

GFPT GFPT TB

THAILAND / AGRIBUSINESS

BUY

UNCHANGED

ราคาไก่และปริมาณส่งออกยังปรับขึ้นต่อ

- ราคาไก่เดือน มี.ค. +5% m-m อยู่ที่ 41-42 บาท/กก. แม้ผ่านตรุษจีน แต่ได้ปัจจัยหนุนจากการส่งออกฟื้นตัวต่อเนื่อง
- แนวโน้มกำไร 1Q24 จะโตสูง y-y และล้นทรงตัว q-q
- คาดกำไรปี 2024 กลับมาโตอีกครั้ง คงเป้าเดิม 14.2 บาท แนะนำซื้อ

TARGET PRICE	THB14.20
CLOSE	THB11.70
UP/DOWNSIDE	+21.4%
PRIOR TP	THB14.20
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+1.8%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	18,963	19,911	20,866	21,826
Net profit	1,377	1,478	1,588	1,683
EPS (THB)	1.10	1.18	1.27	1.34
vs Consensus (%)	-	12.6	5.8	1.2
EBITDA	2,577	2,860	3,063	3,223
Recurring net profit	1,377	1,478	1,588	1,683
Core EPS (THB)	1.10	1.18	1.27	1.34
Chg. In EPS est. (%)	nm	(0.2)	(0.2)	nm
EPS growth (%)	(32.7)	7.4	7.4	6.0
Core P/E (x)	10.7	9.9	9.2	8.7
Dividend yield (%)	1.4	2.5	2.7	2.9
EV/EBITDA (x)	7.1	6.3	5.7	5.0
Price/book (x)	0.8	0.8	0.7	0.7
Net debt/Equity (%)	20.1	16.6	13.6	6.7
ROE (%)	8.1	8.1	8.2	8.2

จบปี 2023 ด้วยกำไรสุทธิอ่อนตัวลง -33% y-y แต่ 4Q23 ฟื้นตัวได้ดี

บริษัทมีกำไรสุทธิปี 2023 เท่ากับ 1.38 พันลบ. (-33% y-y) จากราคาไก่ที่สูงในปี 2022 ขณะที่ราคาไก่เฉลี่ยปี 2023 เท่ากับ 39.5 บาท/กก. (-7.7% y-y) และปริมาณไก่ส่งออกลดลง 10% เพราะลูกค้าแรงซื้อไปมากในปี 2022 กอปรกับการแข่งขันกับบราซิลสูงขึ้น ทำให้ผลการดำเนินงานไม่สดใสในช่วง 9M23 แต่กลับมาฟื้นตัวใน 4Q23 ที่มีกำไรทำจุดสูงสุดของปีได้ ทั้งที่ปกติเป็น Low season ของธุรกิจ เพราะมีปริมาณส่งออกไก่บางส่วนถูกเลื่อนมาใน 4Q23 ขณะที่ส่วนแบ่งกำไรจาก GFN และ McKey ฟื้นตัวแรง โดยเฉพาะ McKey ที่มีส่วนแบ่งกำไรทำจุดสูงสุดใหม่

ปัจจัยหนุนปี 2024 จะมาจากการส่งออกดีขึ้น ราคาไก่ฟื้น และต้นทุนทรงตัวต่ำ

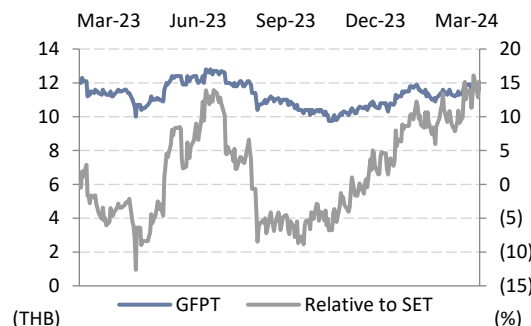
บริษัทตั้งเป้ารายได้ปี 2024 เติบโต 3-5% y-y มาจากทั้งฝั่งปริมาณขายส่งออก และราคาไก่ฟื้นตัว และตั้งเป้าอัตรากำไรขั้นต้นอยู่ที่ 11.5-12.5% ทรงตัวถึงปรับขึ้นเล็กน้อยจาก 11.7% ในปี 2023 เรามองว่าเป็นเป้าอัตรากำไรที่ค่อนข้าง Conservative ภายใต้สถานการณ์ราคาวัตถุดิบที่ปรับลงต่อเนื่อง แต่มองค่าเงินบาทแข็งค่า โดยเราคงสมมติฐานอัตราแลกเปลี่ยนที่ 33 บาท/USD ปัจจุบันราคาไก่ในประเทศฟื้นตัวมาอยู่ที่ 41-42 บาท/กก. ขยับขึ้นจาก 38 บาท/กก.ใน 4Q23 และสูงกว่าต้นทุนการเลี้ยง ขณะที่ราคาวัตถุดิบยังปรับลง โดยเฉพาะข้าวโพดอยู่ที่ 10 บาท/กก. (-4% q-q, -25% y-y) ส่วนราคากากถั่วเหลืองทรงตัวที่ 21-22 บาท/กก.

ระยะสั้นคาดการณ์กำไร 1Q24 โตสูง y-y และล้นทรงตัว q-q

แนวโน้มกำไร 1Q24 คาดโตสูง y-y จากฐานต่ำปีก่อน และราคาวัตถุดิบปรับลงพอควร แม้ฐานกำไร 4Q23 จะค่อนข้างสูง แต่ยังล้นทรงตัวหรืออาจปรับลงเล็กน้อย q-q ได้ เพราะปริมาณส่งออกไม่ยังปรับขึ้นต่อทะลุ 8,000 ตันต่อไตรมาส จาก 7,700 ตันใน 4Q23 มาจากลูกค้ายุโรปเป็นหลัก ส่วนหนึ่งเพราะปัญหาเส้นทางขนส่ง Red Sea ทำให้ใช้เวลาขนส่งนานขึ้น ส่งผลให้ลูกค้ายุโรปเร่งสั่งซื้อมากขึ้น ขณะที่ราคาไก่ในประเทศเริ่มฟื้นตัวล่าสุดเดือน มี.ค. 24 แต่ละระดับ 41-42 บาท/กก. ปรับขึ้นจาก 39-40 บาท/กก.ในเดือน ม.ค.-ก.พ. อย่างไรก็ตาม เราต้องติดตาม แนวโน้มปริมาณส่งออกใน 2Q24 เป็นต้นไป ว่าจะถูกกระทบจากปัญหาขนส่งทางเรือที่ยืดเยื้อหรือไม่

คงประมาณการกำไรและราคาเป้าหมาย แนะนำซื้อตามเดิม

คงประมาณการกำไรสุทธิปี 2024 ไว้ที่ 1.48 พันลบ. (+7.4% y-y) ด้วยสมมติฐานราคาไก่ +4% y-y เป็น 41 บาท/กก. และคงเป้าที่ 14.2 บาท (อิง PE เดิม 12x) ราคาหุ้นปัจจุบันเทรดบน 2024E P/E เพียง 10x และประกาศจ่ายปันผลงวดปี 2023 หุ้นละ 0.15 บาท Yield 1.3% ระยะสั้น แนวโน้มกำไร 1H24 ยังฟื้นตัวได้ดี คงคำแนะนำซื้อ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.5	11.4	(3.3)
Relative to country (%)	5.4	13.4	14.3
Mkt cap (USD m)	410		
3m avg. daily turnover (USD m)	0.7		
Free float (%)	58		
Major shareholder	Sirimongkolkasem Family (52%)		
12m high/low (THB)	13.10/9.70		
Issued shares (m)	1,253.82		

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

GFPT อยู่ระหว่างขยายกำลังการผลิตโรงเชือดเพิ่มขึ้นอีกเท่าตัวจากปัจจุบัน 1.5 แสนตัวต่อวัน เป็น 3 แสนตัวต่อวัน คาดจะเริ่ม Operate ได้ในช่วง 2H24 เป็นต้นไป ส่วนหนึ่งเพื่อเป็นการรองรับการขยายกำลังการผลิตของบริษัทร่วมอย่าง McKey ที่มีการขยายกำลังการผลิตแปรรูปไก่มาในช่วงก่อนหน้านี้ และ GFPT ก็เตรียมขยายโรงแปรรูปในลำดับถัดไป เพื่อรองรับการเติบโตของตลาดส่งออก ซึ่งกำลังการผลิตปัจจุบันถูกใช้เต็มอยู่

แม้เราจะมีมุมมองระยะยาวต่อแนวโน้มราคาไก่ในปี 2024 รวมถึงราคาวัตถุดิบที่อาจถูกกระทบจาก El Nino เราจึงใช้สมมติฐานคาดการณ์ผลกระทบประกอบการที่ค่อนข้าง Conservative แต่ด้วยการกระจายความเสี่ยงจากการส่งออกชิ้นส่วนไก่ที่มีมูลค่าส่วนเพิ่ม จึงคาดว่าในปี 2024-25 จะเติบโตราว 9.3%/7.4% ตามลำดับ ขณะที่ราคาหุ้นปัจจุบันอยู่ในโซนต่ำมาก เทียบกับ PE เพียง 8-9 เท่า

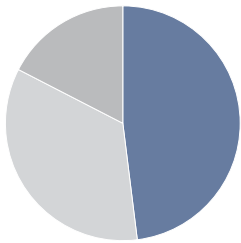
Company profile

GFPT ดำเนินธุรกิจเกษตรแบบครบวงจร เริ่มตั้งแต่ธุรกิจอาหารสัตว์ ฟาร์มเลี้ยงไก่ปักษ์พันธุ์ ฟาร์มเลี้ยงไก่พ่อแม่พันธุ์ ฟาร์มเลี้ยงไก่เนื้อ ต่อเนื่องไปจนถึงธุรกิจชำแหละและแปรรูปผลิตภัณฑ์จากเนื้อไก่ โดยสินค้าหลักของบริษัทคือ ผลิตภัณฑ์จากเนื้อไก่ เนื้อไก่สด อาหารแปรรูปจากเนื้อไก่ อาหารปรุงสุกพร้อมทาน รวมถึงอาหารสัตว์บกและอาหารสัตว์น้ำ

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Principal activities (revenue, 2023)

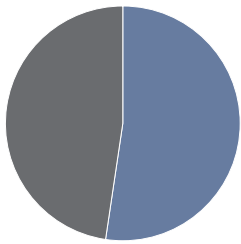
- Food - 48.0 %
- Farm - 34.5 %
- Feed - 17.4 %



Source: GFPT

Major shareholders

- Sirimongkolkasem Family - 52.4 %
- Others - 47.7 %



Source: GFPT

Catalysts

ปัจจัยหนุนการเติบโตในปี 2024 คือ 1) การเติบโตของปริมาณการส่งออกไก่ 2) แนวโน้มราคาไก่ที่อาจสูงขึ้นมากกว่าคาด 3) การเริ่ม Operate โรงเชือดแห่งใหม่ และ 4) ต้นทุนวัตถุดิบลดลง

Risks to our call

ความเสี่ยง 1) กำลังซื้อฟื้นตัวช้ากว่าคาด 2) ราคาไก่ปรับลดลงและต่ำกว่าต้นทุนการเลี้ยง 3) ต้นทุนวัตถุดิบปรับลงช้ากว่าคาด 4) ค่าเงินบาทแข็งค่า และ 5) การปรับขึ้นค่าแรงขั้นต่ำ หรือขาดแคลนแรงงานที่มีทักษะ

Event calendar

Date	Event
May 2024	1Q24 results announcement

Key assumptions

	2024E	2025E	2026E
Live chicken price (THB/kg)	41.0	42.0	43.0
Chicken carcass price (THB/kg)	13.0	13.0	13.0
Total sales growth (%)	5.0	4.8	4.6
Gross margin (%)	12.5	12.7	12.8
SG&A to sales (%)	8.0	8.0	8.0

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2024 net profit to rise by 0.8%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2024 net profit to rise by 4.1%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2024 net profit to fall by 3.8%, and vice versa, all else being equal.

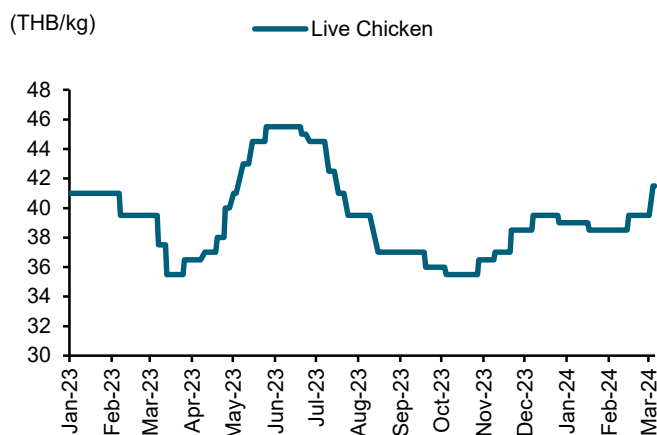
Source: FSSIA estimates

Exhibit 1: GFPT - 4Q23 earnings results

	4Q22	1Q23	2Q23	3Q23	4Q23	----- Change -----		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales	4,944	4,542	4,853	4,771	4,797	0.5	(3.0)	18,222	18,963	4.1
Cost of sales	4,267	4,070	4,284	4,194	4,201	0.2	(1.5)	15,354	16,749	9.1
Gross profit	677	472	569	577	596	3.3	(12.0)	2,868	2,213	(22.8)
SG&A	396	366	374	378	378	0.0	(4.5)	1,559	1,495	(4.1)
Operating profit	282	106	194	199	218	9.3	(22.6)	1,309	718	(45.2)
Profit sharing	163	108	118	111	198	77.7	21.1	718	535	(25.5)
McKey	92	119	102	58	133	130.0	44.5	327	412	26.0
GFN	71	(11)	15	53	65	21.0	(9.1)	391	122	(68.7)
Interest expense	21	25	29	29	27	(4.1)	32.7	86	110	27.9
Tax expense	61	33	42	54	63	17.0	3.9	209	192	(8.1)
Other gain (loss)	31	61	15	1	8	nm	nm	(27)	84	nm
Reported net profit	452	298	349	319	410	28.6	(9.1)	2,044	1,377	(32.7)
Core profit	421	237	334	318	403	26.7	(4.3)	2,071	1,292	(37.6)
Key ratios (%)						(ppt)	(ppt)			
Gross margin	13.7	10.4	11.7	12.1	12.4	0.3	(1.3)	15.7	11.7	(4.1)
SG&A to sales	8.0	8.0	7.7	7.9	7.9	(0.0)	(0.1)	8.6	7.9	(0.7)
Operating margin	5.7	2.3	4.0	4.2	4.5	0.4	(1.2)	7.2	3.8	(3.4)
Net margin	9.1	6.6	7.2	6.7	8.6	1.9	(0.6)	11.2	7.3	(4.0)
Core margin	8.5	5.2	6.9	6.7	8.4	1.7	(0.1)	11.4	6.8	(4.6)
Operating statistics (THB/kg)										
Live chicken	40.0	38.5	42.5	40.3	37.8	(6.3)	(5.5)	42.8	39.5	(7.7)
Chicken carcass	21.3	19.5	14.5	11.5	13.5	17.4	(36.6)	20.5	14.8	(27.7)
Chicken export price (USD/tonne)	4,800	4,750	4,500	4,400	4,550	3.4	(5.2)	4,450	4,550	2.2
Corn	12.6	13.3	12.9	11.7	10.5	(10.3)	(16.7)	12.3	12.1	(2.1)
Soybean meal	23.3	24.0	23.4	20.6	21.2	2.9	(9.0)	22.5	22.7	1.1
Chicken export volume (tonnes)	8,700	6,900	8,300	6,600	7,700	16.7	(11.5)	32,600	29,300	(10.1)
Indirect export volume (tonnes)	4,000	4,200	4,200	4,900	4,700	(4.1)	17.5	17,500	17,900	2.3
Chicken domestic volume (tonnes)	14,400	14,900	13,900	16,300	16,100	(1.2)	11.8	59,700	61,000	2.2

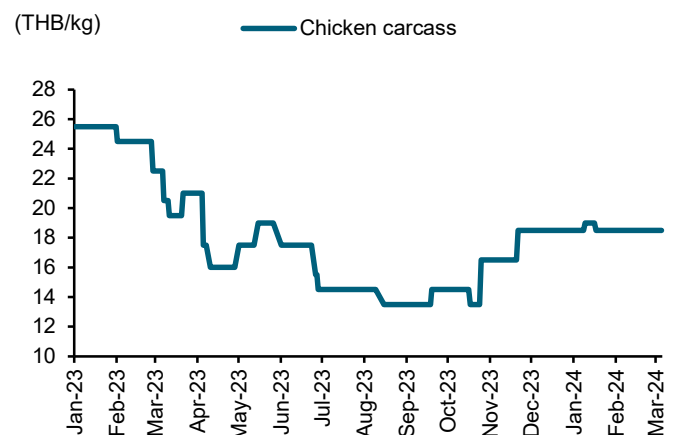
Source: GFPT

Exhibit 2: Daily live chicken price (THB/kg)

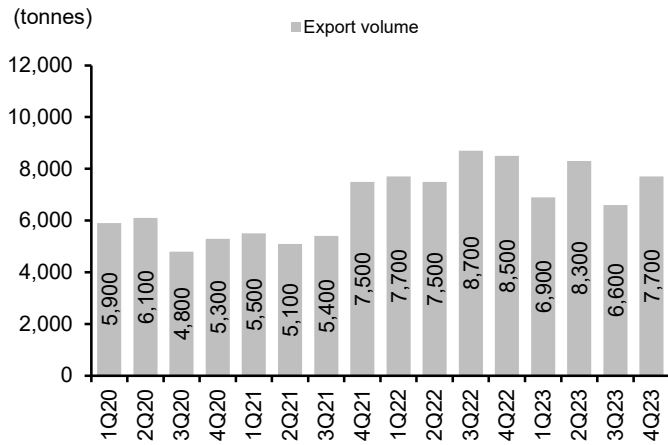


Sources: Pricelist.dit.go.th (MOC), FSSIA's compilation

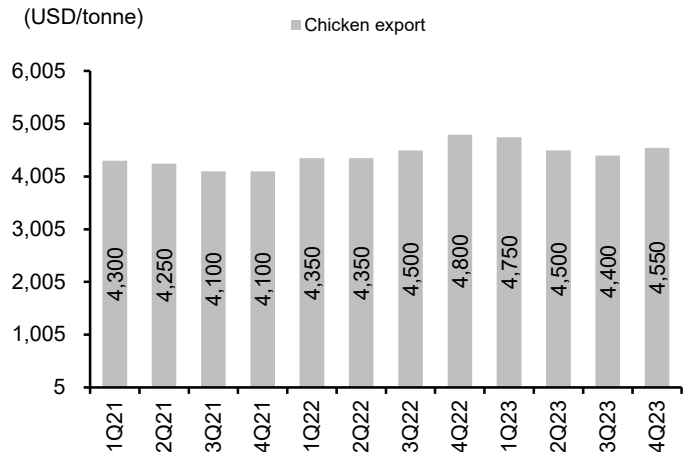
Exhibit 3: Daily chicken carcass price (THB/kg)



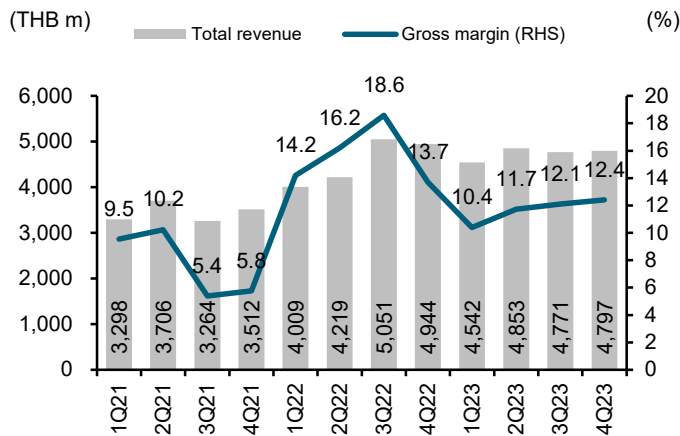
Sources: Pricelist.dit.go.th (MOC), FSSIA's compilation

Exhibit 4: Quarterly chicken export volumes

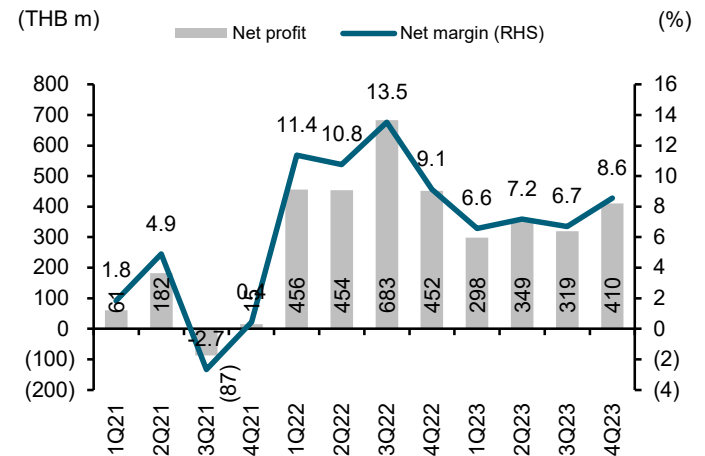
Source: GFPT

Exhibit 5: Average chicken export price (USD/tonne)

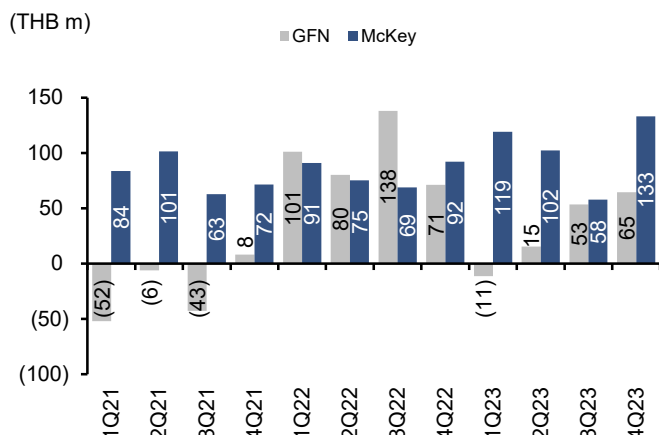
Source: GFPT

Exhibit 6: Quarterly total revenue and gross margin

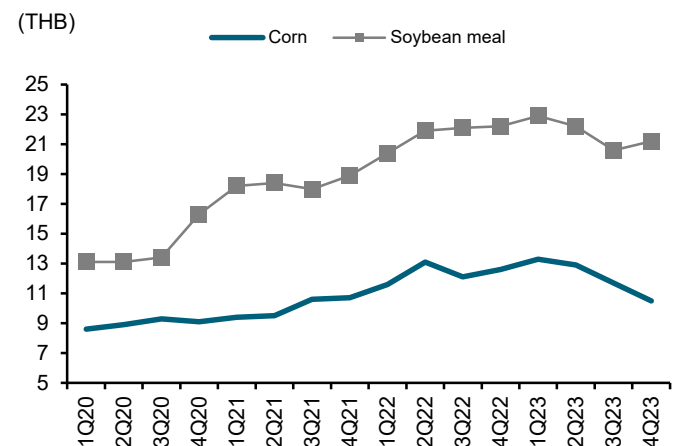
Source: GFPT

Exhibit 7: Quarterly net profit and margin

Source: GFPT

Exhibit 8: Profit sharing from associate company

Source: GFPT

Exhibit 9: Quarterly corn and soybean meal price

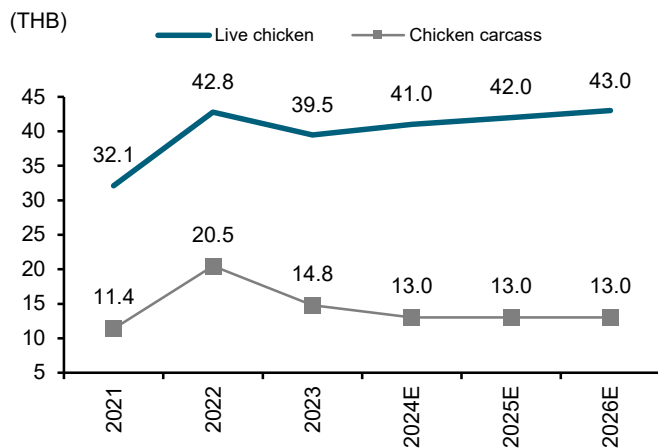
Sources: GFPT, Office of Agricultural Economics (OAE), FSSIA's compilation

Exhibit 10: Key assumptions for GFPT

	Current			Growth		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
Total revenue	19,911	20,866	21,826	5.0	4.8	4.6
Costs	17,422	18,216	19,033	4.0	4.6	4.5
Gross profit	2,489	2,650	2,794	12.5	6.5	5.4
SG&A expenses	1,593	1,669	1,746	6.5	4.8	4.6
Profit sharing	498	522	546	(6.9)	4.8	4.6
Reported net profit	1,478	1,588	1,683	7.4	7.4	6.0
Core profit	1,478	1,588	1,683	14.4	7.4	6.0
Key ratios (%)						
Gross margin	12.5	12.7	12.8	0.8	0.2	0.1
SG&A to sales	8.0	8.0	8.0	0.1	0.0	0.0
Net margin	7.4	7.6	7.7	0.2	0.2	0.1
Operating statistics (THB/kg)						
Live chicken	41.0	42.0	43.0	3.9	2.4	2.4
Chicken carcass	13.0	13.0	13.0	(12.2)	0.0	0.0
Corn	11.0	10.5	10.5	(8.7)	(4.5)	0.0
Soybean meal	20.5	20.0	19.0	(9.8)	(2.4)	(5.0)

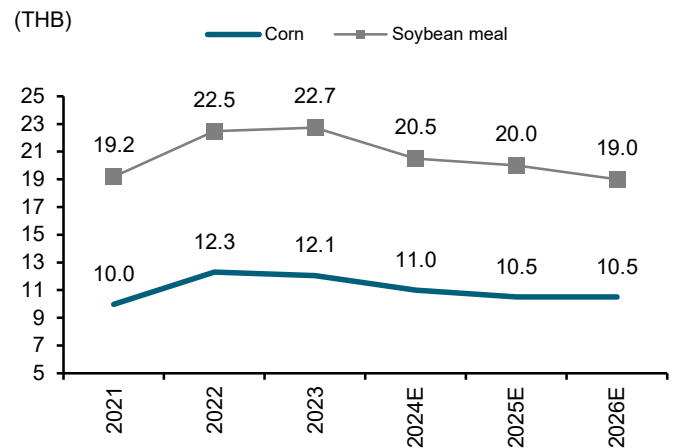
Source: FSSIA estimates

Exhibit 11: Yearly live chicken and chicken carcass price



Sources: GFPT, FSSIA estimates

Exhibit 12: Yearly corn and soybean meal price



Sources: GFPT, FSSIA estimates

Financial Statements

GFPT

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	18,222	18,963	19,911	20,866	21,826
Cost of goods sold	(15,354)	(16,749)	(17,422)	(18,216)	(19,033)
Gross profit	2,868	2,213	2,489	2,650	2,794
Other operating income	342	349	378	396	415
Operating costs	(1,559)	(1,495)	(1,593)	(1,669)	(1,746)
Operating EBITDA	2,973	2,577	2,860	3,063	3,223
Depreciation	(1,322)	(1,511)	(1,586)	(1,686)	(1,761)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,651	1,067	1,274	1,377	1,462
Net financing costs	(148)	4	(114)	(115)	(116)
Associates	718	535	498	522	546
Recurring non-operating income	753	505	498	522	546
Non-recurring items	0	0	0	0	0
Profit before tax	2,256	1,575	1,659	1,784	1,892
Tax	(209)	(192)	(174)	(189)	(202)
Profit after tax	2,047	1,383	1,484	1,595	1,690
Minority interests	(2)	(6)	(6)	(6)	(7)
Preferred dividends	-	-	-	-	-
Other items	-	-	0	0	0
Reported net profit	2,044	1,377	1,478	1,588	1,683
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	2,044	1,377	1,478	1,588	1,683
Per share (THB)					
Recurring EPS *	1.63	1.10	1.18	1.27	1.34
Reported EPS	1.63	1.10	1.18	1.27	1.34
DPS	0.20	0.16	0.29	0.32	0.34
Diluted shares (used to calculate per share data)	1,254	1,254	1,254	1,254	1,254
Growth					
Revenue (%)	32.2	4.1	5.0	4.8	4.6
Operating EBITDA (%)	139.7	(13.3)	11.0	7.1	5.2
Operating EBIT (%)	26,304.0	(35.4)	19.5	8.1	6.2
Recurring EPS (%)	1,100.2	(32.7)	7.4	7.4	6.0
Reported EPS (%)	1,100.2	(32.7)	7.4	7.4	6.0
Operating performance					
Gross margin inc. depreciation (%)	15.7	11.7	12.5	12.7	12.8
Gross margin exc. depreciation (%)	23.0	19.6	20.5	20.8	20.9
Operating EBITDA margin (%)	16.3	13.6	14.4	14.7	14.8
Operating EBIT margin (%)	9.1	5.6	6.4	6.6	6.7
Net margin (%)	11.2	7.3	7.4	7.6	7.7
Effective tax rate (%)	9.3	12.2	10.5	10.6	10.7
Dividend payout on recurring profit (%)	12.1	14.6	25.0	25.0	25.0
Interest cover (X)	16.2	(391.6)	15.6	16.5	17.3
Inventory days	88.7	85.8	91.0	94.4	97.0
Debtor days	18.0	19.9	19.7	19.5	19.6
Creditor days	28.8	31.8	31.6	26.9	27.0
Operating ROIC (%)	8.7	5.3	6.2	6.4	6.7
ROIC (%)	9.7	5.9	6.4	6.6	6.9
ROE (%)	13.2	8.1	8.1	8.2	8.2
ROA (%)	9.7	5.7	6.2	6.6	6.8

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Food	9,875	9,107	9,608	10,137	10,694
Farm	5,314	6,549	6,831	7,147	7,428
Feed	3,034	3,306	3,472	3,583	3,704

Sources: GFPT; FSSIA estimates

Financial Statements

GFPT

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	2,044	1,377	1,478	1,588	1,683
Depreciation	1,322	1,511	1,586	1,686	1,761
Associates & minorities	(718)	(535)	(498)	(522)	(546)
Other non-cash items	97	(144)	0	0	0
Change in working capital	(1,484)	23	(643)	(453)	(218)
Cash flow from operations	1,261	2,231	1,923	2,300	2,681
Capex - maintenance	(2,945)	(2,651)	(1,520)	(2,044)	(1,544)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(2,945)	(2,651)	(1,520)	(2,044)	(1,544)
Dividends paid	(125)	(251)	(370)	(397)	(421)
Equity finance	0	0	0	0	0
Debt finance	2,103	1,016	(167)	(78)	(192)
Other financing cash flows	2	6	(3)	(3)	(3)
Cash flow from financing	1,980	772	(539)	(477)	(616)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	296	352	(136)	(221)	521
Free cash flow to firm (FCFF)	(1,597.64)	(310.00)	516.98	370.63	1,252.21
Free cash flow to equity (FCFE)	421.20	602.26	234.01	175.65	941.48

Per share (THB)

FCFF per share	(1.27)	(0.25)	0.41	0.30	1.00
FCFE per share	0.34	0.48	0.19	0.14	0.75
Recurring cash flow per share	2.19	1.76	2.05	2.20	2.31

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	21,803	23,142	24,728	26,414	28,174
Less: Accumulated depreciation	(9,914)	(10,617)	(12,289)	(13,661)	(15,682)
Tangible fixed assets (net)	11,889	12,525	12,439	12,753	12,492
Intangible fixed assets (net)	673	58	59	61	62
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	4,275	4,774	4,774	4,774	4,774
Cash & equivalents	1,259	1,610	1,475	1,253	1,774
A/C receivable	1,012	1,057	1,091	1,143	1,196
Inventories	3,320	3,840	4,057	4,492	4,693
Other current assets	730	591	597	626	655
Current assets	6,321	7,098	7,220	7,514	8,317
Other assets	257	877	896	939	982
Total assets	23,415	25,333	25,389	26,041	26,628
Common equity	16,480	17,605	18,714	19,905	21,168
Minorities etc.	127	133	130	127	125
Total shareholders' equity	16,606	17,738	18,844	20,033	21,293
Long term debt	3,292	3,373	3,173	2,573	1,956
Other long-term liabilities	687	686	577	605	633
Long-term liabilities	3,979	4,058	3,750	3,178	2,589
A/C payable	1,113	1,545	1,193	1,248	1,304
Short term debt	1,540	1,798	1,422	1,395	1,246
Other current liabilities	177	193	179	188	196
Current liabilities	2,830	3,536	2,794	2,830	2,746
Total liabilities and shareholders' equity	23,415	25,333	25,389	26,041	26,628
Net working capital	3,772	3,750	4,373	4,826	5,044
Invested capital	20,866	21,985	22,542	23,353	23,354

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

Per share (THB)

Book value per share	13.14	14.04	14.93	15.88	16.88
Tangible book value per share	12.61	13.99	14.88	15.83	16.83

Financial strength

Net debt/equity (%)	21.5	20.1	16.6	13.6	6.7
Net debt/total assets (%)	15.3	14.1	12.3	10.4	5.4
Current ratio (x)	2.2	2.0	2.6	2.7	3.0
CF interest cover (x)	3.8	(149.1)	3.1	2.5	9.1

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	7.2	10.7	9.9	9.2	8.7
Recurring P/E @ target price (x) *	8.7	12.9	12.0	11.2	10.6
Reported P/E (x)	7.2	10.7	9.9	9.2	8.7
Dividend yield (%)	1.7	1.4	2.5	2.7	2.9
Price/book (x)	0.9	0.8	0.8	0.7	0.7
Price/tangible book (x)	0.9	0.8	0.8	0.7	0.7
EV/EBITDA (x) **	6.2	7.1	6.3	5.7	5.0
EV/EBITDA @ target price (x) **	7.2	8.3	7.4	6.7	6.0
EV/invested capital (x)	0.9	0.8	0.8	0.7	0.7

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

Sources: GFPT; FSSIA estimates

GFPT (GFPT TB)

FSSIA ESG rating


53.67 /100

Exhibit 13: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 14: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BTG	8.00	--	--	--	--	--	Declared	--	--	--	--	--	--	--	--
CPF	78.94	Y	Y	Y	5.00	5.00	Certified	High	50.25	BBB	43.00	70.21	85.00	4.08	62.09
GFPT	53.67	--	Y	Y	5.00	5.00	Certified	High	56.79	--	--	61.87	19.00	--	55.41
TU	68.12	Y	--	--	5.00	5.00	Certified	High	44.49	A	35.00	66.15	87.00	2.99	--
TFG	33.01	--	--	Y	4.00	5.00	Certified	High	--	--	--	42.11	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 15: ESG score by Bloomberg

FY ending Dec 31	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—
BESG environmental pillar score	—	—
BESG social pillar score	—	—
BESG governance pillar score	4.20	4.24
ESG disclosure score	53.03	55.41
Environmental disclosure score	44.79	49.35
Social disclosure score	30.59	33.16
Governance disclosure score	83.59	83.59
Environmental		
Emissions reduction initiatives	Yes	Yes
Climate change policy	Yes	Yes
Climate change opportunities discussed	No	No
Risks of climate change discussed	Yes	Yes
GHG scope 1	—	21
GHG scope 2 location-based	—	31
GHG Scope 3	—	—
Carbon per unit of production	—	—
Biodiversity policy	No	No
Energy efficiency policy	Yes	Yes
Total energy consumption	—	—
Renewable energy use	—	—
Electricity used	63	63
Fuel used - natural gas	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 16: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No
Waste reduction policy	Yes	Yes
Hazardous waste	0	0
Total waste	22	21
Waste recycled	—	—
Waste sent to landfills	—	—
Environmental supply chain management	Yes	Yes
Water policy	Yes	Yes
Water consumption	—	—
Social		
Human rights policy	Yes	Yes
Policy against child labor	Yes	Yes
Quality assurance and recall policy	Yes	Yes
Consumer data protection policy	Yes	Yes
Equal opportunity policy	Yes	Yes
Gender pay gap breakout	No	No
Pct women in workforce	54	54
Pct disabled in workforce	1	1
Business ethics policy	Yes	Yes
Anti-bribery ethics policy	Yes	Yes
Health and safety policy	Yes	Yes
Lost time incident rate - employees	2	2
Total recordable incident rate - employees	—	—
Training policy	Yes	Yes
Fair remuneration policy	No	No
Number of employees – CSR	4,906	5,367
Employee turnover pct	3	2
Total hours spent by firm - employee training	490,610	719,841
Social supply chain management	Yes	Yes
Governance		
Board size	9	9
No. of independent directors (ID)	3	3
No. of women on board	2	2
No. of non-executive directors on board	6	6
Company conducts board evaluations	Yes	Yes
No. of board meetings for the year	9	9
Board meeting attendance pct	100	99
Board duration (years)	3	3
Director share ownership guidelines	No	No
Age of the youngest director	51	52
Age of the oldest director	81	82
No. of executives / company managers	10	10
No. of female executives	4	4
Executive share ownership guidelines	No	No
Size of audit committee	3	3
No. of ID on audit committee	3	3
Audit committee meetings	4	4
Audit meeting attendance %	100	100
Size of compensation committee	5	5
No. of ID on compensation committee	3	3
No. of compensation committee meetings	2	2
Compensation meeting attendance %	100	100
Size of nomination committee	5	5
No. of nomination committee meetings	2	2
Nomination meeting attendance %	100	100
Sustainability governance		
Verification type	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainability	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																			
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

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History of change in investment rating and/or target price

GFPT (GFPT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Feb-2023	BUY	18.00	03-Jul-2023	BUY	15.20	-	-	-
08-May-2023	BUY	12.40	18-Oct-2023	BUY	14.20			

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
GFPT	GFPT TB	THB 11.70	BUY	Downside risks to our P/E-based TP include 1) a slower-than-expected consumption recovery; 2) high volatility in chicken 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.

All share prices are as at market close on 05-Mar-2024 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.