

THAI FOODS GROUP TFG TB

THAILAND / FOOD & BEVERAGE

BUY

UNCHANGED

No catalysts in the short term

- In the short term, we expect 1Q23 net profit to decrease q-q, due to a declining meat price.
- We maintain that net profit likely peaked in 2022, but 2023 profit should be higher than the pre-Covid level.
- Maintain our BUY call on inexpensive valuation.

TARGET PRICE	THB8.00
CLOSE	THB5.35
UP/DOWNSIDE	+49.5%
PRIOR TP	THB8.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+3.4%

KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	52,323	49,061	49,698	50,558
Net profit	4,724	3,632	3,956	4,192
EPS (THB)	0.81	0.59	0.64	0.68
vs Consensus (%)	-	(29.3)	(6.4)	2.4
EBITDA	10,419	8,589	9,104	9,500
Core net profit	4,724	3,632	3,956	4,192
Core EPS (THB)	0.81	0.59	0.64	0.68
Chg. In EPS est. (%)	nm	0.0	0.1	nm
EPS growth (%)	713.3	(27.3)	8.9	6.0
Core P/E (x)	6.6	9.1	8.3	7.9
Dividend yield (%)	7.5	5.5	6.0	6.4
EV/EBITDA (x)	5.3	5.9	5.4	4.9
Price/book (x)	2.0	1.9	1.7	1.5
Net debt/Equity (%)	150.8	100.7	80.2	60.3
ROE (%)	34.8	21.8	21.1	20.3

4Q22 core profit dropped q-q, in line our estimate

TFG reported a 4Q22 net profit of THB1.13b (-35% q-q, +332% y-y). Excluding an FX gain of THB57m, a biological asset loss of THB288m, and other loss of THB35m, its core profit was equal to THB1.39b (-24% q-q), in line with our estimate. The q-q drop was from the declining meat price and high raw material prices. 4Q22 total revenue grew by 4.3% q-q thanks to higher retail sales from newly opened stores, which rose to 220 stores at end-2022, in line with TFG's target. The gross margin fell to 16.9% (vs 21.2% in 3Q22), due to high raw material prices and product mix. TFG's 2022 net profit hit a record high at THB4.72b (+8.4x y-y).

Expect 1Q23 net profit be softer q-q

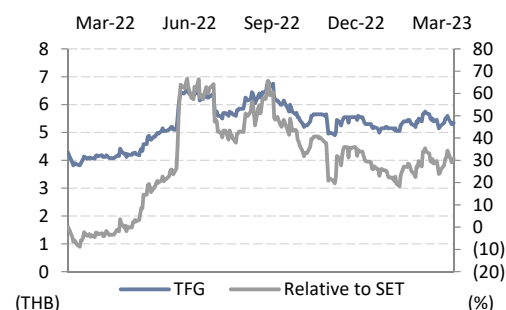
We have a negative view from TFG's analyst meeting on 28 Feb-23. Short term, we expect 1Q23 net profit to decrease q-q, due to a declining meat price in Thailand and high prices for raw materials. Thailand is exposed to illegal pork imports from foreign countries, which caused the 1QTD average swine price to drop 10.5% q-q and 3.5% y-y to THB91. The average chicken price is THB41.5 per kg (-7.1% q-q, +5.5% y-y).

Conservative view on meat price in 2023

Management has set 2023 growth targets which include 1) total revenue growth at 15%-20% y-y; 2) gross margin at 15%-16% (vs 19% in 2022), but maintains retail shop's gross margin at 20%; and 3) opening 160-180 new stores in 2023. Aside from that, management mentioned that the government is cracking down on illegal pork imports, which could cause an increase in the swine price from Apr-23 onward. However, we still have a cautious view on the meat price outlook. We expect the 2023 average swine price to drop around 10%-15% y-y to THB85-90 per kg and the average chicken price to be at THB38-40 per kg, on the expectation of the African Swine Fever outbreak easing in 2H23. We maintain our 2023 net profit forecast of THB3.6b (-23% y-y).

Maintain target price and recommendation

We reaffirm our TP of THB8, based on 13.6x 2023E P/E. While there are no share price catalysts in the short term, we think its valuation looks less expensive at a 2023E P/E of only 9.1x. TFG announced a DPS of THB0.3, implying a high dividend yield of 5.5%.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(6.1)	(4.5)	25.0
Relative to country (%)	(2.3)	(2.8)	30.7
Mkt cap (USD m)	873		
3m avg. daily turnover (USD m)	1.1		
Free float (%)	16		
Major shareholder	New Star Victor Co Ltd (28%)		
12m high/low (THB)	6.90/3.68		
Issued shares (m)	5,654.06		

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

TFG is one of the top three producers of chicken meat and live pigs in Thailand. The company has the capacity to produce 500,000 chickens per day and supply over 85,000 fattening pigs per month.

We have a positive view on the 2023 chicken export recovery from the low base last year. Although we estimate the THB/USD exchange rate to strengthen to THB33 from THB35 in 2022, TFG should see a limited impact from the stronger THB due to fully natural hedging.

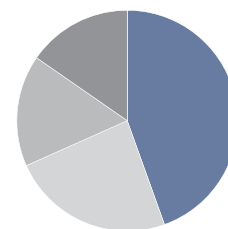
Company profile

Thai Foods Group (TFG) was established in 1987 by Mr Winai Teawsomboonkij, the founder and CEO. TFG is a vertically integrated food producer specialising in the production of chicken and swine, with operations in Thailand and Vietnam. During 2019-2021, the company generated key revenues from three businesses: poultry, swine, and feed & others, each contributing in percentage terms 47/27/24, respectively.

www.tfg.co.th

Principal activities (revenue, 2022)

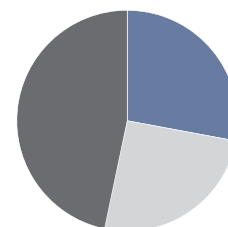
- Poultry - 44.5 %
- Swine - 23.8 %
- Feed - 16.3 %
- Retail Shop and other - 15.4 %



Source: Thai Foods Group

Major shareholders

- New Star Victor Co Ltd - 27.9 %
- Teawsomboonkij Family - 25.4 %
- Others - 46.7 %



Source: Thai Foods Group

Catalysts

Potential catalysts for TFG’s earnings growth in 2023 are 1) revenue growth driven by higher sales volumes; 2) higher-than-expected meat prices; 3) declining raw material costs; and 4) its new Thai Foods Fresh Market store expansion.

Risks to our call

Downside risks to our PE-based TP are 1) a slower-than-expected consumption recovery; 2) high volatility in meat and raw material prices; 3) a stronger THB than expected; and 4) a minimum wage increase and/or a labour shortage.

Event calendar

Date	Event
May 2023	1Q23 results announcement

Key assumptions

	2023E	2024E	2025E
Poultry volume (tonnes)	379,327	394,500	402,390
Swine volume (tonnes)	119,845	122,242	124,686
Feed volume (tonnes)	555,496	566,606	583,604
TFG’s chicken ASP (THB/kg)	49.7	47.2	44.8
TFG’s swine ASP (THB/kg)	90.0	85.0	80
Total sales growth (%)	(6.2)	1.3	1.7
Gross margin (%)	16.0	16.5	16.8

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2023 net profit to rise by 1.2%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2023 net profit to rise by 5.1%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2023 net profit to fall by 4.7%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: 4Q22 earnings results

	4Q21	1Q22	2Q22	3Q22	4Q22	-----Change-----		2021	2022	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	9,744	10,396	12,327	14,490	15,111	4.3	55.1	34,823	52,323	50.3
Cost of sales	8,918	8,804	9,581	11,420	12,562	10.0	40.9	31,670	42,367	33.8
Gross profit	826	1,592	2,746	3,070	2,548	(17.0)	208.5	3,153	9,956	215.7
SG&A	716	727	854	770	892	15.9	24.7	1,927	3,243	68.3
Operating profit	111	866	1,892	2,300	1,656	(28.0)	nm	1,226	6,713	447.5
Interest expense	148	163	179	221	281	27.3	89.9	493	845	71.2
Tax expense	122	154	304	325	62	(80.9)	(49.3)	546	845	54.9
Other gain (Loss)	245	(1.3)	(283.7)	(105.8)	(266.0)	nm	nm	114	(657)	nm
Reported net profit	262	619	1,238	1,734	1,131	(34.8)	331.7	562	4,724	740.3
Key ratios (%)						(ppt)	(ppt)			
Gross margin	8.5	15.3	22.3	21.2	16.9	(4.3)	8.4	9.1	19.0	10.0
SG&A to sales	7.3	7.0	6.9	5.3	5.9	0.6	(1.4)	5.5	6.2	0.7
Operating margin	1.1	8.3	15.3	15.9	11.0	(4.9)	9.8	3.5	12.8	9.3
Net margin	2.7	5.9	10.0	12.0	7.5	(4.5)	4.8	1.6	9.0	7.4
Operating statistics										
Poultry sales (THB m)	4,615	5,032	5,792	6,220	6,254	0.5	35.5	16,642	23,298	40.0
Swine sales (THB m)	2,520	2,597	3,017	3,470	3,372	(2.8)	33.8	9,518	12,457	30.9
Feed sales (THB m)	1,788	1,702	1,956	2,452	2,423	(1.2)	35.5	6,958	8,533	22.6
Retail shop stores (no.)	85	113	132	178	220	23.6	158.8	85	220	158.8
Retail shop sales value (THB m)	578	1,065	1,562	2,348	2,827	20.4	388.7	1,460	7,801	434.2

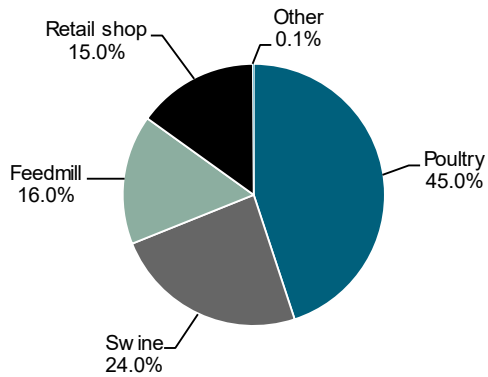
Source: TFG

Exhibit 2: Key assumptions for TFG

Assumptions	Actual	----- Forecast -----				----- % Growth -----			
	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	
Poultry volume (tonnes)	371,889	379,327	394,500	402,390	6.5	2.0	4.0	2.0	
Swine volume (tonnes)	117,495	119,845	122,242	124,686	1.1	2.0	2.0	2.0	
Feed volume (tonnes)	544,604	555,496	566,606	583,604	0.1	2.0	2.0	3.0	
TFG's chicken ASP (THB/kg)	61.2	49.7	47.2	44.8	50.8	(18.8)	(5.0)	(5.0)	
TFG's swine ASP (THB/kg)	97.9	90.0	85.0	80.0	33.8	(8.0)	(5.6)	(5.9)	
Retail shop stores	220	320	390	490	158.8	45.5	21.9	25.6	
Retail shop sales value (THB m)	7,801	9,035	10,038	11,038	434.2	15.8	11.1	10.0	
Total sales value (THB m)	52,323	49,061	49,698	50,558	50.3	(6.2)	1.3	1.7	
Gross profit (THB m)	9,956	7,850	8,200	8,494	215.7	(21.2)	4.5	3.6	
Gross margin (%)	19.0	16.0	16.5	16.8	10.0	(3.0)	(6.5)	(19.8)	
SG&A expenses (THB m)	3,243	3,091	3,081	3,135	68.3	(4.7)	(0.3)	1.7	
SG&A to sales (%)	6.2	6.3	6.2	6.2	0.7	0.1	(0.1)	0.0	
Reported net profit (THB m)	4,724	3,632	3,956	4,192	740.3	(23.1)	8.9	6.0	
Net margin (%)	9.0	7.4	8.0	8.3	7.4	(1.6)	(0.5)	(9.9)	

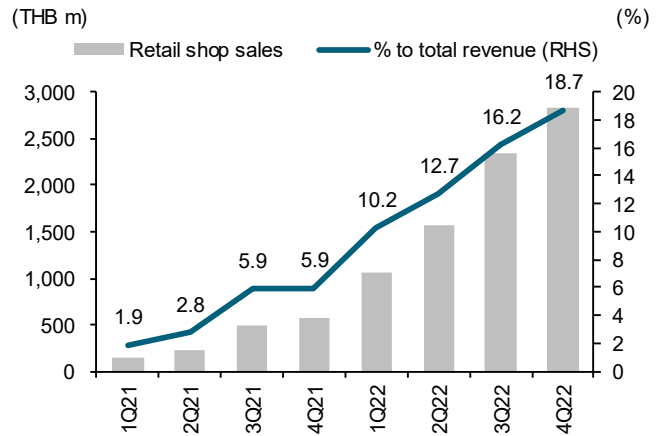
Source: FSSIA estimates

Exhibit 3: Revenue breakdown by business segment in 2022



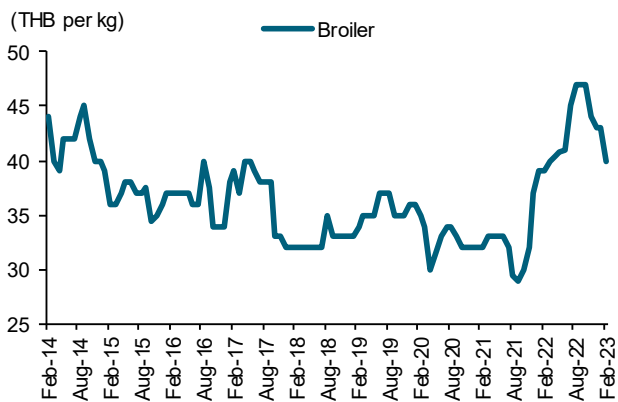
Source: TFG

Exhibit 4: Retail shop revenues and % of total revenue



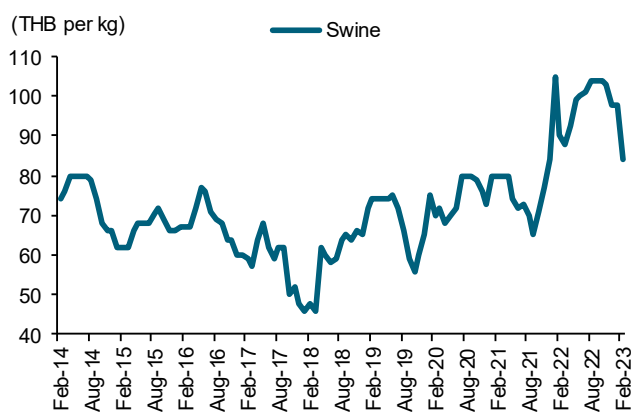
Source: TFG

Exhibit 5: Market broiler price in Thailand



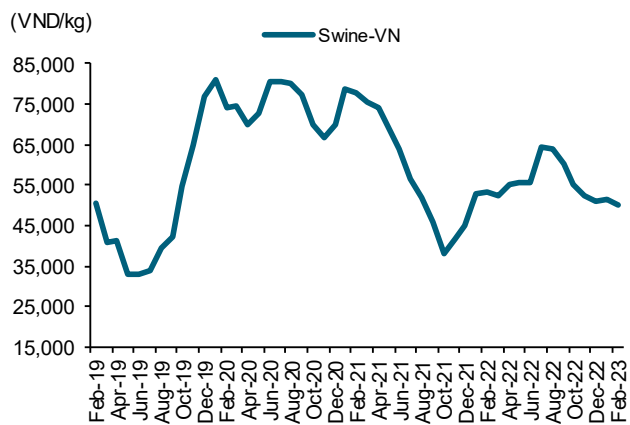
Source: Office of Agricultural Economics (OAE)

Exhibit 6: Market swine price in Thailand



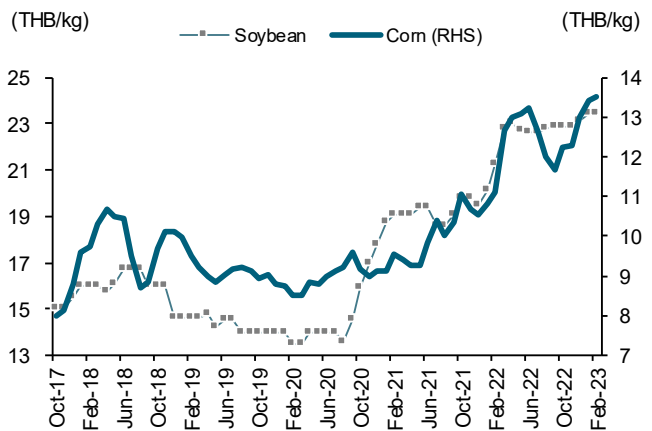
Source: OAE

Exhibit 7: Market swine price in Vietnam



Source: Charoen Pokphand Foods

Exhibit 8: Corn and soybean meal price



Source: Department of Internal Trade

Financial Statements

Thai Foods Group

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	34,823	52,323	49,061	49,698	50,558
Cost of goods sold	(29,244)	(39,030)	(37,724)	(37,861)	(38,277)
Gross profit	5,579	13,293	11,337	11,837	12,281
Other operating income	251	369	343	348	354
Operating costs	(1,927)	(3,243)	(3,091)	(3,081)	(3,135)
Operating EBITDA	3,903	10,419	8,589	9,104	9,500
Depreciation	(2,425)	(3,337)	(3,487)	(3,637)	(3,787)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,477	7,082	5,102	5,467	5,713
Net financing costs	(595)	(1,080)	(824)	(807)	(776)
Associates	0	(9)	0	0	1
Recurring non-operating income	216	(429)	0	0	1
Non-recurring items	0	0	0	0	0
Profit before tax	1,098	5,573	4,278	4,660	4,938
Tax	(546)	(845)	(642)	(699)	(741)
Profit after tax	552	4,728	3,637	3,961	4,197
Minority interests	10	(4)	(5)	(5)	(5)
Preferred dividends	0	0	0	0	0
Other items	-	-	0	0	0
Reported net profit	562	4,724	3,632	3,956	4,192
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	562	4,724	3,632	3,956	4,192
Per share (THB)					
Recurring EPS *	0.10	0.81	0.59	0.64	0.68
Reported EPS	0.10	0.81	0.59	0.64	0.68
DPS	0.09	0.40	0.29	0.32	0.34
Diluted shares (used to calculate per share data)	5,644	5,831	6,168	6,168	6,168
Growth					
Revenue (%)	11.1	50.3	(6.2)	1.3	1.7
Operating EBITDA (%)	(28.3)	167.0	(17.6)	6.0	4.4
Operating EBIT (%)	(55.8)	379.5	(28.0)	7.1	4.5
Recurring EPS (%)	(78.2)	713.3	(27.3)	8.9	6.0
Reported EPS (%)	(78.2)	713.3	(27.3)	8.9	6.0
Operating performance					
Gross margin inc. depreciation (%)	9.1	19.0	16.0	16.5	16.8
Gross margin of key business (%)	9.1	19.0	16.0	16.5	16.8
Operating EBITDA margin (%)	11.2	19.9	17.5	18.3	18.8
Operating EBIT margin (%)	4.2	13.5	10.4	11.0	11.3
Net margin (%)	1.6	9.0	7.4	8.0	8.3
Effective tax rate (%)	49.7	15.2	15.0	15.0	15.0
Dividend payout on recurring profit (%)	90.4	49.4	50.0	50.0	50.0
Interest cover (X)	2.8	6.2	6.2	6.8	7.4
Inventory days	51.3	55.3	61.0	54.6	54.6
Debtor days	25.1	22.2	25.6	24.8	24.8
Creditor days	43.9	38.2	44.7	43.7	43.7
Operating ROIC (%)	5.2	18.4	12.5	14.1	15.0
ROIC (%)	5.1	15.0	10.7	12.1	12.8
ROE (%)	5.0	34.8	21.8	21.1	20.3
ROA (%)	3.3	13.8	9.8	11.0	11.6
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Poultry	16,642	23,298	20,199	19,957	19,338
Swine	9,518	12,457	11,319	11,025	11,246
Feed	6,958	8,533	8,268	8,434	8,687
Retail Shop and other	1,705	8,036	9,274	10,282	11,287

Sources: Thai Foods Group; FSSIA estimates

Financial Statements

Thai Foods Group

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	562	4,724	3,632	3,956	4,192
Depreciation	2,425	3,337	3,487	3,637	3,787
Associates & minorities	0	9	0	0	(1)
Other non-cash items	635	(184)	0	0	0
Change in working capital	(5,519)	252	1,287	(628)	(178)
Cash flow from operations	(1,896)	8,138	8,406	6,965	7,801
Capex - maintenance	(4,947)	(9,785)	(2,595)	(3,057)	(3,077)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(4,947)	(9,785)	(2,595)	(3,057)	(3,077)
Dividends paid	(589)	(799)	(1,816)	(1,978)	(2,096)
Equity finance	36	56	469	0	0
Debt finance	8,960	2,756	(4,725)	(1,461)	(2,644)
Other financing cash flows	(1,931)	36	(32)	(200)	0
Cash flow from financing	6,475	2,049	(6,104)	(3,639)	(4,740)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(368)	402	(293)	268	(17)
Free cash flow to firm (FCFF)	(6,349.87)	(801.37)	6,635.03	4,714.62	5,499.55
Free cash flow to equity (FCFE)	184.99	1,145.83	1,053.60	2,246.40	2,079.02

Per share (THB)

FCFF per share	(1.12)	(0.14)	1.17	0.83	0.97
FCFE per share	0.03	0.20	0.19	0.40	0.37
Recurring cash flow per share	0.64	1.35	1.15	1.23	1.29

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	19,682	23,182	26,182	29,182	32,182
Less: Accumulated depreciation	(3,316)	(1,879)	(5,366)	(9,003)	(12,790)
Tangible fixed assets (net)	16,366	21,302	20,815	20,178	19,391
Intangible fixed assets (net)	179	213	179	179	179
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	704	605	605	605	605
Cash & equivalents	416	818	525	793	776
A/C receivable	2,829	3,531	3,360	3,404	3,463
Inventories	4,863	6,963	5,645	5,685	5,762
Other current assets	7,001	7,452	6,378	6,461	6,573
Current assets	15,109	18,764	15,908	16,342	16,574
Other assets	3,210	4,786	4,415	4,473	4,550
Total assets	35,567	45,670	41,923	41,777	41,299
Common equity	11,556	15,568	17,821	19,599	21,695
Minorities etc.	14	18	18	18	17
Total shareholders' equity	11,570	15,587	17,839	19,617	21,712
Long term debt	8,229	11,960	8,132	7,532	6,832
Other long-term liabilities	442	462	589	596	607
Long-term liabilities	8,670	12,422	8,721	8,128	7,439
A/C payable	3,434	4,733	4,516	4,548	4,610
Short term debt	11,734	12,370	10,356	8,987	7,032
Other current liabilities	159	557	491	497	506
Current liabilities	15,326	17,661	15,363	14,032	12,147
Total liabilities and shareholders' equity	35,567	45,670	41,923	41,777	41,299
Net working capital	11,100	12,655	10,377	10,505	10,682
Invested capital	31,559	39,562	36,391	35,939	35,407

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	2.05	2.67	2.89	3.18	3.52
Tangible book value per share	2.02	2.63	2.86	3.15	3.49

Financial strength

Net debt/equity (%)	168.9	150.8	100.7	80.2	60.3
Net debt/total assets (%)	55.0	51.5	42.8	37.6	31.7
Current ratio (x)	1.0	1.1	1.0	1.2	1.4
CF interest cover (x)	1.3	2.1	2.3	3.8	3.7

Valuation	2021	2022	2023E	2024E	2025E
Recurring P/E (x) *	53.7	6.6	9.1	8.3	7.9
Recurring P/E @ target price (x) *	80.3	9.9	13.6	12.5	11.8
Reported P/E (x)	53.7	6.6	9.1	8.3	7.9
Dividend yield (%)	1.7	7.5	5.5	6.0	6.4
Price/book (x)	2.6	2.0	1.9	1.7	1.5
Price/tangible book (x)	2.7	2.0	1.9	1.7	1.5
EV/EBITDA (x) **	12.7	5.3	5.9	5.4	4.9
EV/EBITDA @ target price (x) **	16.6	6.7	7.8	7.1	6.6
EV/invested capital (x)	1.6	1.4	1.4	1.4	1.3

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Thai Foods Group; FSSIA estimates

Corporate Governance report of Thai listed companies 2022

EXCELLENT LEVEL – Score range 90-100											
AAV	BAM	CIMBT	ECL	HENG	LALIN	NEP	PRG	SCC	SPRC	THRE	TTW
ADVANC	BANPU	CK	EE	HMPRO	LANNA	NER	PRM	SCCC	SPVI	THREL	TU
AF	BAY	CKP	EGCO	ICC	LHFG	NKI	PSH	SCG	SSC	TIPCO	TVDH
AH	BBIK	CM	EPG	ICHI	LIT	NOBLE	PSL	SCGP	SSSC	TISCO	TVI
AIRA	BBL	CNT	ETC	III	LOXLEY	NSI	PTG	SCM	SST	TK	TVO
AJ	BCP	COLOR	ETE	ILINK	LPN	NVD	PTA	SCN	STA	TKN	TPWC
AKP	BCPG	COM7	FN	ILM	LRH	NYT	PTTEP	SDC	STEC	TKS	UAC
AKR	BDMS	COMAN	FNS	IND	LST	OISHI	PTTGC	SEAFCO	STGT	TKT	UBIS
ALLA	BEM	COTTO	FPI	INTUCH	MACO	OR	PYLON	SEAOIL	STI	TMILL	UPOIC
ALT	BEYOND	CPALL	FPT	IP	MAJOR	ORI	Q-CON	SE-ED	SUN	TMT	UV
AMA	BGC	CPF	FSMART	IRC	MAKRO	OSP	QH	SELIC	SUSCO	TNDT	VCOM
AMARIN	BGRIM	CPI	FVC	IRPC	MALEE	OTO	QTC	SENA	SUTHA	TNITY	VGI
AMATA	BIZ	CPN	GC	ITEL	MBK	PAP	RABBIT	SENAJ	SVI	TOA	VIH
AMATAV	BKI	CRC	GEL	IVL	MC	PCSGH	RATCH	SGF	SYMC	TOP	WACOAL
ANAN	BOL	CSS	GFPT	JTS	MCOT	PDG	RBF	SHR	SYNTEC	TPBI	WAVE
AOT	BPP	DDD	GGC	JWD	METCO	PDJ	RS	SICT	TACC	TQM	WHA
AP	BRR	DELTA	GLAND	K	MFEC	PG	S	SIRI	TASCO	TRC	WHAUP
APURE	BTS	DEMCO	GLOBAL	KBANK	MINT	PHOL	S&J	SIS	TCAP	TRUE	WICE
ARIP	BTW	DOHOME	GPI	KCE	MONO	PLANB	SAAM	SITHAI	TEAMG	TSC	WINNER
ASP	BWG	DRT	GPSC	KEX	MOONG	PLANET	SABINA	SMPC	TFMAMA	TSR	XPG
ASW	CENTEL	DTAC	GRAMMY	KGI	MSC	PLAT	SAMART	SNC	THANA	TSTE	ZEN
AUCT	CFRESH	DUSIT	GULF	KKP	MST	PORT	SAMTEL	SONIC	THANI	TSTH	
AWC	CGH	EA	GUNKUL	KSL	MTC	PPS	SAT	SORKON	THCOM	TTA	
AYUD	CHEWA	EASTW	HANA	KTB	MVP	PR9	SC	SPALI	THG	TTB	
BAFS	CHO	ECF	HARN	KTC	NCL	PREB	SCB	SPI	THIP	TTCL	

VERY GOOD LEVEL – Score range 80-89											
2S	ASIMAR	CHOTI	ESSO	INSURE	LH	NRF	PROEN	SCI	SR	TMC	UMI
7UP	ASK	CHOW	ESTAR	IRCP	LHK	NTV	PROS	SCP	SRICHA	TMD	UOBKH
ABM	ASN	CI	FE	IT	M	NUSA	PROUD	SE	SSF	TMI	UP
ACE	ATP30	CIG	FLOYD	ITD	MATCH	NWR	PSG	SECURE	SSP	TNL	UPF
ACG	B	CITY	FORTH	J	MBAX	OCC	PSTC	SFLEX	STANLY	TNP	UTP
ADB	BA	CIVIL	FSS	JAS	MEGA	OGC	PT	SFP	STC	TNR	VIBHA
ADD	BC	CMC	FTE	JCK	META	ONEE	PTC	SFT	STPI	TOG	VL
AEONTS	BCH	CPL	GBX	JCKH	MFC	PACO	QLT	SGP	SUC	TPA	VPO
AGE	BE8	CPW	GCAP	JMT	MGT	PATO	RCL	SIAM	SVOA	TPAC	VRANDA
AHC	BEC	CRANE	GENCO	JR	MICRO	PB	RICHY	SINGER	SVT	TPCS	WGE
AIE	BH	CRD	GJS	KBS	MILL	PICO	RJH	SKE	SWC	TIPL	WIHK
AIT	BIG	CSC	GTB	KCAR	MTSIB	PIMO	ROJNA	SKN	SYNEX	TIPIP	WIN
ALUCON	BJC	CSP	GYT	KGEN	MK	PIN	RPC	SKR	TAE	TPLAS	WINMED
AMANAH	BJCHI	CV	HEMP	KIAT	MODERN	PJW	RT	SKY	TAKUNI	TPS	WORK
AMR	BLA	CWT	HPT	KISS	MTI	PL	RWI	SLP	TCC	TQR	WP
APCO	BR	DCC	HTC	KK	NATION	PLE	S11	SMART	TCMC	TRITN	XO
APCS	BRI	DHOUSE	HUMAN	KOOL	NCAP	PM	SA	SMD	TFG	TRT	YUASA
AQUA	BROOK	DITTO	HYDRO	KTIS	NCH	PMTA	SABUY	SMIT	TFI	TRU	ZIGA
ARIN	BSM	DMT	ICN	KUMWEL	NDR	PPP	SAK	SMT	TFM	TRV	
ARROW	BYD	DOD	IFS	KUN	NETBAY	PPPM	SALEE	SNNP	TGH	TSE	
AS	CBG	DPAINT	IIG	KWC	NEX	PRAPAT	SAMCO	SNP	TIDLOR	TVT	
ASAP	CEN	DV8	IMH	KWM	NINE	PRECHA	SANKO	SO	TIGER	TWP	
ASEFA	CHARAN	EASON	INET	L&E	NNCL	PRIME	SAPPE	SPA	TIPH	UBE	
ASIA	CHAYO	EFORL	INGRS	LDC	NOVA	PRIN	SAWAD	SPC	TITLE	UEC	
ASIAN	CHG	ERW	INSET	LEO	NPK	PRINC	SCAP	SPCG	TM	UKEM	

GOOD LEVEL – Score range 70-79											
A	BEAUTY	CMAN	EMC	HL	KWI	MORE	PF	RSP	SUPER	TOPP	VARO
A5	BGT	CMO	EP	HTECH	KYE	MPIC	PK	SIMAT	TC	TPCH	W
AI	BLAND	CMR	EVER	IHL	LEE	MUD	PPM	SISB	TCCC	TPOLY	WFX
ALL	BM	CPANEL	F&D	INOX	LPH	NC	PRAKIT	SK	TCJ	TRUBB	WPH
ALPHAX	BROCK	CPT	FMT	JAK	MATI	NEWS	PTECH	SOLAR	TEAM	TTI	YGG
AMC	BSBM	CSR	GIFT	JMART	M-CHAI	NFC	PTL	SPACK	THE	TYCN	
APP	BTNC	CTW	GLOCON	JSP	MCS	NSL	RAM	SPG	THMUI	UMS	
AQ	CAZ	D	GLORY	JUBILE	MDX	NV	ROCK	SQ	TKC	UNIQ	
AU	CCP	DCON	GREEN	KASET	MENA	PAF	RP	STARK	TNH	UPA	
B52	CGD	EKH	GSC	KCM	MJD	PEACE	RPH	STECH	TNPC	UREKA	

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCPG	CPI	GCAP	JR	MCOT	PHOL	RABBIT	SNC	THANI	TTCL
7UP	BE8	CPL	GEL	K	META	PK	RATCH	SNP	THCOM	TU
ADVANC	BEC	CPN	GFPT	KASET	MFC	PL	RML	SORKON	THIP	TVDH
AF	BEYOND	CRC	GGC	KBANK	MFEC	PLANB	RWI	SPACK	THRE	TVI
AI	BGC	CSC	GJS	KBS	MILL	PLANET	S&J	SPALI	THREL	TVO
AIE	BGRIM	DCC	GPI	KCAR	MINT	PLAT	SAAM	SPC	TIDLOR	TWPC
AIRA	BKI	DELTA	GPSC	KCE	MONO	PM	SABINA	SPI	TIPCO	UBE
AJ	BLA	DEMCO	GSTEEL	KGEN	MOONG	PPP	SAPPE	SPRC	TISCO	UBIS
AKP	BPP	DIMET	GULF	KGI	MSC	PPPM	SAT	SRICHA	TKS	UEC
AMA	BROOK	DRT	GUNKUL	KKP	MST	PPS	SC	SSF	TKT	UKEM
AMANAHA	BRR	DTAC	HANA	KSL	MTC	PR9	SCB	SSP	TMILL	UOBKH
AMATA	BSBM	DUSIT	HARN	KTB	MTI	PREB	SCC	SSSC	TMT	UPF
AMATAV	BTS	EA	HEMP	KTC	NEP	PRG	SCCC	SST	TNITY	UV
AP	BWG	EASTW	HENG	KWI	NINE	PRINC	SCG	STA	TNL	VGI
APCS	CEN	EGCO	HMPRO	L&E	NKI	PRM	SCGP	STGT	TNP	VIH
AS	CENDEL	EP	HTC	LANNA	NOBLE	PROS	SCM	STOWER	TNR	WACOAL
ASIAN	CFRESH	EPG	ICC	LH	NOK	PSH	SCN	SUSCO	TOG	WHA
ASK	CGH	ERW	ICHI	LHFG	NSI	PSL	SEAOIL	SVI	TOP	WHAUP
ASP	CHEWA	ESTAR	IFS	LHK	NWR	PSTC	SE-ED	SYMC	TOPP	WICE
AWC	CHOTI	ETE	III	LPN	OCC	PT	SELIC	SYNTEC	TPA	WIIK
AYUD	CHOW	FE	ILINK	LRH	OGC	PTG	SENA	TAE	TPCS	XO
B	CIG	FNS	INET	M	ORI	PTT	SGP	TAKUNI	TPP	YUASA
BAFS	CIMBT	FPI	INSURE	MAJOR	PAP	PTTEP	SINGER	TASCO	TRU	ZEN
BAM	CM	FPT	INTUCH	MAKRO	PATO	PTTGC	SIRI	TCAP	TRUE	ZIGA
BANPU	CMC	FSMART	IRC	MALEE	PB	PYLON	SITHAI	TCMC	TSC	
BAY	COM7	FSS	IRPC	MATCH	PCSGH	Q-CON	SKR	TFG	TSTE	
BBL	COTTO	FTE	ITEL	MBAX	PDG	QH	SMIT	TFI	TSTH	
BCH	CPALL	GBX	IVL	MBK	PDJ	QLT	SMK	TFMAMA	TTA	
BCP	CPF	GC	JKN	MC	PG	QTC	SMPC	TGH	TTB	
DECLARED										
AH	CHG	DHOUSE	EVER	J	KUMWEL	NRF	RS	SUPER	TQM	VIBHA
ALT	CI	DOHOME	FLOYD	JMART	LDC	NUSA	SAK	SVT	TRT	W
APCO	CPR	ECF	GLOBAL	JMT	MEGA	OR	SIS	TKN	TSI	WIN
ASW	CPW	EKH	ILM	JTS	NCAP	PIMO	SSS	TMD	VARO	
B52	DDD	ETC	INOX	KEX	NOVA	PLE	STECH	TMI	VCOM	

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

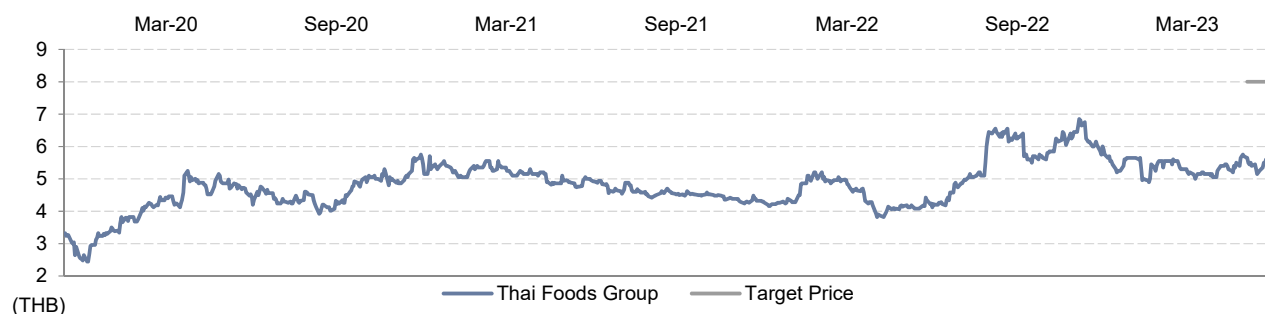
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History of change in investment rating and/or target price

Thai Foods Group (TFG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Feb-2023	BUY	8.00	-	-	-	-	-	-

Sureeporn Teewasuwet started covering this stock from 03-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Thai Foods Group	TFG TB	THB 5.35	BUY	Downside risks to our PE-based TP are 1) a slower-than-expected consumption recovery; 2) high volatility in meat and raw material prices; 3) a stronger THB than expected; and 4) a minimum wage increase and/or a labour shortage.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

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All share prices are as at market close on 01-Mar-2023 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.