

# THAI FOODS GROUP

  
THAILAND / FOOD & BEVERAGE

## TFG TB

# BUY

  
UNCHANGED

## Key takeaways from analyst meeting

### Highlights

- TFG คงเป้าการเติบโตของรายได้ปี 2025 ไว้ที่ 10–15% y-y บริษัท คาดว่าปริมาณขายจะปรับตัวขึ้นต่อเนื่องในช่วง 2H25 โดยเฉพาะในด้านส่งออก เมื่อเร็ว ๆ นี้ลูกค้าจากสหภาพยุโรป (EU) ได้หันมาเลือกซื้อจากประเทศไทยเพิ่มขึ้นหลังมีคำสั่งระงับการนำเข้าจากบราซิลเป็นเวลา 60 วันจากการระบาดของโรคไข้หวัดนก
- ราคาหมูและไก่ไทยปรับตัวลดลงในช่วงนี้ ผู้บริหารได้ให้เหตุผลว่าเหตุดังกล่าวเกิดจากฝนที่ตกตามฤดูกาลซึ่งอาจทำให้ราคาลดลงเพียงชั่วคราว หลังฤดูฝนราคาเนื้อสัตว์น่าจะดีตัวกลับจากข้อจำกัดในด้านอุปทานที่มีต่อเนื่องจากการระบาดของโรคโดยเฉพาะในส่วนของไก่ซึ่งกำลังเข้าสู่จุดสูงสุดของการส่งออกซึ่งอาจเป็นปัจจัยที่จะช่วยหนุนราคาไก่ในประเทศในช่วง 2H25
- ต้นทุนวัตถุดิบในช่วง 2H25 น่าจะลดลงต่อเนื่องอีก 2–3% h-h หลังบริษัท ได้ลดราคากากถั่วเหลืองไว้จนถึงสิ้นปี 2025
- ประเด็นสำคัญในช่วง 2H25 นอกจากการส่งออกไก่ (เนื้อไก่สดให้ EU) ประกอบด้วยการขยายร้านค้าปลีกซึ่งบริษัท ตั้งเป้าอยู่ที่ 600 สาขาภายในสิ้นปี 2025 (สูงขึ้นจาก 430 ใน 1Q25) TFG ยังคงรายงานตัวเลขการเติบโตของยอดขายสาขาเดิม (SSSG) เป็นบวกโดยได้ปัจจัยหนุนจากทั้งราคาเนื้อสัตว์และปริมาณขายที่ปรับตัวสูงขึ้น นอกจากนี้ผู้บริหารยังคาดหวังว่าจะมีรายได้ใหม่อีก 300 ลบ. ในช่วง 2H25 ประกอบด้วย rebate income, ค่าเช่าและค่าโฆษณา เป็นต้น

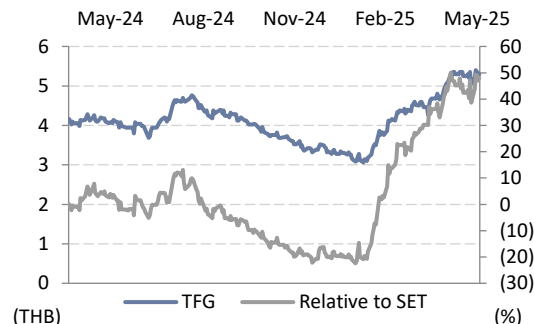
### Comments

- ในระยะสั้นเราคาดว่ากำไรสุทธิ 2Q25 จะปรับขึ้นทั้ง q-q และ y-y โดยได้ปัจจัยหนุนจากราคาเนื้อสัตว์ที่สูงขึ้นและต้นทุนวัตถุดิบที่ลดลง
- อย่างไรก็ดีเรามีมุมมองที่ระมัดระวังมากยิ่งขึ้นเกี่ยวกับแนวโน้มราคาเนื้อสัตว์ ตั้งแต่วันที่ 14 พ.ค. ราคาเฉลี่ยของชิ้นส่วนหมูได้ปรับตัวลดลงประมาณ 4 บาท/กก. หรือ 3% w-w นอกจากนี้ราคาเนื้อหมูหน้าฟาร์มยังลดลงเล็กน้อยอีกด้วย ราคาไก่มีชีวิตลดลง 1 บาท/กก. w-w เป็น 39.5 บาท/กก. ในขณะที่ราคาไก่ตายยังทรงตัวที่ 15.5 บาท/กก. เราเชื่อว่าราคาที่ลดลงเกิดจากปริมาณฝนที่เพิ่มขึ้นซึ่งทำให้ต้องระบายสินค้าออกมาชั่วคราวประกอบกับการบริโภคที่ลดลง
- อย่างไรก็ดีผู้บริหารเชื่อว่าราคาที่ลดลงดังกล่าวเป็นการปรับตัวชั่วคราว เมื่อผ่านฤดูฝนและการส่งออกไก่พื้นบ้านใน 3Q25 ราคาเนื้อสัตว์อาจปรับขึ้นอีกครั้ง TFG ยังเห็นว่าแนวโน้มราคาเนื้อสัตว์ในช่วง 2H25 อยู่ในระดับที่ใกล้เคียงกับระดับใน 1H25
- เราแนะนำให้นักลงทุนจับตาดูราคาเนื้อสัตว์ ถ้าราคาเนื้อหมูไทย ไก่ไทยและหมูเวียดนามยังทรงตัว ก็น่าจะยังมีปัจจัยหนุนให้โตได้
- จากรายงานเดือน เม.ย. ของ SET TFG ได้ลดหุ้นที่ใช้เป็นประกันการชำระหนี้ในบัญชีมาร์จินเป็นจำนวน 646 ล้านหุ้นคงเหลือ 1.859 พันล้านหุ้นหรือ 32% ของหุ้นทั้งหมด ตัวเลขดังกล่าวลดลงจาก 43.12% ในเดือน มี.ค. ซึ่งสอดคล้องกับเป้าหมายการของบริษัทฯ ก่อนหน้า ตัวเลขที่ลดลงดังกล่าวทำให้ Free Float เพิ่มขึ้นเป็น 20.28% จาก 17.35% ในเดือนก่อนหน้า ทั้งนี้ผู้บริหารได้ระบุถึงแผนในการทยอยลดจำนวนหุ้นที่ใช้เป็นประกันดังกล่าวลงอย่างต่อเนื่อง

TARGET PRICE	THB6.50
CLOSE	THB5.30
UP/DOWNSIDE	+22.6%
TP vs CONSENSUS	+4.2%

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	65,482	69,517	71,831	73,032
Net profit	3,144	5,175	5,114	5,235
EPS (THB)	0.51	0.77	0.76	0.78
vs Consensus (%)	-	(5.5)	(3.2)	(6.9)
EBITDA	10,157	12,498	12,625	12,991
Recurring net profit	3,618	5,175	5,114	5,235
Core EPS (THB)	0.59	0.77	0.76	0.78
EPS growth (%)	nm	30.7	(1.2)	2.4
Core P/E (x)	9.0	6.9	7.0	6.8
Dividend yield (%)	5.7	8.0	7.9	8.0
EV/EBITDA (x)	4.9	4.5	4.3	4.0
Price/book (x)	2.0	1.8	1.6	1.5
Net debt/Equity (%)	102.7	101.7	82.5	67.6
ROE (%)	24.0	28.6	24.6	22.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	6.4	51.4	24.4
Relative to country (%)	4.4	60.4	44.7
Mkt cap (USD m)	919		
3m avg. daily turnover (USD m)	2.0		
Free float (%)	16		
Major shareholder	New Star Victor Co Ltd (32%)		
12m high/low (THB)	5.45/3.02		
Issued shares (m)	5,810.82		

Sources: Bloomberg consensus; FSSIA estimates



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## Exhibit 1: Maintain key assumptions for TFG

	Actual	Forecast			Growth		
	2024 (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total revenue	65,482	69,517	71,831	73,032	6.2	3.3	1.7
Costs	56,706	58,394	60,697	61,712	3.0	3.9	1.7
Gross profit	8,775	11,123	11,134	11,320	26.7	0.1	1.7
SG&A expenses	4,350	4,519	4,669	4,747	3.9	3.3	1.7
Reported net profit	3,144	5,175	5,114	5,235	64.6	(1.2)	2.4
Core profit	3,618	5,175	5,114	5,235	43.0	(1.2)	2.4

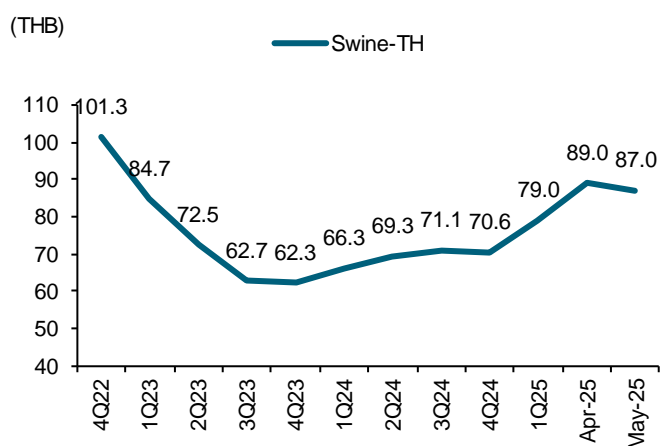
Key ratios (%)							
Gross margin	13.4	16.0	15.5	15.5			
SG&A to sales	6.6	6.5	6.5	6.5			
Net margin	4.8	7.4	7.1	7.2			
Core margin	5.5	7.4	7.1	7.2			

Operating statistics (THB/kg)							
TFG's chicken ASP	57.5	55.7	56.0	56.3	(3.1)	0.5	0.5
TFG's swine ASP	62.4	75.0	72.0	70.0	20.2	(4.0)	(2.8)
Vietnamese swine price (VND/kg)	59,548	60,000	60,000	60,000	0.8	0.0	0.0
Corn	11.0	10.5	10.5	10.5	(4.4)	0.0	0.0
Soybean meal	20.8	16.0	17.0	18.0	(23.1)	6.3	5.9
Retail shop stores (no.)	401	501	581	661	24.9	16.0	13.8
Retail shop sales (THB m)	23,974	25,995	27,934	28,574	8.4	7.5	2.3

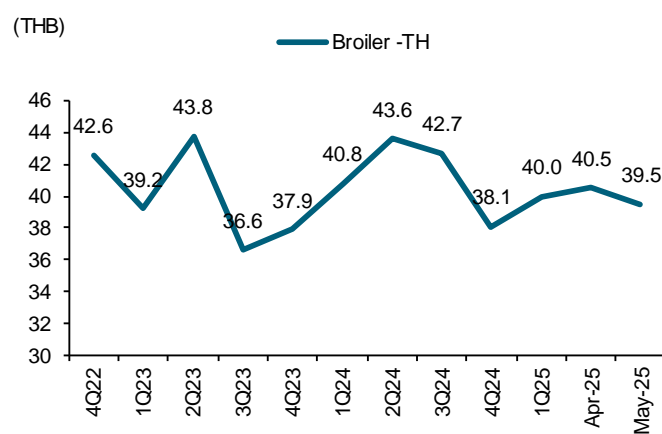
Source: FSSIA estimates

## Exhibit 2: Quarterly Thai swine prices



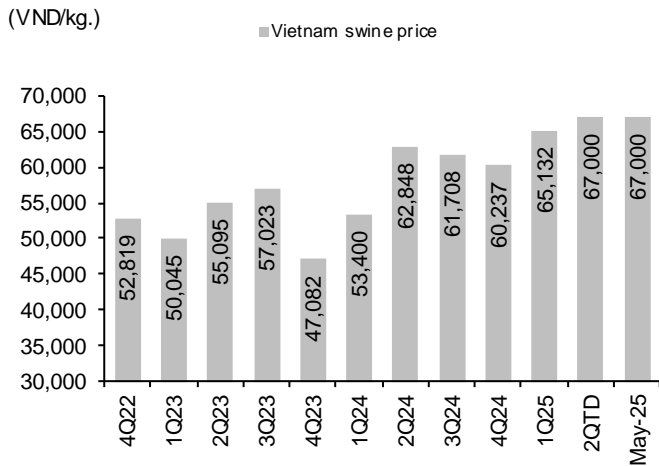
Sources: CPF, OAE, DIT, FSSIA estimates

## Exhibit 3: Quarterly Thai chicken prices



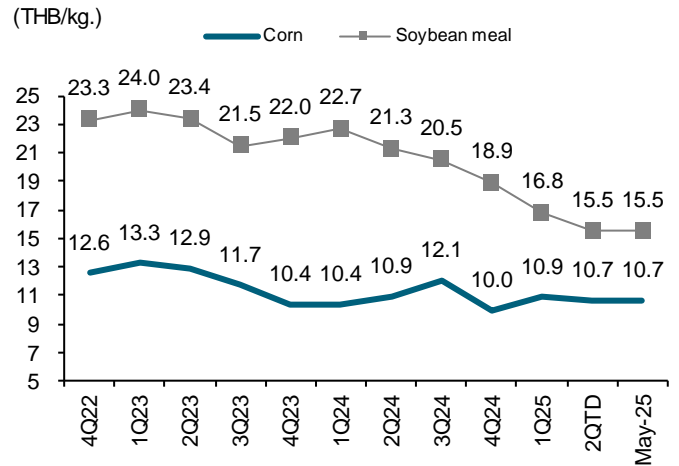
Sources: CPF, OAE, DIT, FSSIA estimates

**Exhibit 4: Quarterly Vietnamese swine prices**



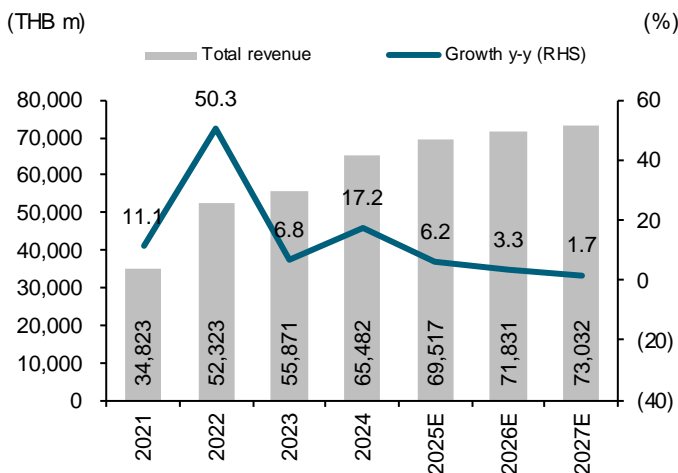
Sources: CPF, FSSIA estimates

**Exhibit 5: Quarterly raw material prices**



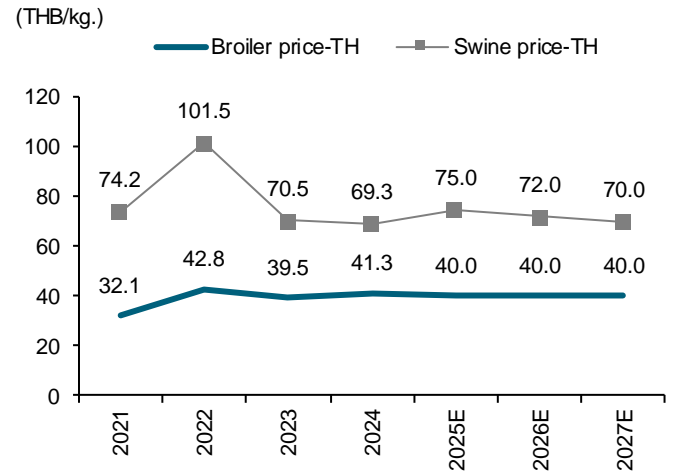
Sources: CPF, OAE, DIT, FSSIA estimates

**Exhibit 6: Yearly total revenue and growth**



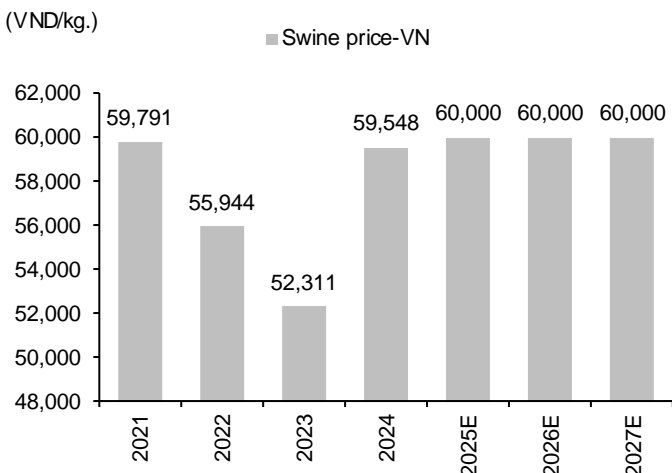
Sources: TFG, FSSIA estimates

**Exhibit 7: Yearly domestic meat prices**



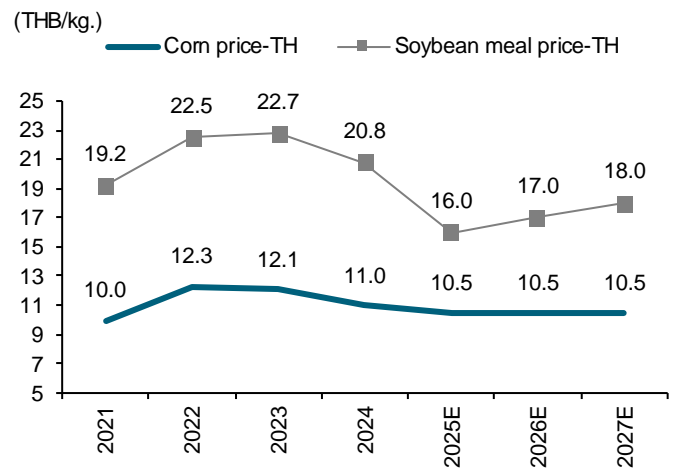
Sources: TFG, FSSIA estimates

**Exhibit 8: Yearly Vietnamese swine prices**



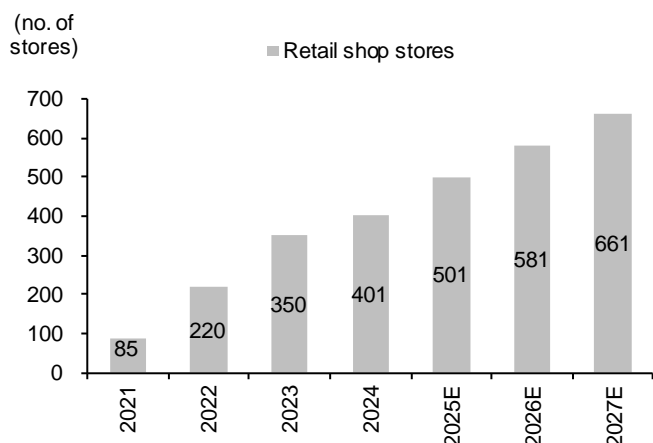
Sources: TFG, FSSIA estimates

**Exhibit 9: Yearly raw material prices**



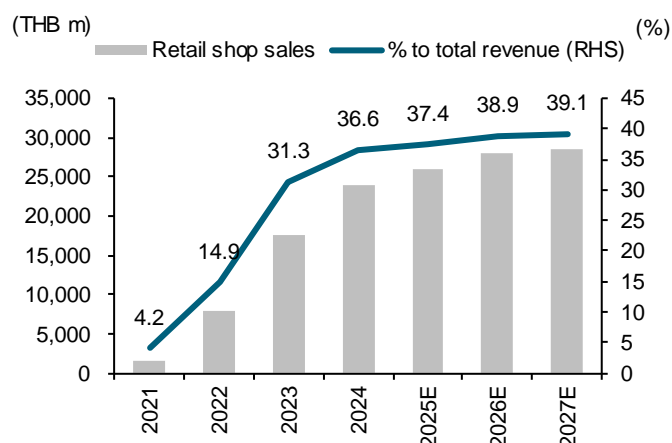
Sources: TFG, FSSIA estimates

**Exhibit 10: Number of retail shops**



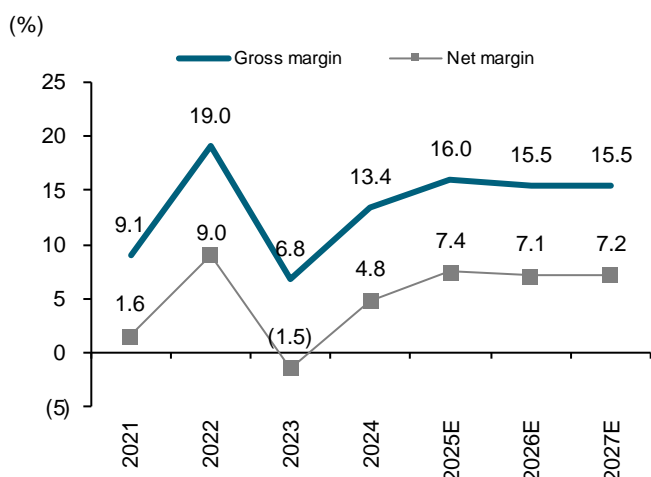
Sources: TFG, FSSIA estimates

**Exhibit 11: Yearly retail shop revenue**



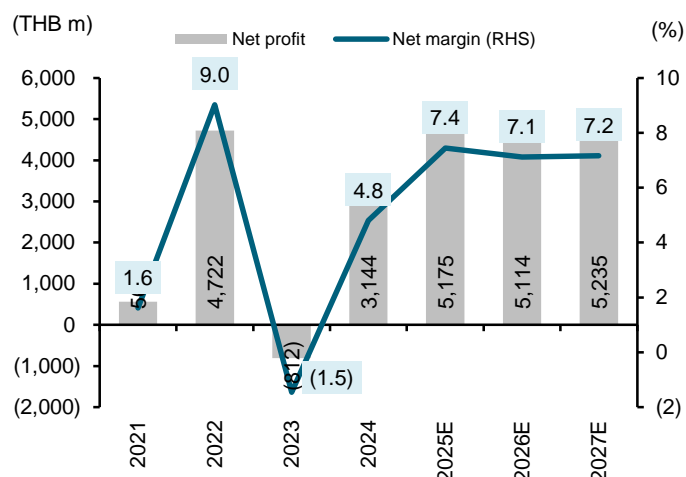
Sources: TFG, FSSIA estimates

**Exhibit 12: Gross margin and net margin**



Sources: TFG, FSSIA estimates

**Exhibit 13: Yearly net profit**



Sources: TFG, 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)	(58,394)	(60,697)	(61,712)
<b>Gross profit</b>	<b>3,785</b>	<b>8,775</b>	<b>11,123</b>	<b>11,134</b>	<b>11,320</b>
Other operating income	453	525	487	503	511
Operating costs	(3,678)	(4,350)	(4,519)	(4,669)	(4,747)
<b>Operating EBITDA</b>	<b>5,287</b>	<b>10,157</b>	<b>12,498</b>	<b>12,625</b>	<b>12,991</b>
Depreciation	(4,727)	(5,207)	(5,407)	(5,657)	(5,907)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>560</b>	<b>4,950</b>	<b>7,091</b>	<b>6,968</b>	<b>7,084</b>
Net financing costs	(1,120)	(1,007)	(1,007)	(968)	(942)
Associates	(20)	(31)	(24)	(14)	(15)
Recurring non-operating income	(20)	(31)	(24)	(14)	(15)
Non-recurring items	(313)	(474)	0	0	0
<b>Profit before tax</b>	<b>(893)</b>	<b>3,438</b>	<b>6,060</b>	<b>5,985</b>	<b>6,127</b>
Tax	77	(319)	(913)	(900)	(921)
<b>Profit after tax</b>	<b>(816)</b>	<b>3,118</b>	<b>5,147</b>	<b>5,085</b>	<b>5,206</b>
Minority interests	3	26	28	29	29
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(812)</b>	<b>3,144</b>	<b>5,175</b>	<b>5,114</b>	<b>5,235</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>313</b>	<b>474</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(499)</b>	<b>3,618</b>	<b>5,175</b>	<b>5,114</b>	<b>5,235</b>
<b>Per share (THB)</b>					
Recurring EPS *	(0.09)	0.59	0.77	0.76	0.78
Reported EPS	(0.14)	0.51	0.77	0.76	0.78
DPS	0.03	0.30	0.42	0.42	0.43
Diluted shares (used to calculate per share data)	5,811	6,168	6,749	6,749	6,750
<b>Growth</b>					
Revenue (%)	6.8	17.2	6.2	3.3	1.7
Operating EBITDA (%)	(49.3)	92.1	23.0	1.0	2.9
Operating EBIT (%)	(92.1)	784.5	43.2	(1.7)	1.7
Recurring EPS (%)	nm	nm	30.7	(1.2)	2.4
Reported EPS (%)	nm	nm	50.4	(1.2)	2.4
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	6.8	13.4	16.0	15.5	15.5
Gross margin exc. depreciation (%)	15.2	21.4	23.8	23.4	23.6
Operating EBITDA margin (%)	9.5	15.5	18.0	17.6	17.8
Operating EBIT margin (%)	1.0	7.6	10.2	9.7	9.7
Net margin (%)	(0.9)	5.5	7.4	7.1	7.2
Effective tax rate (%)	8.7	9.3	15.1	15.0	15.0
Dividend payout on recurring profit (%)	(34.9)	51.1	55.0	55.0	55.0
Interest cover (X)	0.5	4.9	7.0	7.2	7.5
Inventory days	53.7	43.8	48.8	59.5	60.3
Debtor days	22.6	17.8	18.9	21.6	21.8
Creditor days	43.6	43.4	44.3	48.7	49.4
Operating ROIC (%)	1.4	13.4	18.9	17.5	17.8
ROIC (%)	1.1	10.9	15.2	13.7	13.9
ROE (%)	(3.4)	24.0	28.6	24.6	22.9
ROA (%)	0.8	9.4	12.3	11.4	11.2

\* 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	5,175	5,114	5,235
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	(5,531)	(494)	(982)
<b>Cash flow from operations</b>	<b>6,051</b>	<b>10,995</b>	<b>5,099</b>	<b>10,304</b>	<b>10,189</b>
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)
<b>Cash flow from investing</b>	<b>(7,023)</b>	<b>(3,885)</b>	<b>(7,438)</b>	<b>(5,518)</b>	<b>(5,762)</b>
Dividends paid	(1,812)	(494)	(2,846)	(2,813)	(2,879)
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
<b>Cash flow from financing</b>	<b>1,098</b>	<b>(3,573)</b>	<b>(1,914)</b>	<b>(3,658)</b>	<b>(3,461)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	600	711	979	57	312
<b>Net other adjustments</b>	<b>600</b>	<b>711</b>	<b>979</b>	<b>57</b>	<b>312</b>
<b>Movement in cash</b>	<b>726</b>	<b>4,248</b>	<b>(3,275)</b>	<b>1,186</b>	<b>1,278</b>
Free cash flow to firm (FCFF)	148.46	8,117.64	(1,332.90)	5,755.31	5,369.35
Free cash flow to equity (FCFE)	1,676.36	4,742.09	(1,367.14)	3,998.10	4,157.15
<b>Per share (THB)</b>					
FCFF per share	0.03	1.40	(0.23)	0.99	0.92
FCFE per share	0.29	0.82	(0.24)	0.69	0.72
Recurring cash flow per share	0.75	1.52	1.57	1.60	1.65
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)
<b>Tangible fixed assets (net)</b>	<b>20,663</b>	<b>18,871</b>	<b>17,464</b>	<b>16,807</b>	<b>15,900</b>
<b>Intangible fixed assets (net)</b>	<b>232</b>	<b>215</b>	<b>179</b>	<b>179</b>	<b>179</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,092	1,383	1,383	1,383	1,383
Cash & equivalents	1,819	6,066	2,791	3,977	5,255
A/C receivable	3,398	2,994	4,190	4,330	4,402
Inventories	6,971	5,375	8,799	9,146	9,299
Other current assets	7,096	6,720	9,037	9,338	10,225
<b>Current assets</b>	<b>19,284</b>	<b>21,155</b>	<b>24,818</b>	<b>26,791</b>	<b>29,181</b>
Other assets	5,875	4,524	6,952	7,183	7,303
<b>Total assets</b>	<b>47,146</b>	<b>46,149</b>	<b>50,795</b>	<b>52,343</b>	<b>53,946</b>
Common equity	13,681	16,448	19,696	21,797	23,853
Minorities etc.	15	51	50	49	48
<b>Total shareholders' equity</b>	<b>13,696</b>	<b>16,499</b>	<b>19,746</b>	<b>21,846</b>	<b>23,901</b>
Long term debt	10,106	8,567	10,211	10,556	10,876
Other long-term liabilities	540	568	695	718	730
<b>Long-term liabilities</b>	<b>10,646</b>	<b>9,135</b>	<b>10,906</b>	<b>11,274</b>	<b>11,606</b>
A/C payable	6,584	5,653	7,199	7,483	7,608
Short term debt	15,998	14,444	12,666	11,452	10,538
Other current liabilities	222	418	278	287	292
<b>Current liabilities</b>	<b>22,804</b>	<b>20,515</b>	<b>20,143</b>	<b>19,223</b>	<b>18,438</b>
<b>Total liabilities and shareholders' equity</b>	<b>47,146</b>	<b>46,149</b>	<b>50,795</b>	<b>52,343</b>	<b>53,946</b>
Net working capital	10,659	9,018	14,549	15,043	16,025
Invested capital	38,521	34,012	40,527	40,595	40,790
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	2.35	2.67	2.92	3.23	3.53
Tangible book value per share	2.31	2.63	2.89	3.20	3.51
<b>Financial strength</b>					
Net debt/equity (%)	177.3	102.7	101.7	82.5	67.6
Net debt/total assets (%)	51.5	36.7	39.5	34.4	30.0
Current ratio (x)	0.8	1.0	1.2	1.4	1.6
CF interest cover (x)	2.5	5.7	(0.4)	5.1	5.4
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>(61.7)</b>	<b>9.0</b>	<b>6.9</b>	<b>7.0</b>	<b>6.8</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(75.6)</b>	<b>11.1</b>	<b>8.5</b>	<b>8.6</b>	<b>8.4</b>
Reported P/E (x)	(37.9)	10.4	6.9	7.0	6.8
Dividend yield (%)	0.6	5.7	8.0	7.9	8.0
Price/book (x)	2.3	2.0	1.8	1.6	1.5
Price/tangible book (x)	2.3	2.0	1.8	1.7	1.5
EV/EBITDA (x) **	10.4	4.9	4.5	4.3	4.0
EV/EBITDA @ target price (x) **	11.7	5.6	5.1	4.9	4.6
EV/invested capital (x)	1.4	1.5	1.4	1.3	1.3
* 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
<b>Environmental</b>			<b>Governance</b>		
Climate change policy	Yes	Yes	<b>Board size / Independent directors (ID) / Female</b>	<b>9 / 6 / 1</b>	<b>9 / 6 / 1</b>
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	<b>Size of audit committee / ID</b>	<b>3 / 3</b>	<b>3 / 3</b>
<b>Social</b>			Audit committee meetings	5	5
Human rights policy	Yes	Yes	Audit committee meeting attendance (%)	100	100
Policy against child labor	Yes	Yes	<b>Size of compensation committee</b>	<b>3 / 2</b>	<b>3 / 2</b>
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	<b>Size of nomination committee / ID</b>	<b>3 / 2</b>	<b>3 / 2</b>
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	(KPMG Phoomchai Audit Co., Ltd.)		
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 ( <a href="#">DJSI</a> ) 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 ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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 <a href="#">SETESG inclusion</a> , 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. <a href="#">SETESG Index</a> 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.																			
<b>CG Score</b> 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%).																			
<b>AGM level</b> 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&amp;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.																			
<a href="#">Thai CAC</a> 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.																			
<a href="#">Morningstar Sustainalytics</a>	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 &amp; 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+																	
<a href="#">ESG Book</a>	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.																			
<a href="#">MSCI</a>	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><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></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><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities																		
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<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
<a href="#">Moody's ESG solutions</a>	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.																				
<a href="#">Refinitiv ESG rating</a>	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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																				
<a href="#">S&amp;P Global</a>	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.																				
<b>Bloomberg</b>	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



GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

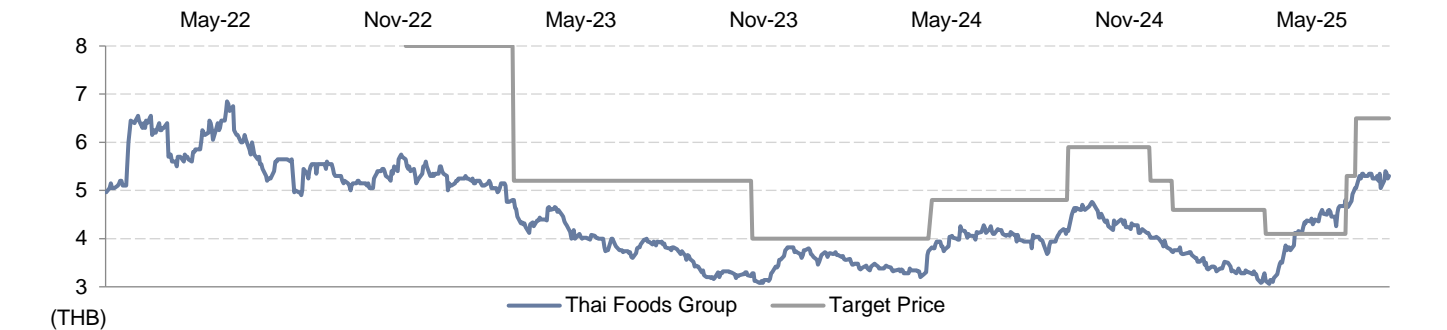
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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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	22-Aug-2024	BUY	5.90	16-Apr-2025	BUY	5.30
08-May-2023	HOLD	5.20	31-Oct-2024	BUY	5.20	24-Apr-2025	BUY	6.50
27-Nov-2023	HOLD	4.00	19-Nov-2024	BUY	4.60			
26-Apr-2024	BUY	4.80	06-Feb-2025	BUY	4.10			

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 5.30	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; and 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 23-May-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.