

Research Update:

# Uni-President Enterprises Corp. Ratings Affirmed At 'twAA/twA-1+'; Outlook Stable

June 25, 2024

## Rating Action Rationale

Taiwan Ratings Corp. today affirmed its 'twAA' long-term and 'twA-1+' short-term issuer credit ratings on **Uni-President Enterprises Corp.** The outlook on the long-term rating is stable.

The ratings on Uni-President reflect the company's good business diversity with solid market positions in Taiwan's food and beverage and convenience store sectors. The ratings also reflect our view that the company is likely to maintain its sustainable discretionary cash inflow over the next two years despite aggressive capital expenditure over the same period. This should enable Uni-President to maintain the ratio of debt to EBITDA at 2.0 x-2.5x over the period.

Counterbalancing these rating strengths are the higher industry risk in China's food and beverage market due to intense competition and volatile material costs, and weaker performance on the company's other smaller non-food and beverage businesses.

## Related Criteria & Research

### Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology - April 04, 2024
- Criteria | Corporates | General: Corporate Methodology - January 07, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities - January 07, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments - April 01, 2019
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers - December 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions - November 19, 2013
- General Criteria: Methodology: Industry Risk - November 19, 2013
- General Criteria: Principles Of Credit Ratings - February 16, 2011

### Related Research

- Taiwan Ratings' Ratings Definitions – November 11, 2021

(Unless otherwise stated, these articles are published on [www.taiwanratings.com](http://www.taiwanratings.com))

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## Ratings List

### Ratings Affirmed

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#### Uni-President Enterprises Corp.

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Issuer Credit Rating	twAA/Stable/twA-1+
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Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.taiwanratings.com](http://www.taiwanratings.com) for further information. Complete ratings information is available to subscribers of Rating Research Service at [rrs.taiwanratings.com.tw](http://rrs.taiwanratings.com.tw). All ratings affected by this rating action can be found on Taiwan Ratings' public website at [www.taiwanratings.com](http://www.taiwanratings.com).

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