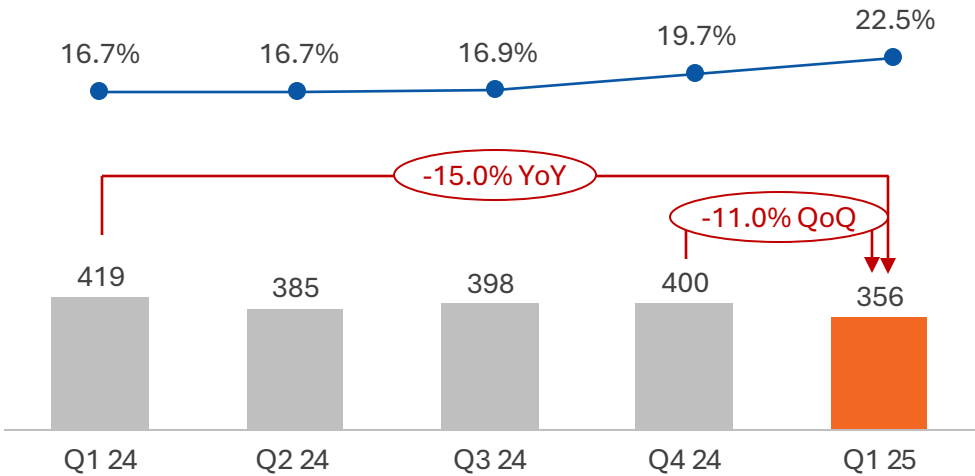
The QoQ decline was primarily due to the shift in Thailand's shrimp farming seasons to Q4 last year, influenced by high shrimp prices.



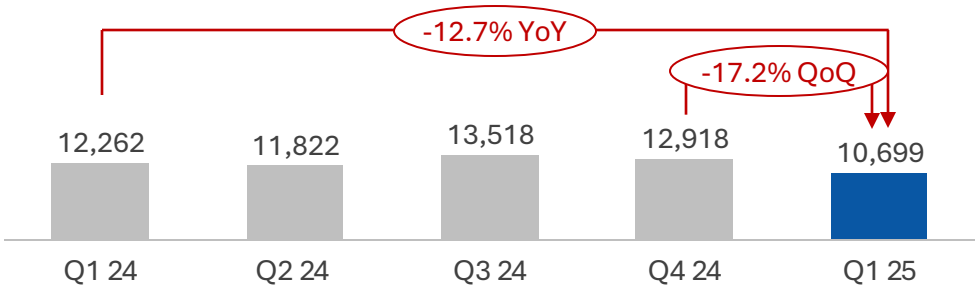


# Fish Feed: Sales decline in Q1 due to fry shortage and cold winter, recovery expected in the next quarter

Sales (THB mn) and GPM (%)



Volume (Tons)



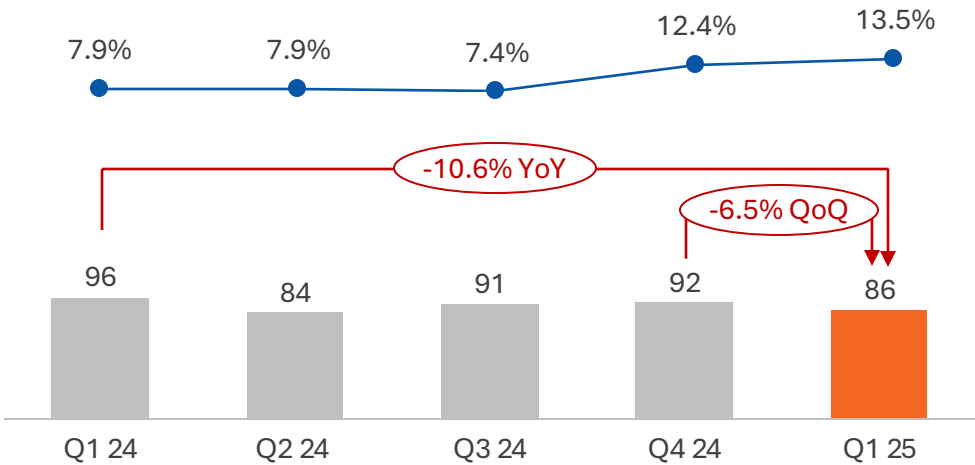
## Fish feed sales declined by 15.0% YoY.

- Despite favorable end-product prices since Q4, a shortage of fingerling supply led to a decline in fish feed sales.
- Additionally, prolonged cold weather in January and February reduced fish appetite.
- Looking ahead, Q2 is expected to show improvement of Fish Feed segment as warmer weather supports better feeding conditions. March sales have already shown signs of recovery compared to February.



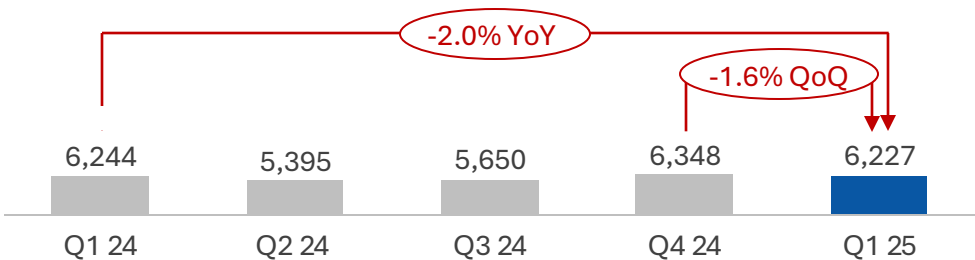
# Livestock Feed: Strategic shift to OEM partnerships and selective sales approach enhanced profitability

Sales (THB mn) and GPM (%)



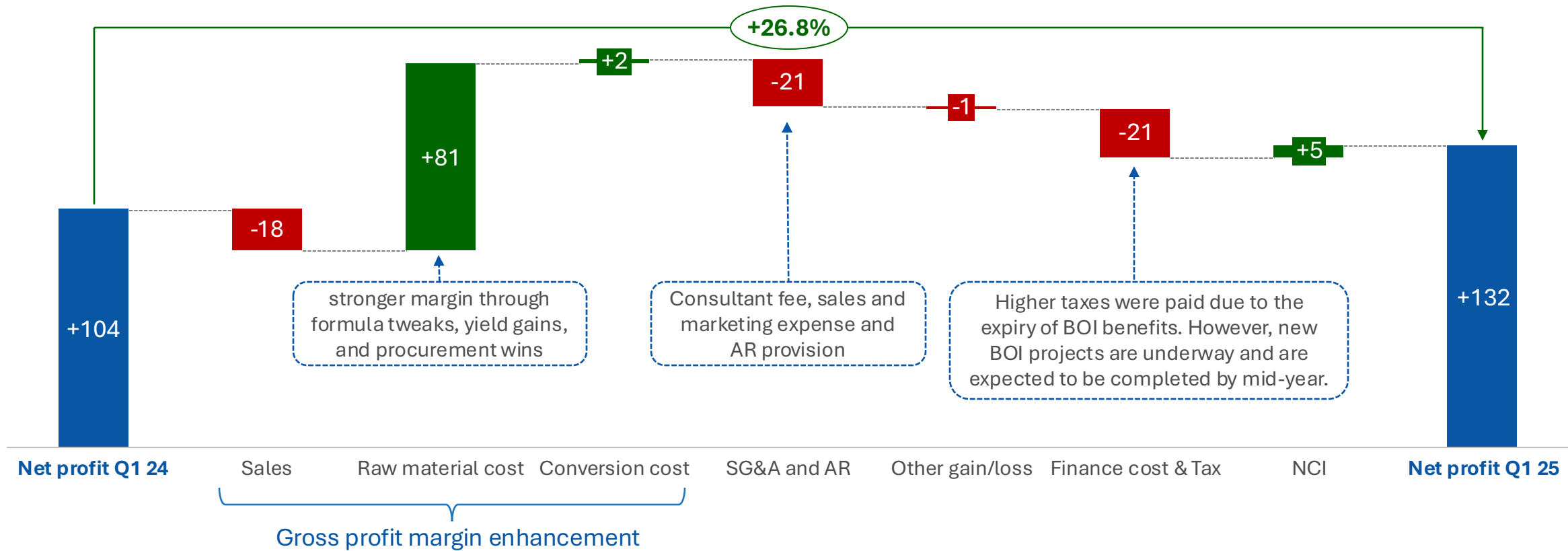
Livestock feed sales declined by 10.6% YoY, primarily due to a drop in Pakistan's sales, which were impacted by faced economic challenges. However, this was partially offset by 8.6% YoY increase in Thailand's livestock feed sales, showcasing the successful implementation of our new business model. This strategy significantly improved profitability through strategic portfolio adjustments.

Volume (Tons)



# Q1 25 Net improvement attributed to cost control, especially RM costs, despite higher Taxes from BOI Expiry

Net profit bridge  
(THB mn)



Remark: Conversion cost includes all manufacturing costs (direct labor and factory overhead) except raw materials used to transform inputs into finished goods.

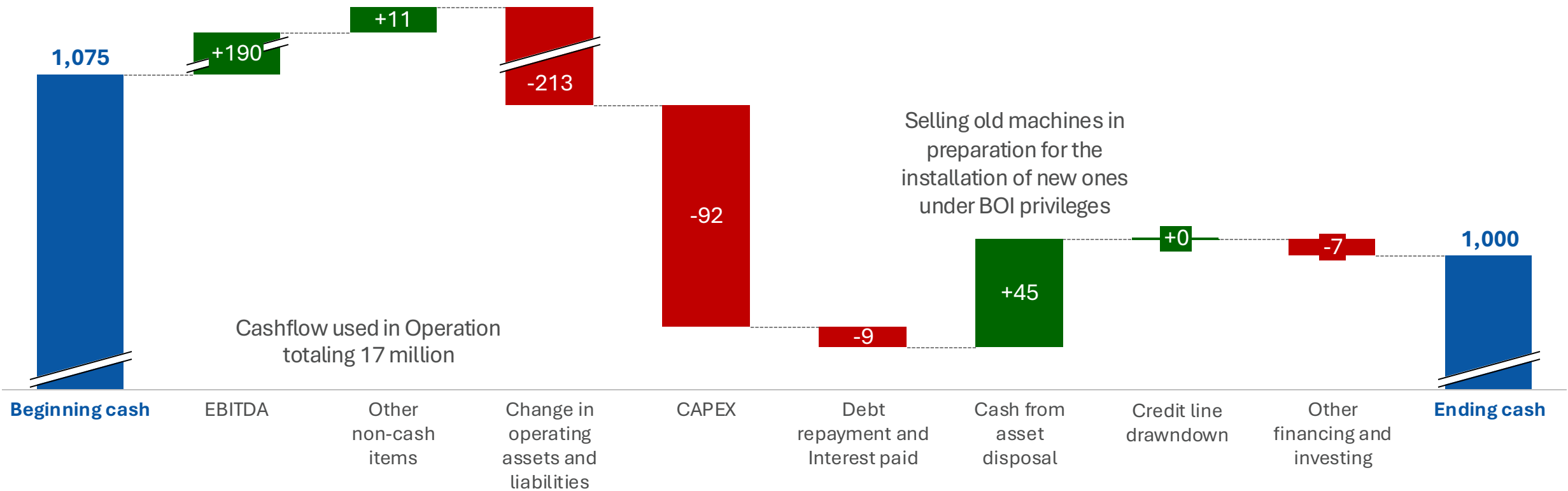


# Significant BOI spending aiming for mid-year completion to achieve tax savings and more production efficiency

Free Cash Flow THB -75mn

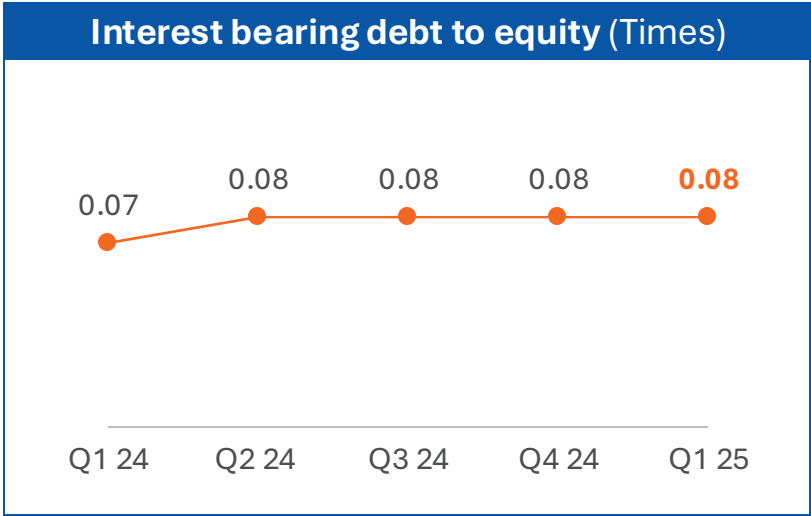
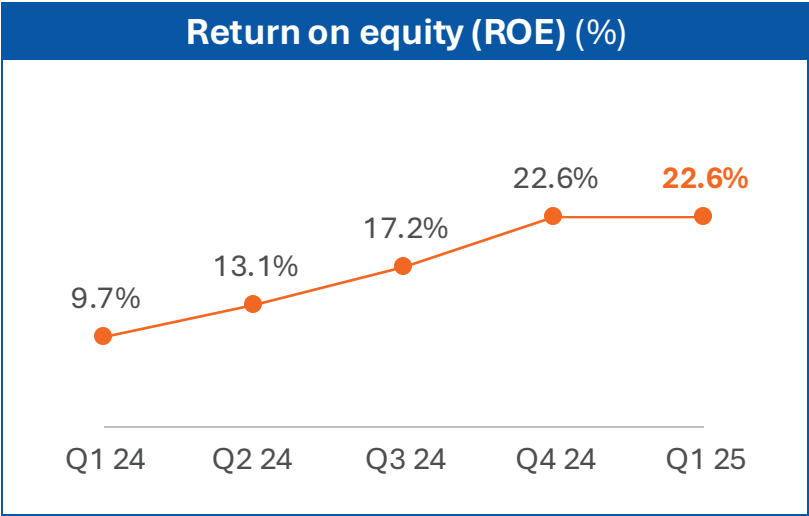
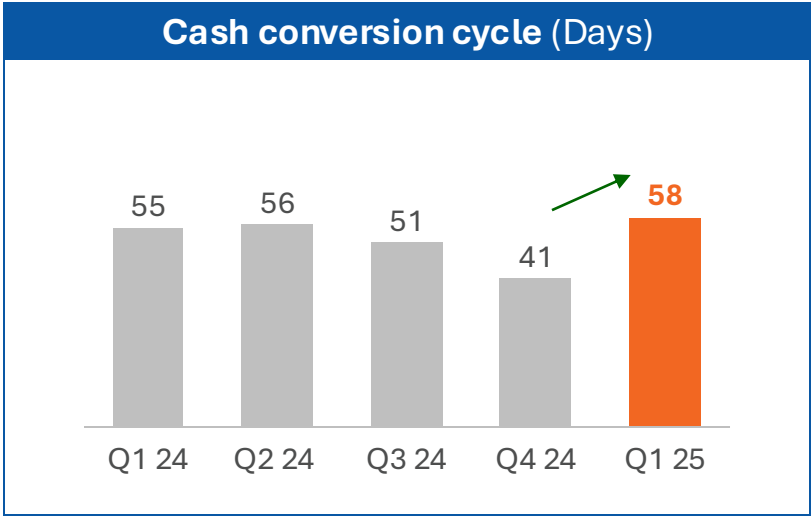
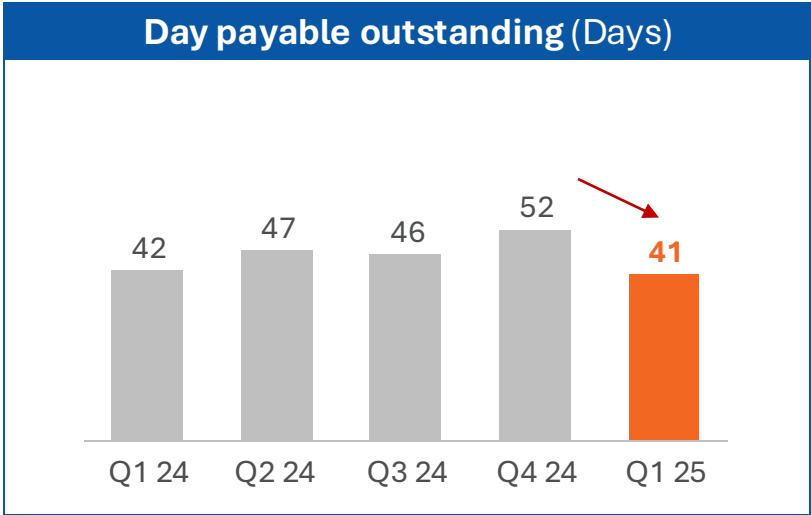
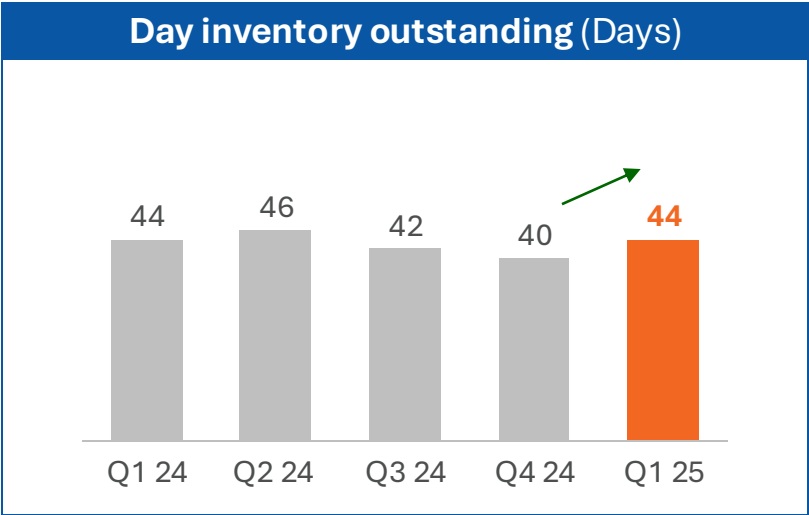
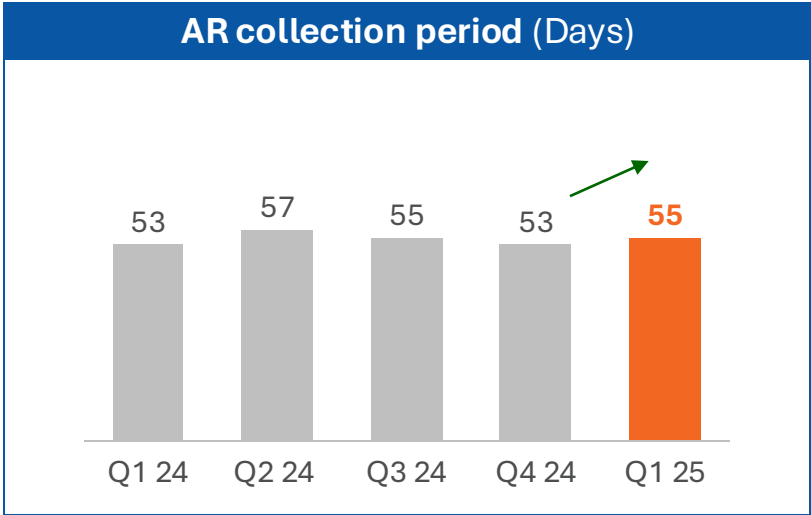
Income tax paid and other financing and investing activities

(THB mn)



Source: Financial statement

# Strong financial performance: Improved profitability, efficient capital management, and healthy financial position



# Outlook







## 2025 Guidance: We maintain all previously communicated targets

	2025 Guidance	Key drivers
<b>Sales growth</b>	<b>+ 8 – 10% YoY</b> (2024A: 5.6% YoY)	<ul style="list-style-type: none"><li>• Shrimp feed is set to keep its strong momentum, fueling growth.</li><li>• Fish feed is poised for a Q2 comeback with new product launches and better weather conditions.</li></ul>
<b>GPM</b>	<b>18 – 20%</b> (2024A: 18.7%)	<ul style="list-style-type: none"><li>• New high-base line of production yield, healthy portfolio mix, optimized production cost, as well as well-managed raw material cost.</li></ul>
<b>SG&amp;A to sales</b>	<b>8 – 10%</b> (2024A: 9.2%)	<ul style="list-style-type: none"><li>• Implementing additional cost-saving initiatives to balance the increased sales and marketing efforts needed to support further growth.</li></ul>
<b>Effective tax rate</b>	<b>10 – 11%</b>	<ul style="list-style-type: none"><li>• Include top-up tax from GMT</li></ul>
<b>CAPEX</b>	<b>THB 300mn</b> (2024A: THB 139mn)	<ul style="list-style-type: none"><li>• Primarily allocated to two BOI projects: shrimp at Ranod and fish at Mahachai, along with safety measures for all plants.</li></ul>
<b>Dividend policy</b>	<b>At least 50% dividend payout ratio</b>	

# 2030 Sales target: THB 10bn with 11% CAGR, driving continued growth across all business segments

## Market expansion & growth

### Win in Thailand

Strengthen Thailand's domestic market presence

### Expand in Indonesia

Expand sales coverage and market share in Indonesia

### Next wave of growth

Pursue strategic overseas partnerships to access new markets and deepen penetration in existing ones

## How to win

### Consistent Feed Quality



#### Achieved low FCR (Feed Conversion Ratio)

Reduced farming period and farming cost.



**Unique Ingredient Utilization** with Thai Union Group's by-products.



**Sustainable Feed Development**  
Alternative ingredients for sustainability.

### Farmer Engagement



#### Driving Growth Together:

Collaborate on formula development and support customers in achieving ASC certification and improved farming results.

### Strategic Partnership



Implement comprehensive partnership strategies domestically and internationally.  
Maximize efficiency through an integrated value chain.

### Sustainability



Lead in sustainability with **ASC and low carbon shrimp** initiatives.

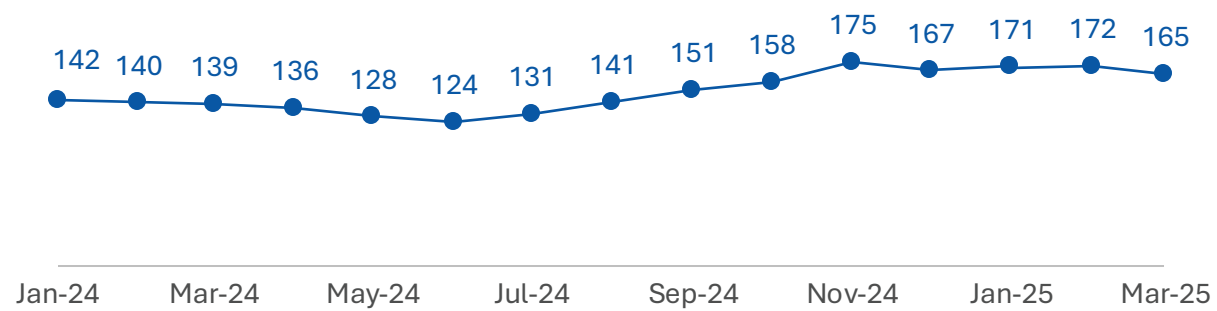
# Appendix






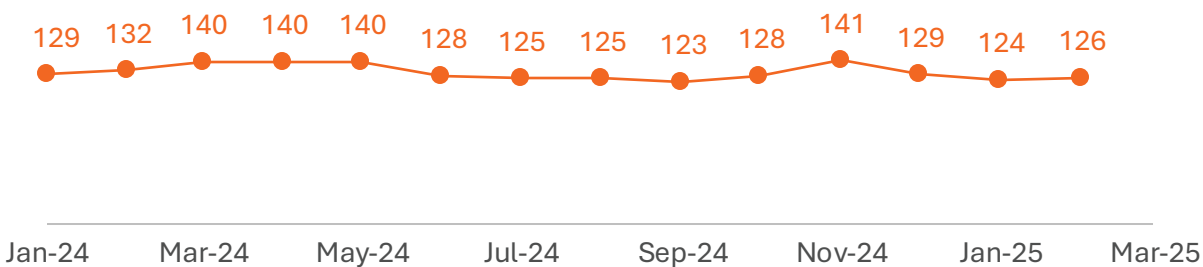
# Sustained high end-product prices reinforce aquaculture recovery and support strong aquatic feed demand into 2025


**Shrimp price (60 pieces/kg)**  
(THB/kg)



 The Shrimp price hiked during the second-half of 2024 and remained elevated into Q1 25, reflecting strong farming activity as prices stayed above 165 THB/kg. This sustained high price continued to drive shrimp feed demand, supporting robust aquaculture operations.

**Seabass price (size <700g/pieces)**  
(THB/kg)

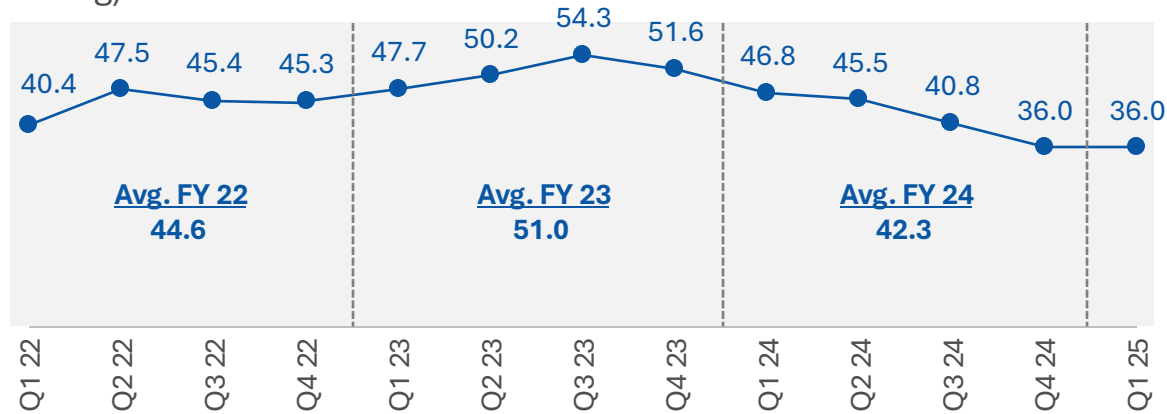


 After peaking in November 2024, seabass prices remained relatively firm in Q1 25, despite a slight drop.

# The continued decline in key raw material prices compared to the previous year has positively impacted profit margins

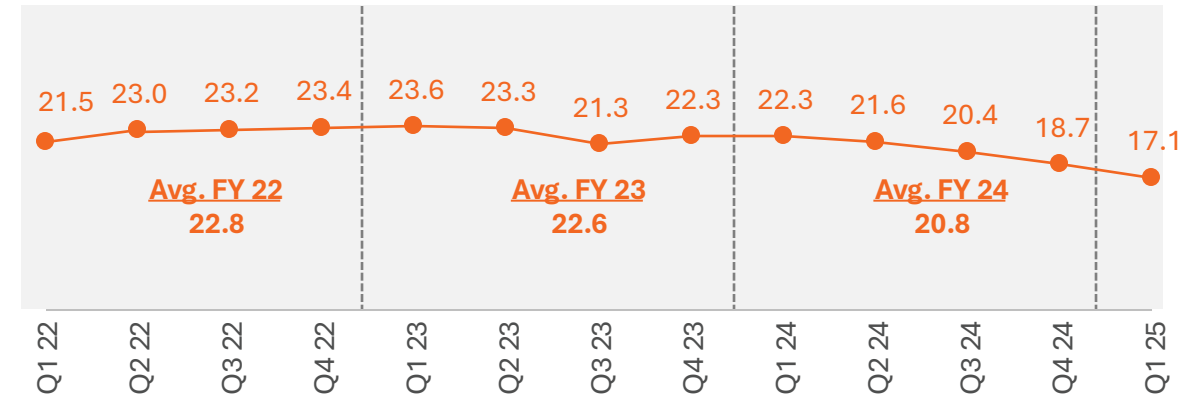
## Fish meal price

(THB/kg)



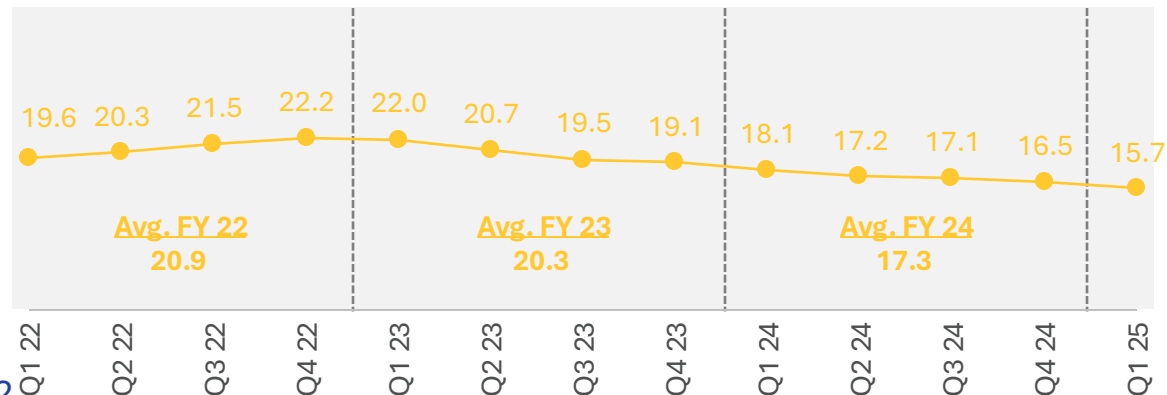
## Dehulled soybean meal price

(THB/kg)



## Wheat flour price

(THB/kg)



## In Q1 25, average key raw material prices were at:

- Fish meal price – THB 36.0/kg. (-23.2%% YoY, 0% QoQ)
- Dehulled soybean meal price – THB 17.1/kg. (-23.5% YoY, -8.9% QoQ)
- Wheat flour price – THB 15.7/kg. (-13.4% YoY, -5.1% QoQ)