

THAI FOODS GROUP

THAILAND / FOOD & BEVERAGE

TFG TB

BUY

UNCHANGED

Bright outlook for all businesses

- Expect 1Q25 net profit to jump by 45% q-q and 612% y-y, due to higher meat prices and lower raw material prices.
- Management targets 2025 revenue growth of 10-15% y-y, supported by strong sales volumes and positive meat price outlook.
- Maintain BUY with higher TP to THB5.3 and high dividend yield.

TARGET PRICE	THB5.30
CLOSE	THB4.68
UP/DOWNSIDE	+13.2%
PRIOR TP	THB4.10
CHANGE IN TP	+29.3%
TP vs CONSENSUS	+1.0%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	65,482	69,517	71,831	73,032
Net profit	3,144	4,179	4,433	4,611
EPS (THB)	0.51	0.62	0.66	0.68
vs Consensus (%)	-	2.1	(1.2)	(12.8)
EBITDA	10,157	11,205	11,691	12,115
Recurring net profit	3,618	4,179	4,433	4,611
Core EPS (THB)	0.59	0.62	0.66	0.68
Chg. In EPS est. (%)	-	23.9	18.8	17.0
EPS growth (%)	nm	5.6	6.1	4.0
Core P/E (x)	8.0	7.6	7.1	6.9
Dividend yield (%)	6.4	7.3	7.7	8.0
EV/EBITDA (x)	4.5	4.7	4.3	4.0
Price/book (x)	1.8	1.6	1.5	1.4
Net debt/Equity (%)	102.7	106.6	89.2	75.3
ROE (%)	24.0	23.4	22.0	21.0

Aiming for strong growth in volumes and meat prices

Management targets 2025 revenue growth of 10-15% y-y, driven by the retail shop business, with a target of 50% growth through plans to open 200 new branches, achieving SSSG of 15% y-y. In addition, the goal is to increase swine and chicken sales volumes by 25% and 5% y-y, respectively. They project the 2025 average meat price outlook to remain positive throughout the year, with Thai swine prices staying above THB80/kg (+15% y-y), Thai chicken prices stable at THB40-42/kg, and Vietnam swine at VND65,000/kg (+9% y-y). On the cost side, raw material prices are expected to decrease by 5% y-y, and if raw materials are imported from the US, it will be even more positive for the cost of livestock farming.

Higher meat prices support growth in 1Q25

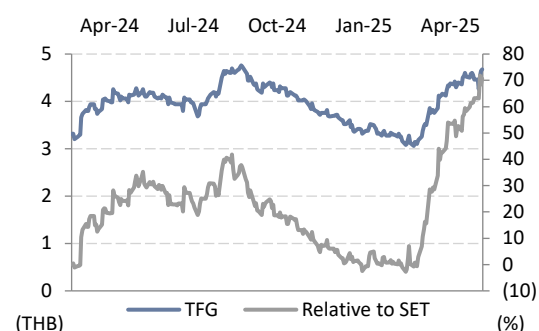
We expect 1Q25 net profit to grow strongly by 45% q-q and 612% y-y, driven by higher meat prices. Thai swine (+12% q-q, +19% y-y) and Vietnam swine (+8% q-q, +22% y-y) prices have risen significantly. TFG does not have operations in China, and overall raw material costs are still soft, which should support a continued improvement in gross margins. In addition, the full-quarter recognition of revenue from Thai Foods Fresh Market's new branches in 4Q24 should offset the negative impact from the GMT, leading to a net profit increase to cTHB1.2b in 1Q25.

Revising up our 2025-27 net profit forecast

Given the continued strength in Thai and Vietnam swine prices, TFG's profit outlook should remain positive in 2Q25. As a result, we have raised our 2025-27E net profit by 17-24%, expecting growth of 33%/6%/4%, respectively. Assuming in-line 1Q25 results, it would account for 30% of our full-year estimate, indicating that our new profit estimate remains conservative. Since TFG has no export revenue from the US, it is not directly impacted by US tariffs. Despite the negative sentiment surrounding pork imports from the US, we believe the risk of such events occurring is relatively low.

Maintain BUY with higher TP to THB5.3

We raise our TP to THB5.3 (from THB4.1), maintaining a target P/E of 8.5x. While we are positive on the SET ESG rating of AA, we remain cautious about the high proportion of shares used as collateral for margin accounts, which stands at about 43.8% of total shares (as of February 2025). However, management is aware of the market's concerns and is gradually reducing this proportion in the future. We maintain BUY, as the stock currently trades at a 2025E P/E of only 7.6x, with an expected annual dividend yield of c8%.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	10.4	40.1	40.1
Relative to country (%)	16.1	69.8	73.4
Mkt cap (USD m)	789		
3m avg. daily turnover (USD m)	1.1		
Free float (%)	16		
Major shareholder	New Star Victor Co Ltd (32%)		
12m high/low (THB)	4.84/3.02		
Issued shares (m)	5,810.82		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

TFG is one of Thailand's top three chicken processors and live pig farmers, with a daily production capacity of 500,000 chickens and a monthly supply of over 100,000 hogs.

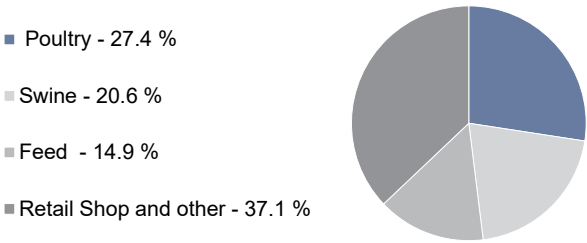
We maintain a conservative outlook on meat prices in 2025 due to increased production volumes and the continuous decline in raw material prices, meaning that any price increases will largely depend on demand. However, we expect that the expansion of branches and revenue for Thai Foods Fresh Market will help reduce the volatility of the upstream business' performance, and this should become more beneficial in the future.

Company profile

Thai Food Group (TFG) was established in 1987 by Mr. Winai Teawsomboonkij, who currently serves as CEO. It started from a chicken farm in Lopburi before expanding to a vertically integrated food producer specializing in chicken and swine production, with operations in Thailand and Vietnam. Also, it expanded more into downstream businesses by entering the retail market through retail shops. In 2024, the revenue mix from poultry, swine, retail, and feed was 27%/21%/37%/15%, respectively.

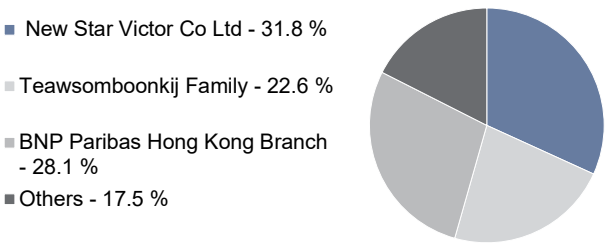
www.tfg.co.th

Principal activities (revenue, 2024)



Source: Thai Foods Group

Major shareholders



Source: Thai Foods Group

Catalysts

Potential catalysts for TFG’s earnings growth in 2025 are 1) revenue growth driven by 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 and upside risks to our P/E-based TP are 1) a slower or faster-than-expected consumption recovery; 2) a slower or faster-than-expected decrease in feed costs; 3) a stronger or weaker-than-expected THB.

Event calendar

Date	Event
May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Total Sales Growth (%)	6.2	3.3	1.7
Gross Margin (%)	14.4	14.5	14.6
SG&A to sales (%)	6.8	6.8	6.8

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2025 net profit to rise by 1.2%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 5.1%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A, we estimate 2025 net profit to fall by 4.7%, and vice versa, all else being equal.

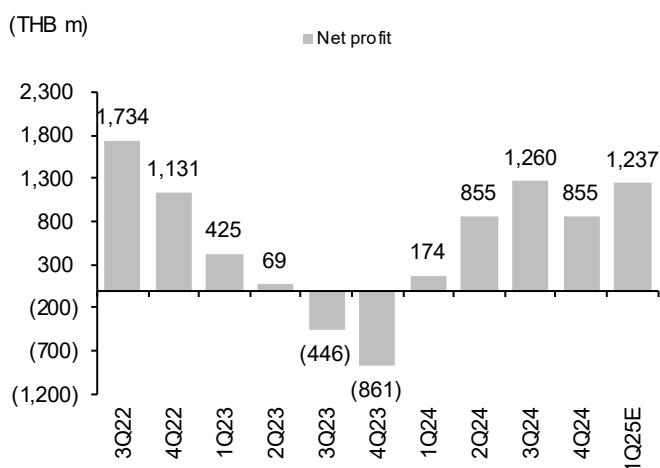
Source: FSSIA estimates

Exhibit 1: Changes in key assumptions for TFG

	Current			Previous			Change		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total revenue	69,517	71,831	73,032	68,520	71,424	73,032	1.5	0.6	0.0
Costs	59,479	61,415	62,370	59,544	61,925	63,231	(0.1)	(0.8)	(1.4)
Gross profit	10,038	10,415	10,663	8,976	9,499	9,801	11.8	9.6	8.8
SG&A expenses	4,727	4,884	4,966	4,659	4,857	4,966	1.5	0.6	0.0
Reported net profit	4,179	4,433	4,611	3,373	3,731	3,939	23.9	18.8	17.0
Core profit	4,179	4,433	4,611	3,373	3,731	3,939	23.9	18.8	17.0
Key ratios (%)									
Total revenue growth (%)	6.2	3.3	1.7	4.6	4.2	2.3			
Net profit growth (%)	32.9	6.1	4.0	7.3	10.6	5.6			
Core profit growth (%)	15.5	6.1	4.0	(6.8)	10.6	5.6			
Gross margin	14.4	14.5	14.6	13.1	13.3	13.4	1.3	1.2	1.2
SG&A to sales	6.8	6.8	6.8	6.8	6.8	6.8	0.0	0.0	0.0
Net margin	6.0	6.2	6.3	4.9	5.2	5.4	1.1	0.9	0.9
Core margin	6.0	6.2	6.3	4.9	5.2	5.4	1.1	0.9	0.9
Operating statistics (THB/kg)									
TFG's chicken ASP	55.7	56.0	56.3	55.7	56.0	56.3	0.0	0.0	0.0
TFG's swine ASP	75.0	72.0	70.0	70.0	70.0	70.0	7.1	2.9	0.0
Vietnam swine price (VND/kg)	60,000	60,000	60,000	60,000	60,000	60,000	0.0	0.0	0.0
Corn	11.0	10.5	10.0	11.0	10.5	10.0	0.0	0.0	0.0
Soybean meal	20.0	19.0	18.0	20.0	19.0	18.0	0.0	0.0	0.0
Retail shop stores (no.)	501	581	661	501	581	661	0.0	0.0	0.0
Retail shop sales (THB m)	25,995	27,934	28,574	25,995	27,934	28,574	0.0	0.0	0.0

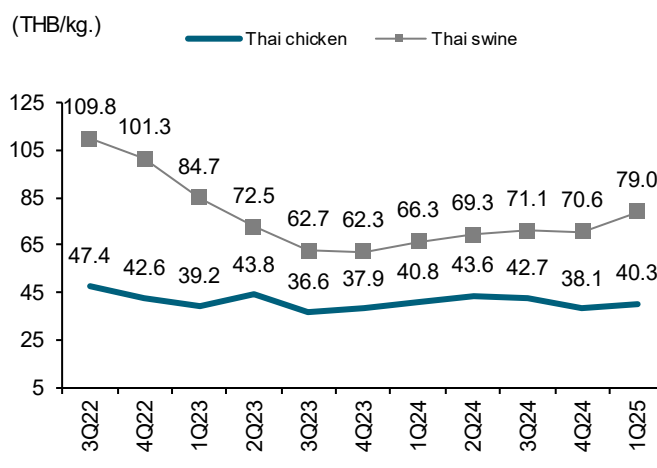
Source: FSSIA estimates

Exhibit 2: Quarterly net profit



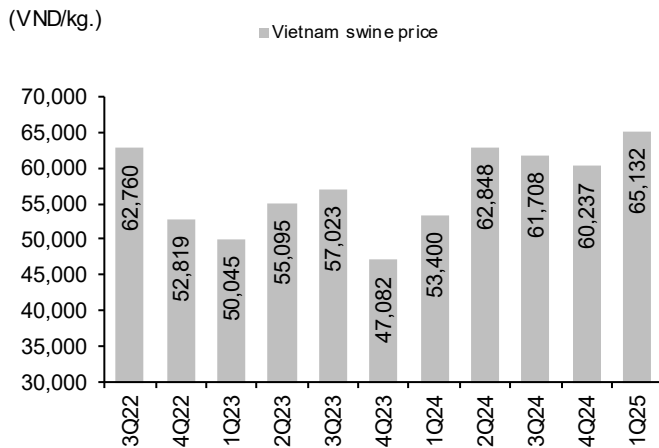
Sources: TFG, FSSIA estimates

Exhibit 3: Quarterly domestic meat prices



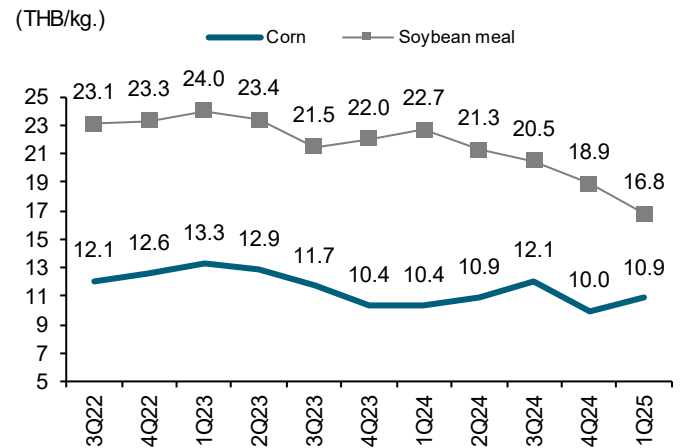
Sources: TFG, CPF, FSSIA estimates

Exhibit 4: Quarterly Vietnam swine price



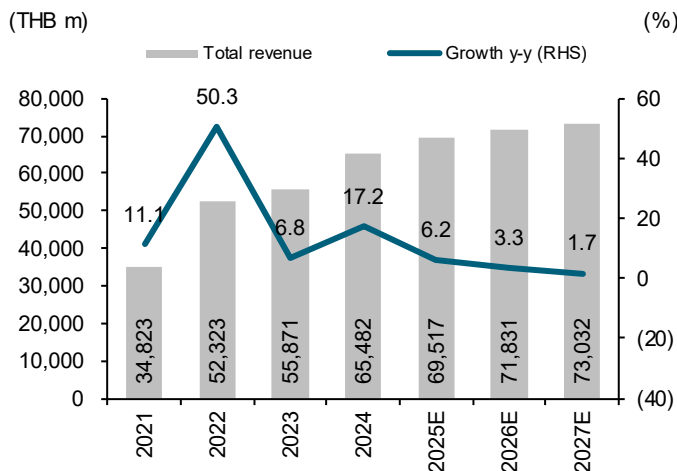
Sources: CPF, FSSIA's compilation

Exhibit 5: Quarterly domestic raw material prices



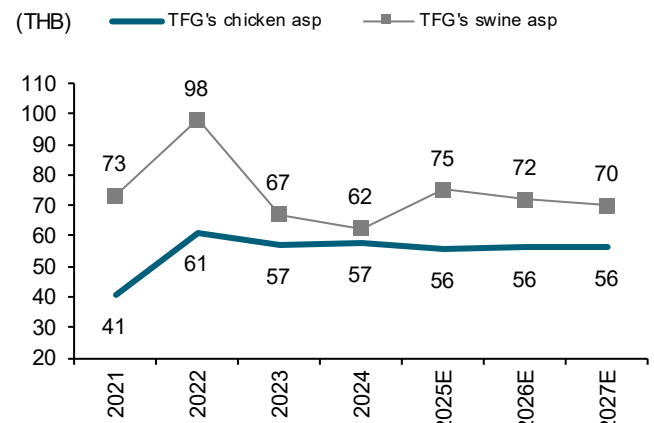
Sources: CPF, OAE, DIT, FSSIA estimates

Exhibit 6: Yearly total revenue and growth



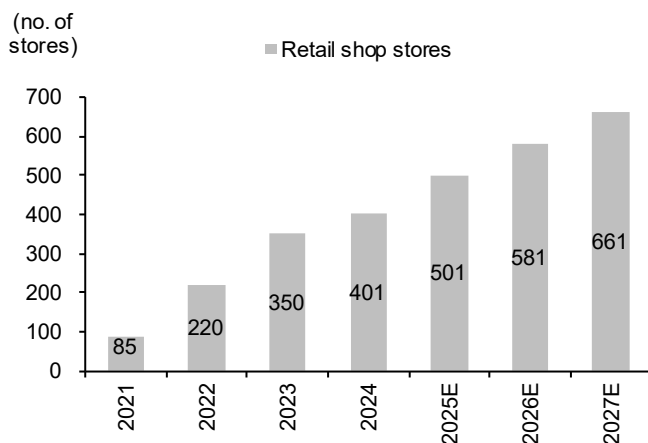
Sources: TFG, FSSIA estimates

Exhibit 7: TFG's yearly meat prices



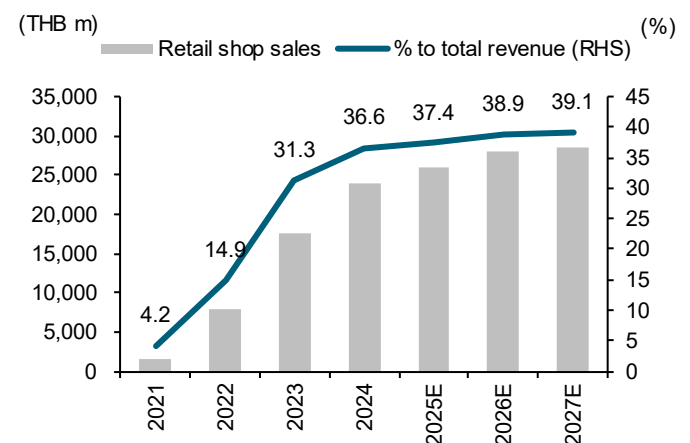
Sources: TFG, FSSIA estimates

Exhibit 8: Number of retail shops



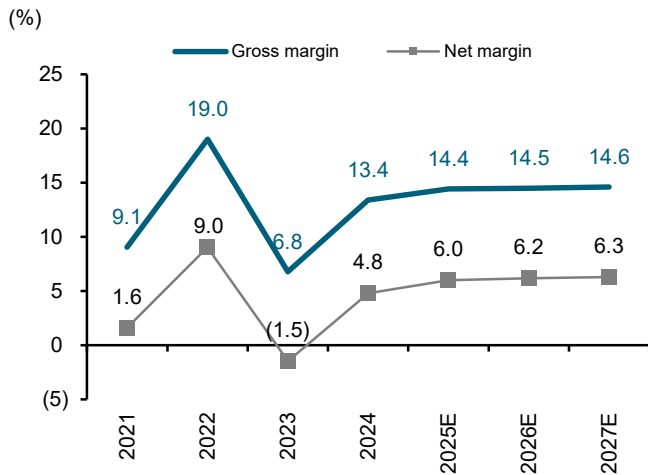
Sources: TFG, FSSIA estimates

Exhibit 9: Yearly retail shop revenue



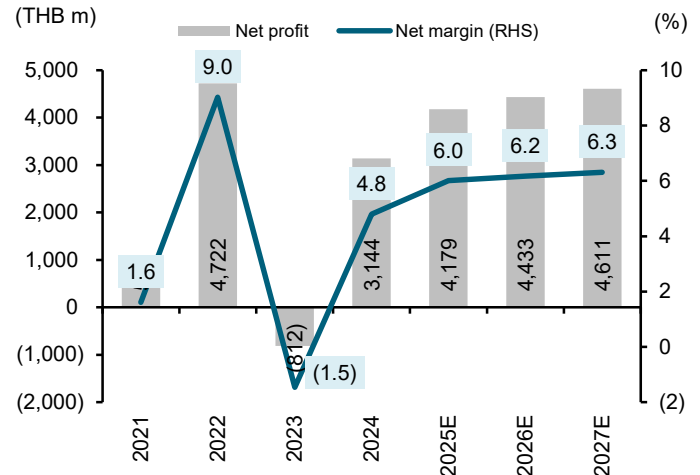
Sources: TFG, FSSIA estimates

Exhibit 10: Gross margin and net margin



Sources: TFG, FSSIA estimates

Exhibit 11: Yearly net profit



Sources: TFG, FSSIA estimates

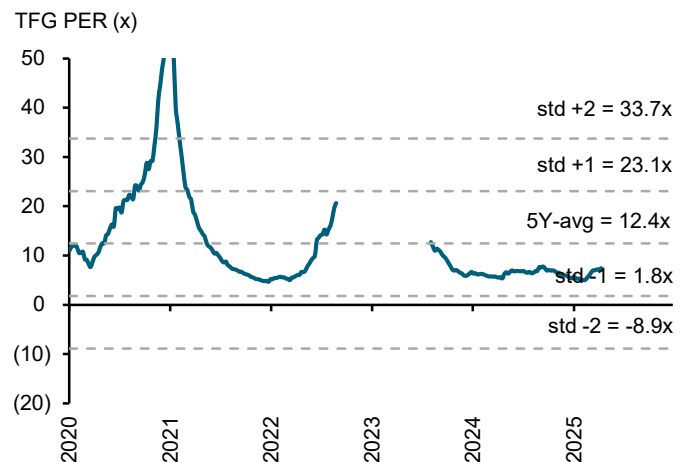
Exhibit 12: Securities pledged in margin accounts by SET (as of Feb 2025)

Source: Excluding Stock Dividend and newly issued share which have not been listed in SET.

Ranking	Security	Number of shares pledged in margin accounts (shares)	Number of shares pledged in the margin account comparing with paid-up shares (%)	% Free float
1	TFG	2,543,140,566.49	43.77	17.35
2	ACE	2,101,292,190.84	20.65	22.48
3	XPG	1,427,014,209.30	13.34	64.28
4	SUPER	1,371,440,666.67	5.02	63.45
5	BTC	1,003,975,585.37	9.30	39.77
6	BLAND	1,002,086,043.48	5.78	72.01
7	SIRI	903,528,101.80	5.20	76.34
8	TPIPL	859,152,011.11	4.54	34.15
9	RABBIT	848,548,444.44	11.34	71.71
10	AQUA	800,745,321.43	14.02	49.17

Sources: SET, FSSIA's compilation

Exhibit 13: TFG – historical P/E band



Sources: Bloomberg, FSSIA estimates

Financial Statements

Thai Foods Group

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	55,871	65,482	69,517	71,831	73,032
Cost of goods sold	(52,086)	(56,706)	(59,479)	(61,415)	(62,370)
Gross profit	3,785	8,775	10,038	10,415	10,663
Other operating income	453	525	487	503	511
Operating costs	(3,678)	(4,350)	(4,727)	(4,884)	(4,966)
Operating EBITDA	5,287	10,157	11,205	11,691	12,115
Depreciation	(4,727)	(5,207)	(5,407)	(5,657)	(5,907)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	560	4,950	5,798	6,034	6,208
Net financing costs	(1,120)	(1,007)	(1,052)	(1,012)	(985)
Associates	(20)	(31)	(24)	(14)	(15)
Recurring non-operating income	(20)	(31)	(24)	(14)	(15)
Non-recurring items	(313)	(474)	0	0	0
Profit before tax	(893)	3,438	4,721	5,007	5,208
Tax	77	(319)	(569)	(603)	(627)
Profit after tax	(816)	3,118	4,152	4,404	4,581
Minority interests	3	26	28	29	29
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(812)	3,144	4,179	4,433	4,611
Non-recurring items & goodwill (net)	313	474	0	0	0
Recurring net profit	(499)	3,618	4,179	4,433	4,611
Per share (THB)					
Recurring EPS *	(0.09)	0.59	0.62	0.66	0.68
Reported EPS	(0.14)	0.51	0.62	0.66	0.68
DPS	0.03	0.30	0.34	0.36	0.38
Diluted shares (used to calculate per share data)	5,811	6,168	6,749	6,749	6,750
Growth					
Revenue (%)	6.8	17.2	6.2	3.3	1.7
Operating EBITDA (%)	(49.3)	92.1	10.3	4.3	3.6
Operating EBIT (%)	(92.1)	784.5	17.1	4.1	2.9
Recurring EPS (%)	nm	nm	5.6	6.1	4.0
Reported EPS (%)	nm	nm	21.5	6.1	4.0
Operating performance					
Gross margin inc. depreciation (%)	6.8	13.4	14.4	14.5	14.6
Gross margin exc. depreciation (%)	15.2	21.4	22.2	22.4	22.7
Operating EBITDA margin (%)	9.5	15.5	16.1	16.3	16.6
Operating EBIT margin (%)	1.0	7.6	8.3	8.4	8.5
Net margin (%)	(0.9)	5.5	6.0	6.2	6.3
Effective tax rate (%)	8.7	9.3	12.1	12.0	12.0
Dividend payout on recurring profit (%)	(34.9)	51.1	55.0	55.0	55.0
Interest cover (X)	0.5	4.9	5.5	5.9	6.3
Inventory days	53.7	43.8	48.4	59.6	60.3
Debtor days	22.6	17.8	18.9	21.6	21.8
Creditor days	43.6	43.4	43.8	48.8	49.3
Operating ROIC (%)	1.4	13.4	15.5	15.1	15.6
ROIC (%)	1.1	10.9	12.4	11.9	12.2
ROE (%)	(3.4)	24.0	23.4	22.0	21.0
ROA (%)	0.8	9.4	10.3	10.2	10.3

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Poultry	17,421	17,954	18,098	18,478	18,848
Swine	11,349	13,503	14,958	14,646	14,524
Feed	9,397	9,754	10,163	10,468	10,782
Retail Shop and other	17,704	24,271	26,298	28,238	28,878

Sources: Thai Foods Group; FSSIA estimates

Financial Statements

Thai Foods Group

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	(499)	3,618	4,179	4,433	4,611
Depreciation	4,727	5,207	5,407	5,657	5,907
Associates & minorities	20	31	24	14	15
Other non-cash items	82	497	23	13	14
Change in working capital	1,722	1,642	(5,561)	(484)	(980)
Cash flow from operations	6,051	10,995	4,073	9,634	9,566
Capex - maintenance	(4,438)	(4,335)	(5,633)	(5,272)	(5,627)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(19)	16	37	0	0
Other investments (net)	(2,566)	434	(1,842)	(246)	(135)
Cash flow from investing	(7,023)	(3,885)	(7,438)	(5,518)	(5,762)
Dividends paid	(1,812)	(494)	(2,299)	(2,438)	(2,536)
Equity finance	862	0	939	0	0
Debt finance	1,970	(3,108)	(133)	(869)	(594)
Other financing cash flows	78	29	127	23	12
Cash flow from financing	1,098	(3,573)	(1,367)	(3,284)	(3,118)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	600	711	979	57	312
Net other adjustments	600	711	979	57	312
Movement in cash	726	4,248	(3,753)	889	998
Free cash flow to firm (FCFF)	148.46	8,117.64	(2,312.45)	5,128.86	4,789.20
Free cash flow to equity (FCFE)	1,676.36	4,742.09	(2,392.44)	3,327.63	3,534.17
Per share (THB)					
FCFF per share	0.03	1.40	(0.40)	0.88	0.82
FCFE per share	0.29	0.82	(0.41)	0.57	0.61
Recurring cash flow per share	0.75	1.52	1.43	1.50	1.56
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	27,597	29,182	32,182	35,182	38,182
Less: Accumulated depreciation	(6,934)	(10,311)	(14,718)	(18,375)	(22,282)
Tangible fixed assets (net)	20,663	18,871	17,464	16,807	15,900
Intangible fixed assets (net)	232	215	179	179	179
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,092	1,383	1,383	1,383	1,383
Cash & equivalents	1,819	6,066	2,314	3,203	4,202
A/C receivable	3,398	2,994	4,190	4,330	4,402
Inventories	6,971	5,375	8,963	9,254	9,398
Other current assets	7,096	6,720	9,037	9,338	10,225
Current assets	19,284	21,155	24,503	26,125	28,227
Other assets	5,875	4,524	6,952	7,183	7,303
Total assets	47,146	46,149	50,481	51,677	52,991
Common equity	13,681	16,448	19,248	21,043	22,818
Minorities etc.	15	51	50	49	48
Total shareholders' equity	13,696	16,499	19,298	21,092	22,866
Long term debt	10,106	8,567	10,211	10,556	10,876
Other long-term liabilities	540	568	695	718	730
Long-term liabilities	10,646	9,135	10,906	11,274	11,606
A/C payable	6,584	5,653	7,333	7,572	7,689
Short term debt	15,998	14,444	12,666	11,452	10,538
Other current liabilities	222	418	278	287	292
Current liabilities	22,804	20,515	20,277	19,311	18,520
Total liabilities and shareholders' equity	47,146	46,149	50,481	51,677	52,991
Net working capital	10,659	9,018	14,579	15,063	16,043
Invested capital	38,521	34,012	40,556	40,615	40,808
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	2.35	2.67	2.85	3.12	3.38
Tangible book value per share	2.31	2.63	2.83	3.09	3.35
Financial strength					
Net debt/equity (%)	177.3	102.7	106.6	89.2	75.3
Net debt/total assets (%)	51.5	36.7	40.7	36.4	32.5
Current ratio (x)	0.8	1.0	1.2	1.4	1.5
CF interest cover (x)	2.5	5.7	(1.3)	4.3	4.6
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	(54.5)	8.0	7.6	7.1	6.9
Recurring P/E @ target price (x) *	(61.7)	9.0	8.6	8.1	7.8
Reported P/E (x)	(33.5)	9.2	7.6	7.1	6.9
Dividend yield (%)	0.6	6.4	7.3	7.7	8.0
Price/book (x)	2.0	1.8	1.6	1.5	1.4
Price/tangible book (x)	2.0	1.8	1.7	1.5	1.4
EV/EBITDA (x) **	9.7	4.5	4.7	4.3	4.0
EV/EBITDA @ target price (x) **	10.4	4.9	5.0	4.7	4.4
EV/invested capital (x)	1.3	1.3	1.3	1.2	1.2
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Thai Foods Group; FSSIA estimates

Thai Foods Group PCL (TFG TB)

FSSIA ESG rating

n/a

Exhibit 14: 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.

Source: FSSIA estimates

Exhibit 15: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	68.20	5.83	4.61	4.25	4.61	4.21	3.95	Medium	53.02	BBB	24.44	60.65	67.96	2.33	35.35
Coverage	64.39	4.92	4.71	4.23	4.44	4.07	3.65	Medium	49.86	BB	18.30	53.38	63.50	2.45	35.11
BTG	59.71	--	Y	AAA	5.00	4.00	Certified	High	--	BBB	--	--	--	3.68	57.48
CPF	80.10	Y	Y	AAA	5.00	5.00	Certified	Medium	70.60	BB	44.00	62.05	85.00	4.43	67.93
GFPT	40.94	--	--	--	5.00	5.00	Certified	High	--	--	--	62.92	24.00	4.22	58.07
TU	82.00	Y	Y	A	5.00	5.00	Certified	High	64.42	A	41.00	74.01	85.00	3.43	77.68
TFG	35.10	--	Y	AA	5.00	5.00	Certified	Severe	--	--	--	40.78	--	--	--

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

Exhibit 16: ESG disclosure from the company's one report

FY ending Dec 31	FY 2022	FY 2023	FY ending Dec 31	FY 2022	FY 2023
Environmental			Governance		
Climate change policy	Yes	Yes	Board size / Independent directors (ID) / Female	9 / 6 / 1	9 / 6 / 1
Climate change opportunities discussed	--	--	No. of board meetings for the year / % attendance	7 / 100%	6 / 100%
GHG scope 2 location-based policy	Yes	Yes	Company conducts board evaluations	Yes	Yes
Biodiversity policy	Yes	Yes	Number of non-executive directors on board	6	6
Energy efficiency policy	Yes	Yes	Director share ownership guidelines	No	No
Electricity used	--	--	Board age limit	No	No
Fuel used - crude oil/diesel	--	35.69	Age of the youngest / oldest director	38 / 74	39 / 77
Waste reduction policy	Yes	Yes	Number of executives / female	10 / 2	7 / 1
Water policy	Yes	Yes	Executive share ownership guidelines	No	No
Water consumption	--	Yes	Size of audit committee / ID	3 / 3	3 / 3
Social			Audit committee meetings	5	5
Human rights policy	Yes	Yes	Audit committee meeting attendance (%)	100	100
Policy against child labor	Yes	Yes	Size of compensation committee	3 / 2	3 / 2
Quality assurance and recall policy	Yes	Yes	Number of compensation committee meetings	2	2
Consumer data protection policy	--	--	Compensation committee meeting attendance (%)	100	100
Equal opportunity policy	Yes	Yes	Size of nomination committee / ID	3 / 2	3 / 2
Gender pay gap breakout	--	--	Number of nomination committee meetings	2	2
Pct women in workforce	52.66	54.44	Nomination committee meeting attendance (%)	100	100
Business ethics policy	Yes	Yes	Board compensation (THB m)	10.68	12.06
Anti-bribery ethics policy	Yes	Yes	Auditor fee (THB m)	2.42	2.55
Health and safety policy	Yes	Yes	<i>(KPMG Phoomchai Audit Co., Ltd.)</i>		
Lost time incident rate - employees	--	--			
Training policy	Yes	Yes			
Fair remuneration policy	Yes	Yes			
Number of employees - CSR	--	--			
Total hours spent by firm - employee training	--	--			
Social supply chain management	Yes	Yes			

Source: 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.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG 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 SETESG 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. SETESG Index is extended from the SET ESG Ratings 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 Sustainabilitys	The Sustainabilitys' 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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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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ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

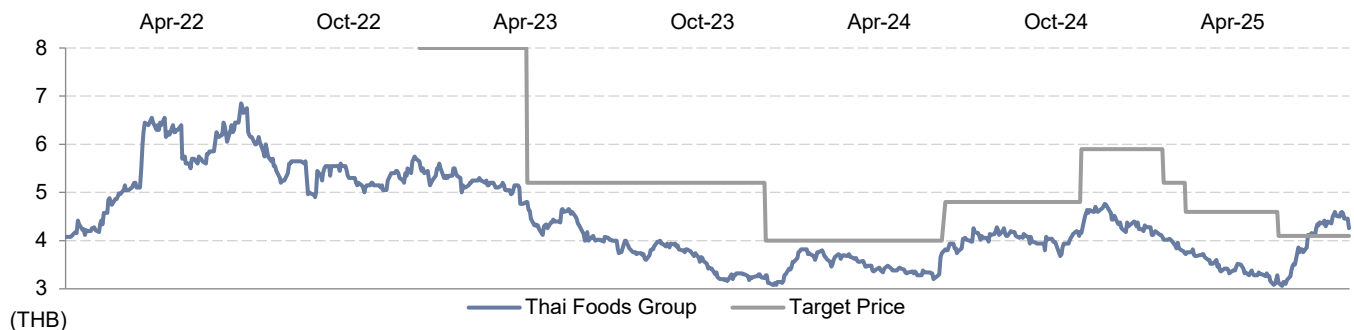
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History of change in investment rating and/or target price

Thai Foods Group (TFG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Feb-2023	BUY	8.00	26-Apr-2024	BUY	4.80	19-Nov-2024	BUY	4.60
08-May-2023	HOLD	5.20	22-Aug-2024	BUY	5.90	06-Feb-2025	BUY	4.10
27-Nov-2023	HOLD	4.00	31-Oct-2024	BUY	5.20			

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
Thai Foods Group	TFG TB	THB 4.68	BUY	Downside and upside risks to our P/E-based TP are 1) a slower or faster-than-expected consumption recovery; 2) a slower or faster-than-expected decrease in feed costs; 3) a stronger or weaker-than-expected THB.

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 11-Apr-2025 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.