

CHAROEN POKPHAND FOODS

THAILAND / FOOD & BEVERAGE

CPF TB

HOLD

UNCHANGED

TARGET PRICE	THB30.00
CLOSE	THB24.20
UP/DOWNSIDE	+24.0%
PRIOR TP	THB30.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.6%

Positive outlook from management

- The US deal is positive for Thailand's livestock industry with lower feed costs. US pork imports remain slow and heavily restricted.
- Short-term, 2H25 profit would decline h-h due to lower swine prices.
- Recommend a speculative buy, especially if meat prices rebound.

Monitoring swine price recovery in 4Q25

Management explained that the sharp drop in Thai swine prices was partly due to labor issues involving Cambodian workers, which reduced slaughtering capacity and led to short-term oversupply of live pigs in the industry. However, the decline is seen as temporary, and swine prices are expected to recover in 4Q25. Recently, 12 major Thai swine companies signed an MOU to pause sow expansion for two years, allowing smaller farms to scale back up. Similarly, Vietnam swine also faced price drops due to demand weakness, while ASF continues to pressure supply. As a result, swine prices are expected to recover in the coming quarters.

Costs still falling; US pork imports challenging

Management expects raw material costs to continue declining, driven by; 1) increasing supply of several feed ingredients; 2) new trade agreements allowing for cheaper US imports - US corn is THB 2/kg cheaper than Thai corn, soybean import tariffs reduced from 2% to 0%, and DDGS (Distillers Dried Grains with Solubles) tariffs cut from 9% to 0%. CPF is not concerned about oversupply in Thai swine production, despite Thailand's agreement to allow pork imports from the US (limited to no more than 1% of Thailand's total production). Strict conditions remain, such as a ban on pork containing ractopamine and mandatory inspections of US factories. As a result, importing pork and raw materials from the US may not happen quickly due to regulatory and heavy restrictions.

US deal seen as positive for livestock industry

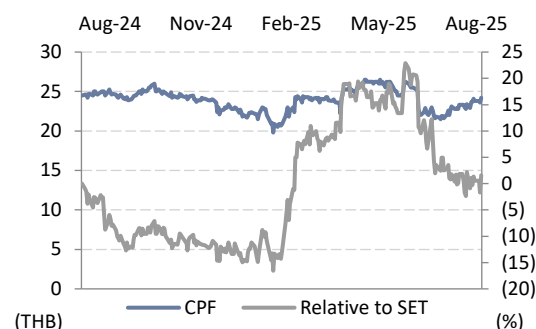
We view this development positively, as it will help strengthen Thailand's livestock industry over the long term and reduce volatility in meat prices. Lower raw material costs would benefit farmers with lower expenses, improving the export competitiveness of Thai poultry. In addition, if meat prices settle at a balanced level, consumers will also benefit.

Expect 2H25 profit to drop h-h due to lower meat prices

In the short term, we expect 2H25 earnings to decline h-h, due to lower meat prices. 2026 earnings are also expected to drop y-y, given a high base in 2025. However, we still anticipate solid earnings, supported by continued downward trends in raw material costs. We recommend a speculative buy, especially if meat prices rebound.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	580,747	587,716	600,058	612,059
Net profit	19,558	34,161	21,450	23,006
EPS (THB)	2.32	4.06	2.55	2.73
vs Consensus (%)	-	20.5	(10.9)	(10.2)
EBITDA	71,662	91,914	75,563	77,351
Recurring net profit	19,039	34,187	21,450	23,006
Core EPS (THB)	2.26	4.06	2.55	2.73
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	nm	79.6	(37.3)	7.3
Core P/E (x)	10.7	6.0	9.5	8.9
Dividend yield (%)	4.4	8.4	5.3	5.6
EV/EBITDA (x)	9.9	7.5	9.0	8.6
Price/book (x)	0.8	0.8	0.7	0.7
Net debt/Equity (%)	157.4	125.0	115.4	106.3
ROE (%)	7.8	13.4	8.0	8.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	9.5	(8.7)	0.0
Relative to country (%)	0.4	(13.9)	1.8
Mkt cap (USD m)	6,160		
3m avg. daily turnover (USD m)	20.1		
Free float (%)	46		
Major shareholder	Charoen Pokphand Group (37%)		
12m high/low (THB)	26.50/19.80		
Issued shares (m)	8,413.57		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

CPF operates an integrated agro-industrial and food business under its “Kitchen of the World” vision for sustainable growth. The company owns production bases through investments and joint ventures in 17 countries and exports to over 50 countries. Since CPF starts from upstream, especially farming, which is highly volatile in line with meat prices and feed costs, its annual performance fluctuates sharply.

We think CPF’s 2Q25 net profit would be the peak quarter of the year, with 2H25 profit expected to soften due to declining Thai swine prices since late May. Although the earnings outlook remains strong, weakening meat prices have left the share price without a catalyst.

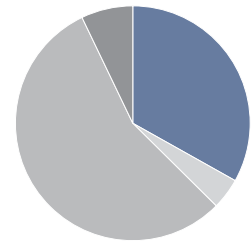
Company profile

Established in 1978 and listed on the Stock Exchange of Thailand in 1987, CPF operates a vertically integrated agro-industrial and food business, from upstream to downstream, covering livestock and aquaculture such as swine, broilers, layers, ducks, shrimp, and fish. As of end-2024, CPF generated revenue from three units, namely Feed, Farm, and Food, with a revenue mix of 23%/55%/22%, respectively.

www.cpfworldwide.com

Principal activities (revenue, 2024)

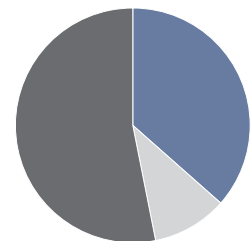
- Thailand livestock - 33.1 %
- Thailand aquatic - 4.3 %
- Overseas livestock - 55.5 %
- Overseas aquatic - 7.1 %



Source: Charoen Pokphand Foods

Major shareholders

- Charoen Pokphand Group - 36.5 %
- UBS AG London Branch - 10.4 %
- Others - 53.1 %



Source: Charoen Pokphand Foods

Catalysts

Potential drivers for CPF’s earnings growth in 2025 are 1) sales volume growth after demand increases, 2) higher meat prices, 3) flat or declining feed costs, and 4) a better-than-expected recovery of overseas associates and subsidiaries..

Risks to our call

Downside risks to our P/E-based TP include 1) slow purchasing power, 2) a slower-than-expected meat price recovery, 3) higher feed costs, 4) Baht strength, and 5) a minimum wage increase and labor shortages.

Event calendar

Date	Event
November 2025	3Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Broiler price-TH (THB)	40.0	40.0	40.0
Swine price-TH (THB)	75.0	72.0	70.0
Swine price-VN (VND)	60,000	60,000	60,000
Total revenue growth (%)	1.2	2.1	2.0
Gross margin (%)	17.8	14.8	14.8
SG&A to sales (%)	8.7	8.7	8.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in 2025 revenue, we estimate net profit to rise by 4%, and vice versa, all else being equal.
- For every 0.1% increase in 2025 GPM, we estimate net profit to rise by 3.5%, and vice versa, all else being equal.
- For every 0.1% increase in 2025 SG&A to sales, we estimate net profit to fall by 4.4%, and vice versa, all else being equal.

Source: FSSIA estimates

2Q25 profit hit record high as expected

CPF reported 2Q25 net profit of THB10.4b, in line with expectations and marking a new all-time high (+21% q-q, +50% y-y), driven by a strong recovery in swine margins—particularly from rising Thai swine prices and lower raw material costs. This boosted gross margin to a 17-quarter high of 19.8% (vs. 18.5% in 1Q25 and 15.4% in 2Q24).

However, total revenue remained weak (+2.4% q-q, -1.3% y-y), partly due to the strengthening of THB against other currencies. For example, THB appreciated 9% y-y against the Vietnamese dong, leading to a decline in Vietnam revenue (-5% q-q, -21% y-y), with both livestock and aquaculture segments down. Vietnam swine prices also began to fall at the end of the quarter, resulting in bio losses starting in 2Q25.

Total expenses edged up slightly, pushing SG&A to sales to 8.8% (from 8.5% in both 1Q25 and 2Q24), though still within the company's target range—indicating effective cost control.

Share profit from associates remained strong (+4% q-q, +7% y-y).

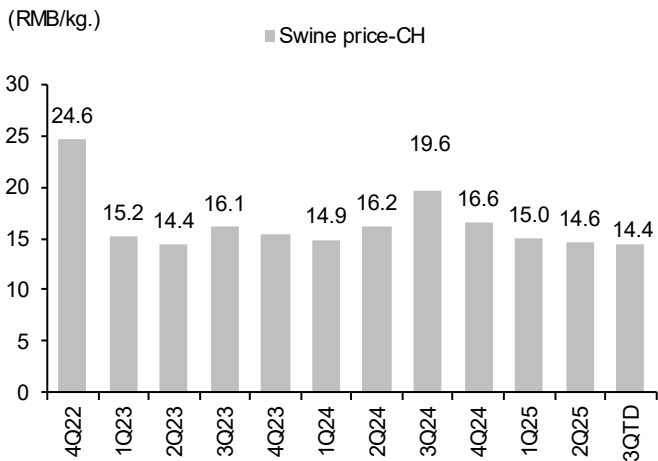
CPF's 1H25 net profit reached THB18.9b (+134% y-y), accounting for 55% of our full-year forecast. We maintain our view that 2Q25 marked the peak for this year's earnings, with 3Q25 profit likely to decline q-q to around THB6b–7b (though still flat y-y), given a notable drop in swine prices so far in 3Q—both in Thailand and Vietnam.

Exhibit 1: CPF – 2Q25 earnings results

	2Q24	3Q24	4Q24	1Q25	2Q25	---- Change ----		2024	2025E	Change	% 1H25
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	to 2025E
Sales	149,498	142,703	148,509	144,175	147,595	2.4	(1.3)	580,747	587,716	1.2	49.6
Cost of sales	126,484	120,756	125,236	117,508	118,385	0.7	(6.4)	495,704	483,103	(2.5)	48.8
Gross profit	23,013	21,947	23,274	26,667	29,210	9.5	26.9	85,043	104,613	23.0	53.4
SG&A	12,760	12,624	12,873	12,241	13,042	6.5	2.2	50,434	51,131	1.4	49.4
Operating profit	10,953	10,428	10,785	15,218	16,839	10.6	53.7	37,463	56,715	51.4	56.5
Interest expense	6,276	6,031	6,086	6,092	6,015	(1.3)	(4.1)	24,575	25,556	4.0	47.4
Tax expense	2,046	1,059	2,018	3,255	2,854	(12.3)	39.5	5,673	9,935	75.1	61.5
Profit (loss) sharing	3,352	3,655	3,900	3,443	3,587	4.2	7.0	12,699	13,758	8.3	51.1
Biological gain (loss)	1,427	734	(263)	38	(433)	nm	nm	2,362	38	nm	nm
Other gain (loss)	135	28	201	(62)	(185)	nm	nm	(1,844)	(63)	nm	391.8
Reported net profit	6,924	7,309	4,173	8,549	10,377	21.4	49.9	19,558	34,161	74.7	55.4
Core profit	5,595	6,547	6,540	8,573	10,994	28.2	96.5	19,039	34,187	79.6	57.2
Key Ratios (%)						(ppt)	(ppt)				
Gross margin	15.4	15.4	15.7	18.5	19.8	1.3	4.4	14.6	17.8	3.2	
SG&A to sales	8.5	8.8	8.7	8.5	8.8	0.3	0.3	8.7	8.7	0.0	
Operating margin	7.3	7.3	7.3	10.6	11.4	0.9	4.1	6.5	9.7	3.2	
Net margin	4.6	5.1	2.8	5.9	7.0	1.1	2.4	3.4	5.8	2.4	
Core margin	3.7	4.6	4.4	5.9	7.4	1.5	3.7	3.3	5.8	2.5	
Operating statistics (THB/kg)											
Broiler price-TH	43.6	42.7	38.1	40.3	40.0	(0.8)	(8.3)	41.3	40.0	(3.2)	
Swine price-TH	69.3	71.1	70.6	79.0	85.3	8.0	23.0	69.3	75.0	8.2	
Corn price-TH	10.9	12.1	10.0	10.9	10.5	(3.1)	(3.7)	11.0	10.5	(4.4)	
Soybean meal price-TH	21.5	20.5	18.9	16.8	16.2	(3.5)	(24.7)	20.8	16.0	(22.9)	
Swine price-VN (VND/kg.)	62,848	61,708	60,237	65,132	68,500	5.2	9.0	59,548	65,158	9.4	
Swine price-CH (RMB/kg.)	16.2	19.6	16.6	15.0	14.6	(2.9)	(9.9)	17.0	15.5	(9.0)	

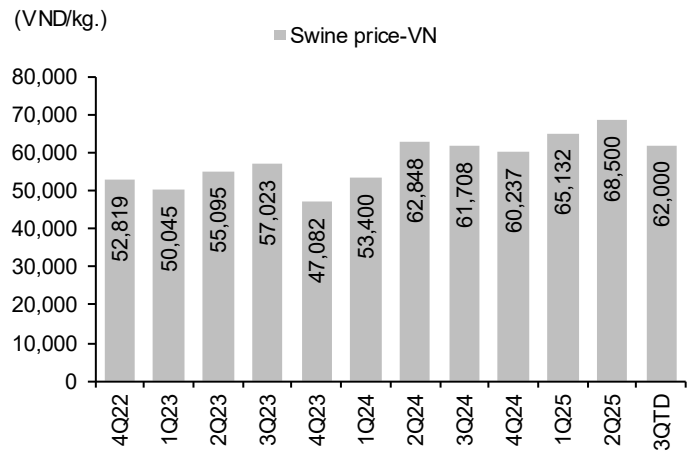
Sources: CPF, FSSIA's compilation

Exhibit 2: Quarterly China swine price



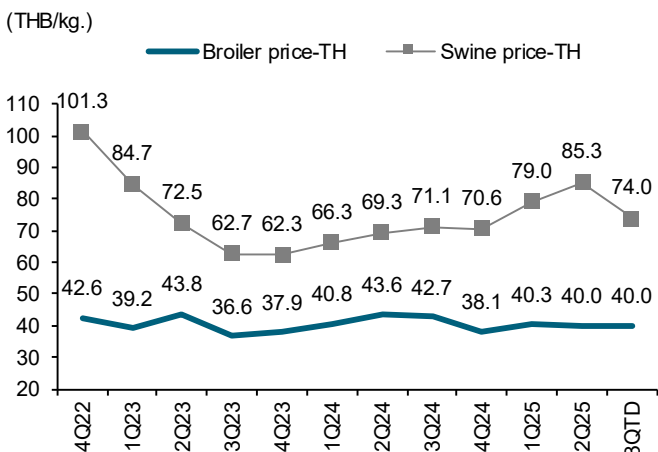
Sources: Bloomberg, CPF, FSSIA's compilation

Exhibit 3: Quarterly Vietnam swine price



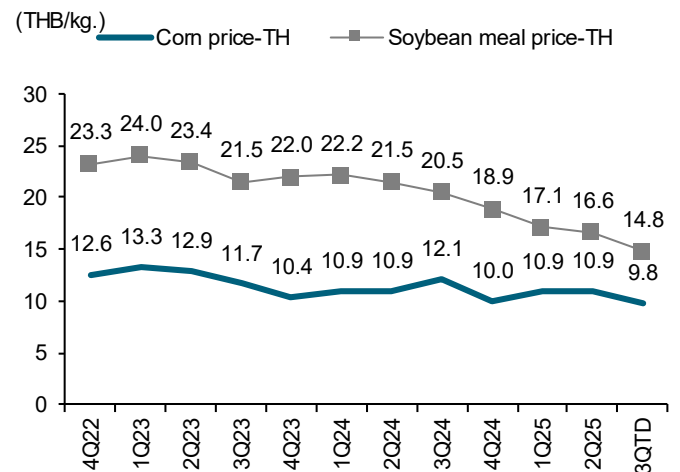
Source: CPF, FSSIA's compilation

Exhibit 4: Quarterly domestic meat prices



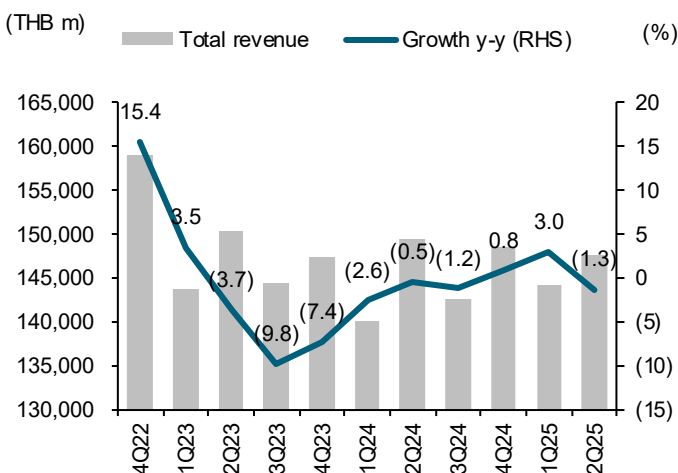
Source: CPF, FSSIA's compilation

Exhibit 5: Quarterly raw material prices



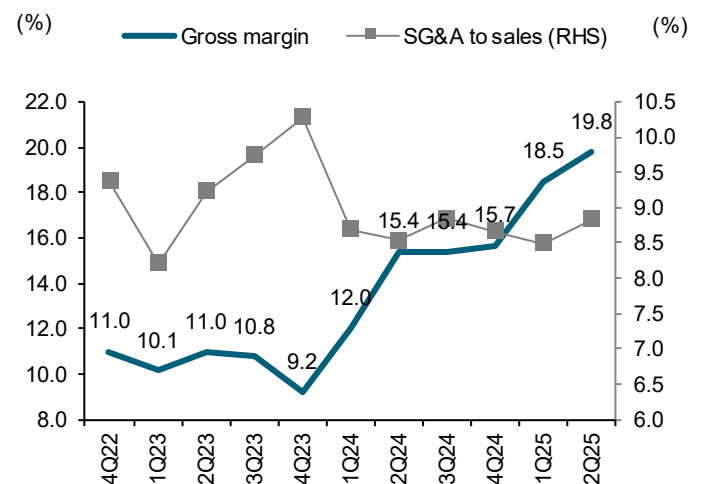
Source: CPF, FSSIA's compilation

Exhibit 6: Quarterly total revenue and growth



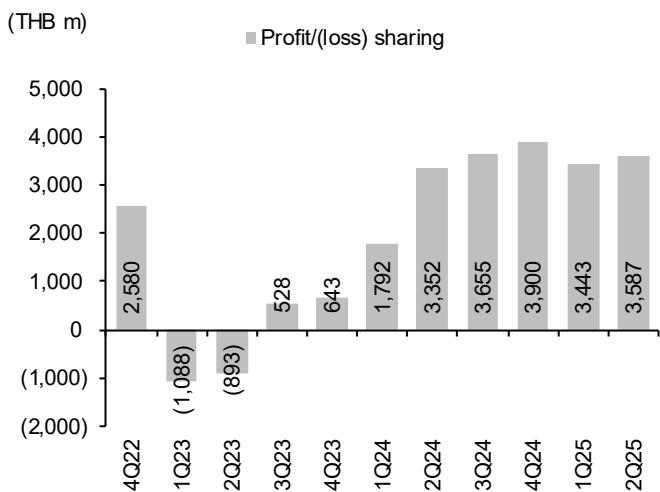
Sources: CPF, FSSIA's compilation

Exhibit 7: Quarterly gross margin and SG&A to sales



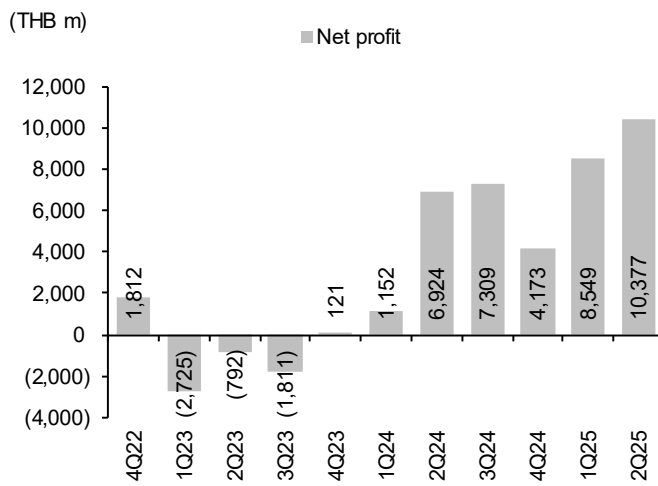
Sources: CPF, FSSIA's compilation

Exhibit 8: Quarterly share of profit/(loss)



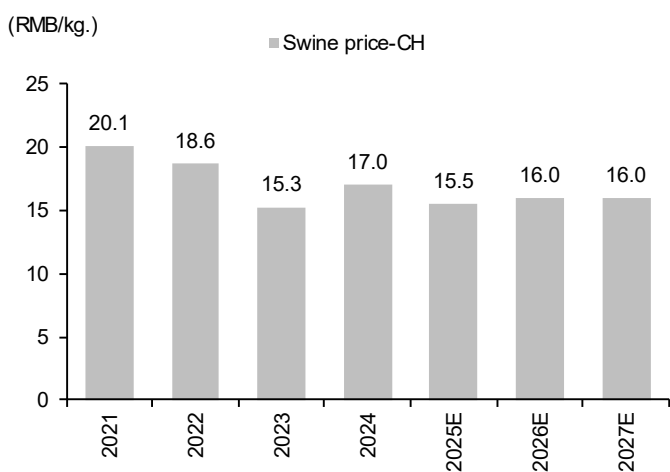
Sources: CPF, FSSIA's compilation

Exhibit 9: Quarterly net profit



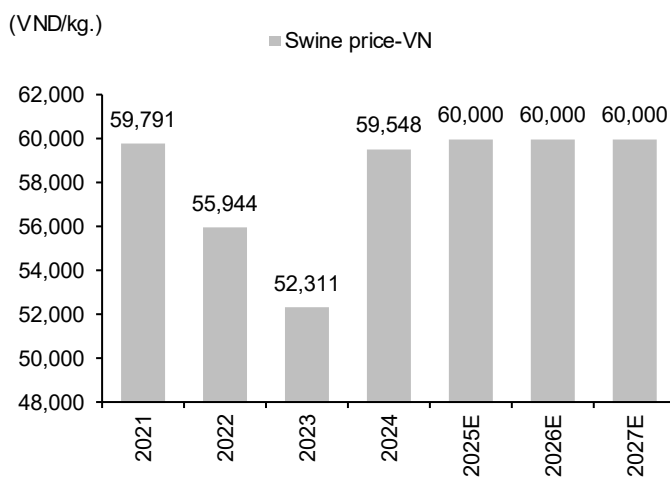
Sources: CPF, FSSIA's compilation

Exhibit 10: Yearly China swine price



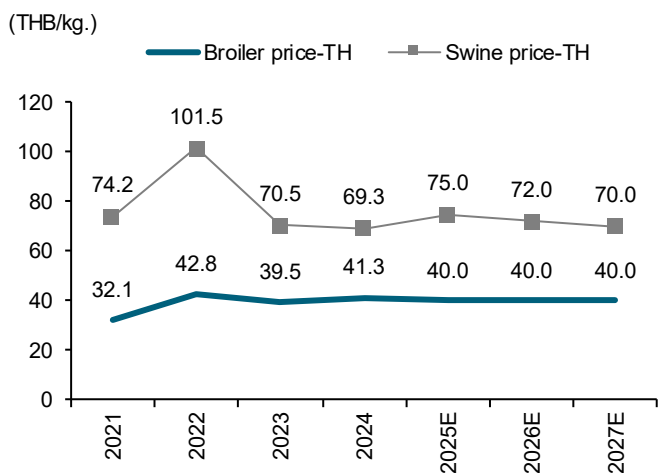
Sources: CPF, FSSIA estimates

Exhibit 11: Yearly Vietnam swine price



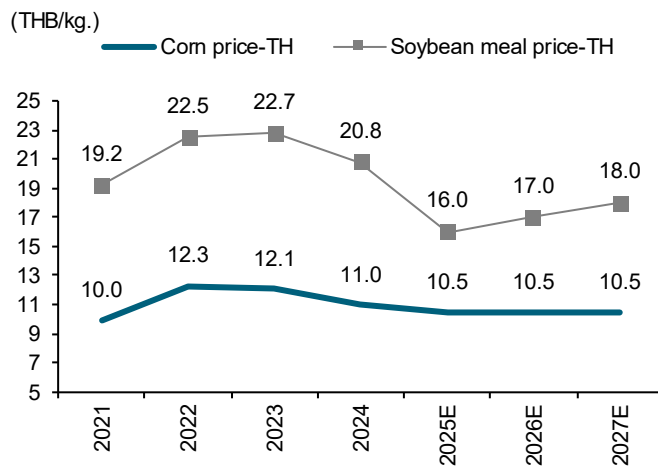
Sources: CPF, FSSIA estimates

Exhibit 12: Yearly domestic meat prices



Sources: CPF, FSSIA estimates

Exhibit 13: Yearly raw material prices



Sources: CPF, FSSIA estimates

Financial Statements

Charoen Pokphand Foods

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	585,844	580,747	587,716	600,058	612,059
Cost of goods sold	(524,643)	(495,704)	(483,103)	(511,250)	(521,475)
Gross profit	61,201	85,043	104,613	88,809	90,585
Other operating income	1,110	2,854	3,232	2,760	2,815
Operating costs	(55,875)	(50,434)	(51,131)	(52,205)	(53,249)
Operating EBITDA	39,667	71,662	91,914	75,563	77,351
Depreciation	(33,232)	(34,200)	(35,200)	(36,200)	(37,200)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	6,435	37,463	56,715	39,364	40,151
Net financing costs	(24,348)	(22,708)	(24,176)	(23,869)	(23,441)
Associates	(810)	12,699	13,758	13,928	14,746
Recurring non-operating income	(810)	12,699	13,758	13,928	14,746
Non-recurring items	16,792	519	(25)	0	0
Profit before tax	(1,931)	27,972	46,271	29,423	31,456
Tax	(600)	(5,673)	(9,935)	(6,473)	(6,920)
Profit after tax	(2,531)	22,299	36,336	22,950	24,536
Minority interests	(2,676)	(2,741)	(2,175)	(1,500)	(1,530)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	(5,207)	19,558	34,161	21,450	23,006
Non-recurring items & goodwill (net)	(16,792)	(519)	25	0	0
Recurring net profit	(22,000)	19,039	34,187	21,450	23,006
Per share (THB)					
Recurring EPS *	(2.61)	2.26	4.06	2.55	2.73
Reported EPS	(0.62)	2.32	4.06	2.55	2.73
DPS	0.00	1.06	2.03	1.27	1.37
Diluted shares (used to calculate per share data)	8,414	8,414	8,414	8,414	8,414
Growth					
Revenue (%)	(4.6)	(0.9)	1.2	2.1	2.0
Operating EBITDA (%)	(37.1)	80.7	28.3	(17.8)	2.4
Operating EBIT (%)	(79.1)	482.2	51.4	(30.6)	2.0
Recurring EPS (%)	nm	nm	79.6	(37.3)	7.3
Reported EPS (%)	nm	nm	74.7	(37.2)	7.3
Operating performance					
Gross margin inc. depreciation (%)	10.4	14.6	17.8	14.8	14.8
Gross margin exc. depreciation (%)	16.1	20.5	23.8	20.8	20.9
Operating EBITDA margin (%)	6.8	12.3	15.6	12.6	12.6
Operating EBIT margin (%)	1.1	6.5	9.7	6.6	6.6
Net margin (%)	(3.8)	3.3	5.8	3.6	3.8
Effective tax rate (%)	(31.1)	20.3	21.5	22.0	22.0
Dividend payout on recurring profit (%)	-	46.8	50.0	50.0	50.0
Interest cover (X)	0.2	2.2	2.9	2.2	2.3
Inventory days	56.7	53.1	53.4	52.3	53.3
Debtor days	26.7	26.1	25.4	25.2	25.2
Creditor days	32.5	28.2	28.2	27.2	27.7
Operating ROIC (%)	1.2	7.3	11.7	8.4	8.9
ROIC (%)	0.6	5.1	7.2	5.5	5.6
ROE (%)	(8.9)	7.8	13.4	8.0	8.2
ROA (%)	0.0	4.5	6.3	4.6	4.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Thailand livestock	193,310	192,384	197,194	203,504	209,609
Thailand aquatic	27,945	24,932	24,184	24,910	25,657
Overseas livestock	316,296	322,064	327,040	331,167	335,101
Overseas aquatic	48,293	41,367	39,299	40,478	41,692

Sources: Charoen Pokphand Foods; FSSIA estimates

Financial Statements

Charoen Pokphand Foods

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	(22,000)	19,039	34,187	21,450	23,006
Depreciation	33,232	34,200	35,200	36,200	37,200
Associates & minorities	-	-	-	-	-
Other non-cash items	3,360	(8,770)	8,988	(10,394)	(11,212)
Change in working capital	(3,219)	13,251	3,119	(3,354)	(2,134)
Cash flow from operations	11,373	57,719	81,493	43,901	46,859
Capex - maintenance	(25,883)	(39,520)	(19,965)	(20,000)	(20,000)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	2,796	2,307	0	0	0
Other investments (net)	8,051	3,549	1,281	(432)	(420)
Cash flow from investing	(15,035)	(33,664)	(18,684)	(20,432)	(20,420)
Dividends paid	(13,027)	(1,720)	(16,542)	(10,725)	(11,503)
Equity finance	1,371	(3)	4	0	0
Debt finance	(2,424)	(22,281)	(9,937)	(5,320)	(5,320)
Other financing cash flows	9,783	2,319	(1,808)	2,956	588
Cash flow from financing	(4,298)	(21,685)	(28,283)	(13,089)	(16,235)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(7,960)	2,371	34,526	10,380	10,204
Free cash flow to firm (FCFF)	21,844.06	48,630.88	88,364.85	48,743.07	51,430.89
Free cash flow to equity (FCFE)	3,696.24	4,094.00	51,064.02	21,104.74	21,706.95

Per share (THB)

FCFF per share	2.60	5.78	10.50	5.79	6.11
FCFE per share	0.44	0.49	6.07	2.51	2.58
Recurring cash flow per share	1.73	5.29	9.32	5.62	5.82

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	333,873	326,168	311,968	296,769	280,569
Less: Accumulated depreciation	(33,232)	(34,200)	(35,200)	(36,200)	(37,200)
Tangible fixed assets (net)	300,641	291,968	276,769	260,569	243,370
Intangible fixed assets (net)	73,428	71,121	71,121	71,121	71,121
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	272,548	283,542	297,300	311,228	325,974
Cash & equivalents	28,255	30,625	65,151	75,531	85,735
A/C receivable	42,351	40,674	41,027	41,889	42,727
Inventories	69,508	64,771	66,178	70,034	71,435
Other current assets	69,002	63,989	58,772	60,006	61,206
Current assets	209,116	200,060	231,129	247,460	261,103
Other assets	31,485	30,033	28,470	28,902	29,322
Total assets	887,218	876,724	904,788	919,280	930,890
Common equity	239,416	246,041	263,640	274,365	285,868
Minorities etc.	45,617	47,183	69,891	73,425	76,959
Total shareholders' equity	285,033	293,224	333,531	347,790	362,827
Long term debt	316,785	291,911	289,211	286,511	283,811
Other long-term liabilities	25,936	28,256	26,447	29,403	29,991
Long-term liabilities	342,722	320,167	315,658	315,914	313,802
A/C payable	36,527	34,840	34,413	36,418	37,146
Short term debt	198,326	200,372	192,976	190,356	187,736
Other current liabilities	24,610	28,122	28,210	28,803	29,379
Current liabilities	259,463	263,334	255,599	255,577	254,261
Total liabilities and shareholders' equity	887,218	876,724	904,788	919,280	930,890
Net working capital	119,724	106,473	103,354	106,708	108,843
Invested capital	797,826	783,137	777,014	778,529	778,630

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

Per share (THB)

Book value per share	28.46	29.24	31.34	32.61	33.98
Tangible book value per share	19.73	20.79	22.88	24.16	25.52

Financial strength

Net debt/equity (%)	170.8	157.4	125.0	115.4	106.3
Net debt/total assets (%)	54.9	52.7	46.1	43.7	41.4
Current ratio (x)	0.8	0.8	0.9	1.0	1.0
CF interest cover (x)	1.2	1.2	3.1	1.9	1.9

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	(9.3)	10.7	6.0	9.5	8.9
Recurring P/E @ target price (x) *	(11.5)	13.3	7.4	11.8	11.0
Reported P/E (x)	(39.1)	10.4	6.0	9.5	8.9
Dividend yield (%)	-	4.4	8.4	5.3	5.6
Price/book (x)	0.9	0.8	0.8	0.7	0.7
Price/tangible book (x)	1.2	1.2	1.1	1.0	0.9
EV/EBITDA (x) **	18.6	9.9	7.5	9.0	8.6
EV/EBITDA @ target price (x) **	19.8	10.6	8.0	9.6	9.2
EV/invested capital (x)	0.9	0.9	0.9	0.9	0.9

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

Sources: Charoen Pokphand Foods; FSSIA estimates

Charoen Pokphand Foods PCL (CPF TB)

FSSIA ESG rating

Exhibit 14: FSSIA ESG score implication
80.10 /100

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 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://www.settrade.com); FSSIA's compilation
Exhibit 16: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	2.57	2.01	2.32	4.20	3.82	4.48	4.67	4.43
BESG environmental pillar score	2.50	1.35	1.44	5.60	4.55	5.58	5.72	5.12
BESG social pillar score	1.77	1.49	2.38	3.05	2.82	3.26	3.46	3.55
BESG governance pillar score	3.59	3.67	3.65	3.68	3.94	4.38	4.61	4.46
ESG disclosure score	51.20	46.05	46.05	55.11	52.85	60.28	63.87	67.93
Environmental disclosure score	35.00	17.97	17.97	41.53	38.15	51.98	53.70	65.51
Social disclosure score	31.11	32.68	32.68	36.31	32.92	38.88	47.94	48.34
Governance disclosure score	87.36	87.36	87.36	87.36	87.36	89.86	89.86	89.86
Environmental								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	Yes
Risks of climate change discussed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG scope 1	240	—	—	250	238	222	288	262
GHG scope 2 location-based	670	—	—	590	647	596	1,203	1,199
GHG Scope 3	—	—	—	—	3,565	4,132	4,412	11,377
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	2,664	—	—	3,072	2,296	2,284	3,373	3,312
Renewable energy use	550	—	—	800	—	853	1,503	1,564
Electricity used	1,211	—	—	—	1,353	1,395	2,243	2,267
Fuel used - natural gas	—	—	—	36,310	1,315,790	1,221,200	1,503,630	1,403,530

Sources: Bloomberg; FSSIA's compilation

Exhibit 17: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	1	—	—	—	1	1	1	0
Total waste	440	—	—	920	463	456	636	551
Waste recycled	—	—	—	27	—	25	42	41
Waste sent to landfills	—	—	—	—	—	42.54	73.89	27.29
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	6,670	6,032.59	10,685.90	10,129.00
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	Yes
Pct women in workforce	51	51	52	52	42	44.46	44.56	44.84
Pct disabled in workforce	—	1	1	1	—	0.56	0.69	0.53
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	0	0	0.38	1.00	0.18
Total recordable incident rate - employees	—	—	—	—	—	—	—	0.74
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	66,087	71,131	72,319	73,941	71,318	128,548.00	135,284.00	135,446.00
Employee turnover pct	19	18	20	34	—	13.28	10.98	14.64
Total hours spent by firm - employee training	985,230	1,138,100	1,012,470	887,292	2,781,400	1,331,690.00	1,772,550.00	4,991,190.00
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	15	15	15	15	15	15	15	14
No. of independent directors (ID)	5	5	5	5	5	6	5	4
No. of women on board	2	2	2	2	2	2	2	2
No. of non-executive directors on board	10	10	10	9	9	9	10	9
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	11	9	7	7	13	11	9	8
Board meeting attendance pct	96	87	96	94	96	99	99	98
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	61	62	63	58	53	53	53	54
Age of the oldest director	80	82	83	81	82	76	76	77
No. of executives / company managers	14	17	7	11	9	27	31	31
No. of female executives	2	2	1	2	2	4	7	7
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	4	4	4	4	4	4	4	4
No. of ID on audit committee	4	4	4	4	4	4	4	4
Audit committee meetings	10	8	9	9	10	11	8	9
Audit meeting attendance %	95	91	94	100	98	100	100	97
Size of compensation committee	3	3	3	4	4	4	4	3
No. of ID on compensation committee	2	2	2	2	2	2	2	1
No. of compensation committee meetings	3	2	2	2	3	3	3	3
Compensation meeting attendance %	100	100	100	100	92	100	100	100
Size of nomination committee	3	3	3	4	4	4	4	3
No. of nomination committee meetings	3	2	2	2	3	3	3	3
Nomination meeting attendance %	100	100	100	100	92	100	100	100
Sustainability governance								
Verification type	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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.																			
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 Sustainalytics	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 border="1" style="margin-top: 10px;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </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 border="1" style="margin-top: 10px;"> <tbody> <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> </tbody> </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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

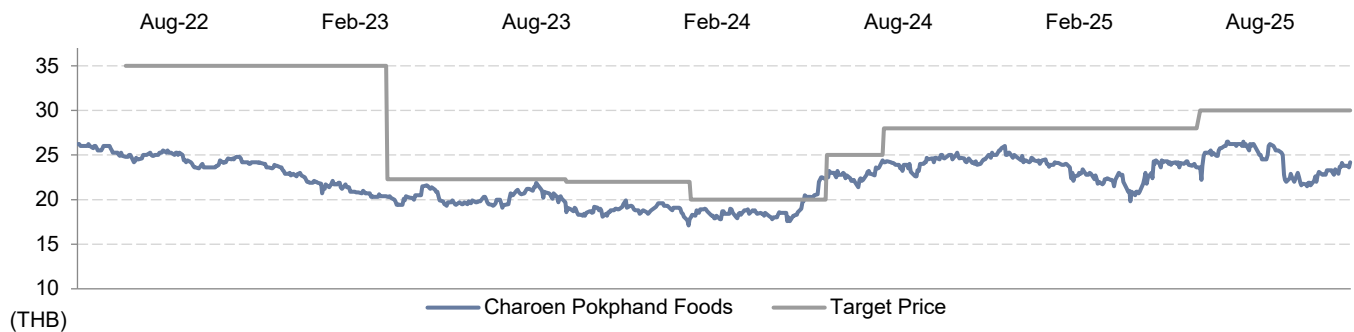
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History of change in investment rating and/or target price

Charoen Pokphand Foods (CPF TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
23-Sep-2022	BUY	35.00	24-Jan-2024	HOLD	20.00	04-Apr-2025	BUY	30.00
08-May-2023	HOLD	22.30	18-Apr-2024	BUY	20.00	11-Jul-2025	HOLD	30.00
09-Oct-2023	HOLD	22.00	20-May-2024	BUY	25.00			
13-Dec-2023	BUY	22.00	08-Jul-2024	BUY	28.00			

Sureeporn Teewasuwet started covering this stock from 08-May-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Charoen Pokphand Foods	CPF TB	THB 24.20	HOLD	Downside risks to our P/E-based TP include 1) slow purchasing power, 2) a slower-than-expected meat price recovery, 3) higher feed costs, 4) Baht strength, and 5) a minimum wage increase and labor shortages.

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 14-Aug-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.