

Food

SET FOOD index Close: 17/5/2024 11,299.40 -28.40 / -0.25% Bt2,244mn
Bloomberg ticker: SETFOOD

Turning positive on better price/cost gaps

In 2Q24TD, livestock prices in Thailand and oversea swine prices in Vietnam and China have improved to this year’s high and this plus a fall in feed costs to this year’s low in 2Q24TD, will expand margin for livestock players in 2Q24F. In April, spot skipjack tuna price is edging up MoM but the 3-6-month moving average is still lower YoY, implying higher OEM product price (spot price) amid lower raw material cost (lagging spot price) for the tuna business in 2Q24F. The weak THB in 2Q24TD will also support the sector’s export sales. Our top picks are CPF, BTG, and TU.

Local livestock prices up to this year’s high in 2Q24TD. In 2Q24TD, local swine price is Bt71/kg (-10% YoY but +8% QoQ) vs breakeven at the gross profit level for big players at Bt62-68/kg on some supply damage from hot weather and the return of ASF disease in some areas in early 2024, plus better management of smuggled swine meat as the government employs stricter inspections. Looking ahead, local swine price in 2H24F is set to rise HoH from better management of smuggled pork and a supply reduction arranged by the Pig Board of Thailand in March-June, that will take effect over the following six months. In 2Q24TD, local broiler price is Bt44/kg (+3% YoY and +8% QoQ) vs breakeven at the gross profit level for big players at Bt38-39/kg on better export demand from Japan, Europe and other key countries in Asia. Looking ahead, we expect solid export demand together with better local swine price to support local broiler price throughout the period.

Feed costs fall to this year’s low in 2Q24TD. In 2Q24TD, local corn and imported soybean meal prices are Bt10.3/kg (-20% YoY, -1% QoQ) and Bt20.6/kg (-11% YoY, -7% QoQ) on more supply from favorable crop conditions. As Thai livestock operators normally keep 3-4 months of feed inventory, this implies actual feed costs will come down 13-17% YoY (or cut total production costs by 9-12% YoY) in 2Q24-3Q24F.

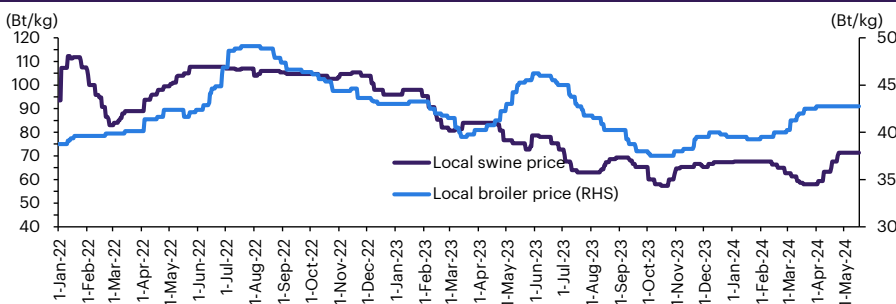
Overseas swine prices improve to the year’s high in 2Q24TD. In 2Q24TD, swine prices in Vietnam and China are VND60,000/kg (+10% YoY, +12% QoQ, up from lower supply on the spread of a new round of ASF in late 2023 and higher demand) and CNY15.2/kg (+5% YoY, +4% QoQ, from better supply adjustment) vs VND45,000/kg and CNY16/kg for breakeven at the gross profit level for big players. Product prices in 2024 are expected to improve slightly YoY on better demand and supply management.

Spot skipjack tuna price, edging up MoM in April. In April, spot skipjack tuna price rose MoM to US\$1,375/ton (+6% MoM, -31% YoY) off a 3-year low of US\$1,300/ton in March. Spot skipjack price in 2024TD is US\$1,344/ton, -25% YoY. With spot skipjack price edging up MoM amid a low 3-6-month moving average YoY, we expect TU to see a better 2Q24F gross margin, led by better OEM tuna product prices (moving with spot price) and lower actual raw tuna costs (it keeps 3-6 months of inventory on average) in the ambient unit.

Top picks. We keep our 3-month tactical rating as Outperform for all players, reflecting our positive view on sector earnings in 2Q24F, up YoY and QoQ, from better sales and margin. CPF and BTG are our lead picks, with the sector’s best 2Q24F growth, turning around from losses in 2Q23 after local swine prices rose to above breakeven costs at the gross profit level and better CPF operations after divestment of its loss-making businesses in 2H23. TU is another pick as the sector’s most laggard, with 2Q24F improving from wider margin at the ambient unit and a weak THB.

Key risks: Weak product prices from fragile purchasing power and more supply, higher feed costs and interest rates. Key ESG risks are energy, waste & water management (E), product quality management, health & safety policies (S).

In May to date, local broiler and swine prices are improving to reach 2024 highs



Source: OAE, DIT and InnovestX Research

Valuation summary

	Rating	Price (Bt)	TP (Bt)	ETR (%)	P/E (x) 24F	P/BV (x) 25F	P/E (x) 24F	P/BV (x) 25F
BTG	Outperform	23.80	28.0	18.6	31.4	18.6	1.8	1.6
CPF	Outperform	22.50	26.0	16.4	32.5	26.0	0.6	0.6
GFPT	Outperform	13.20	16.0	23.4	9.1	8.5	0.9	0.8
TU	Outperform	15.30	18.0	22.2	13.4	11.6	1.0	1.0
Average					21.6	16.2	1.1	1.0

Source: InnovestX Research

Price performance

(%)	Absolute			Relative to SET		
	1M	3M	12M	1M	3M	12M
BTG	8.7	12.3	(1.2)	7.0	12.6	9.0
CPF	25.0	26.4	15.4	23.0	26.8	27.4
GFPT	10.9	15.8	20.0	9.2	16.2	32.5
TU	7.0	(3.2)	3.4	5.3	(2.8)	14.1

Source: SET, InnovestX Research

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Local swine prices up to the year's high in May to date. Local swine price improved from this year's bottom of Bt61/kg in March to this year's high at Bt75/kg in May to date. In 2Q24TD, local swine price is Bt71/kg (-10% YoY but +8% QoQ, vs breakeven at the gross profit level for big players at Bt62-68/kg) on some supply damage from hot weather (lower pig weight) and the return of ASF in some areas in Thailand in early 2024, plus better management of smuggled pork as the government employs stricter inspection.

Factoring in supply adjustment post ASF alleviation and lower supply from industry collaboration initiated by the Swine Raisers Association of Thailand, big players estimate pig production in Thailand to be unchanged YoY at 18-19mn pigs in 2024, not yet including less smuggled pork (unknown amount).

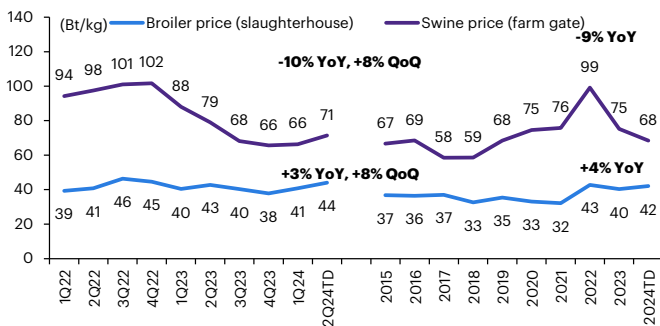
Looking ahead, we expect local swine price to bottom out, with better swine price HoH in 2H24F, from less smuggled pork and a supply reduction arranged by the Pig Board of Thailand in which Thai swine players are collaborating to cut production by 5,000 pigs/day (9-10% of daily production) or 0.45mn pigs/90 days (3% of annual production), starting mid-March. The effect of the supply reduction will be seen gradually over the six months.

Local broiler prices up to the year's high in May to date. Local broiler price has improved from this year's bottom at Bt39.5/kg in Jan to this year's high at Bt44/kg in May to date. In 2Q24TD, local broiler price is Bt44/kg (+3% YoY and +8% QoQ) vs breakeven at the gross profit level for big players at Bt38-39/kg on better export demand.

In 1Q24, Thai export value grew 6% YoY, boosted by strong export volume growth (+11% YoY) with a slower fall in export selling prices (-5% YoY). Of the top 10 export destinations, exports grew to all main destinations: Japan and key countries in Europe and Asia, with China the exception (-17% YoY).

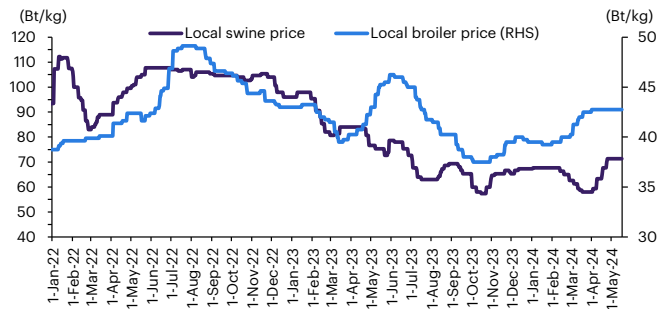
Looking ahead, we expect solid export demand together with better local swine price to support local broiler price throughout the period.

Figure 1: Quarterly & yearly local swine & broiler prices



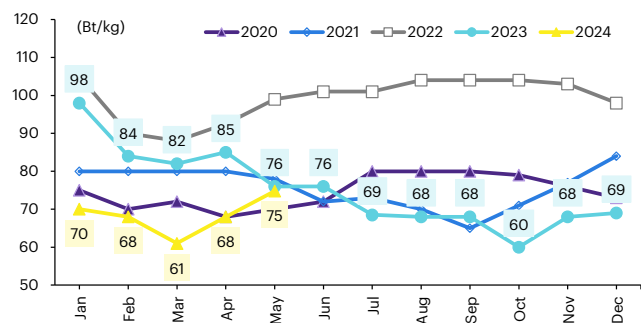
Source: CPF and InnovestX Research

Figure 2: Daily local swine & broiler prices



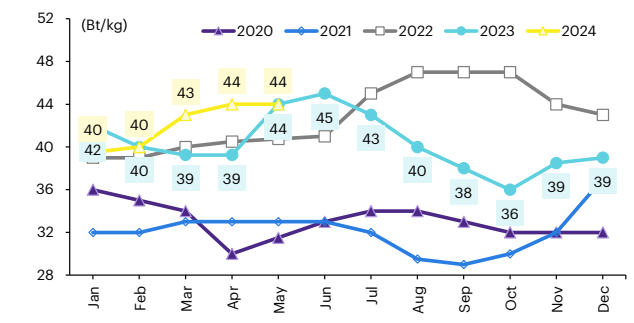
Source: OAE, DIT and InnovestX Research

Figure 3: Monthly local swine prices



Source: CPF and InnovestX Research

Figure 4: Monthly local broiler prices



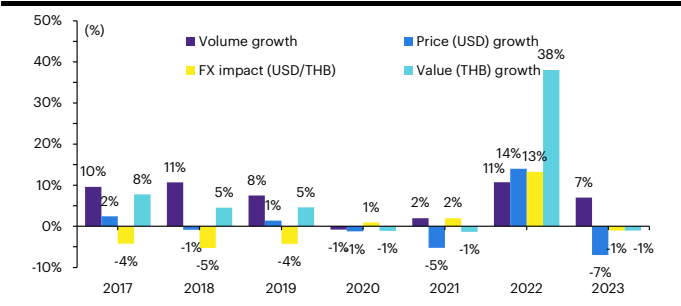
Source: CPF and InnovestX Research

Figure 5: Thai boiler export value and growth in 2024TD, total and top-10 export destinations

	Export value (Mn Bt)				Export growth (%)				Share (%)			
	2021	2022	2023	Jan-Mar 24	2021	2022	2023	Jan-Mar 24	2021	2022	2023	Jan-Mar 24
Japan	53,596	65,451	62,381	15,879	-1.0	22.1	-4.7	7.5	52.3	46.1	44.3	43.7
UK	15,578	25,654	24,300	6,521	-7.5	64.7	-5.3	8.8	15.2	18.1	17.3	18.0
China	10,454	13,496	17,269	3,912	-5.8	29.1	28.0	-16.6	10.2	9.5	12.3	10.8
S.Korea	4,084	6,353	7,356	1,857	4.6	55.6	15.8	7.2	4.0	4.5	5.2	5.1
Malaysia	2,849	5,778	6,984	1,823	15.0	102.8	20.9	6.8	2.8	4.1	5.0	5.0
Netherlands	4,785	9,405	6,489	1,674	22.6	96.5	-31.0	0.3	4.7	6.6	4.6	4.6
Singapore	2,902	4,452	4,632	1,336	-14.6	53.4	4.1	30.3	2.8	3.1	3.3	3.7
HK	2,431	2,819	2,580	636	-1.1	15.9	-8.5	21.3	2.4	2.0	1.8	1.8
Ireland	1,184	2,052	2,317	629	30.2	73.2	12.9	5.8	1.2	1.4	1.6	1.7
Germany	1,265	1,651	1,428	458	-14.2	30.5	-13.5	48.1	1.2	1.2	1.0	1.3
World	102,544	141,999	140,770	36,313	-1.3	38.5	-0.9	6.4	100.0	100.0	100.0	100.0

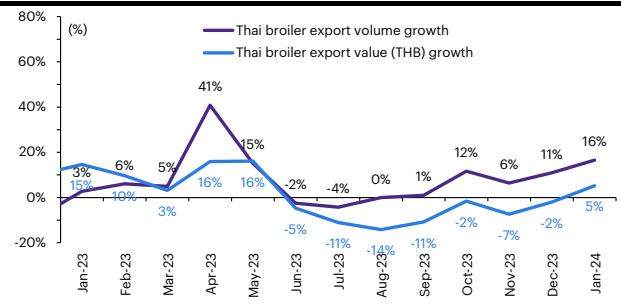
Source: MOC and InnovestX Research

Figure 6: Thai broiler export value and volume growth in 2017-2023



Source: OAE and InnovestX Research

Figure 7: Monthly Thai broiler export value and volume growth



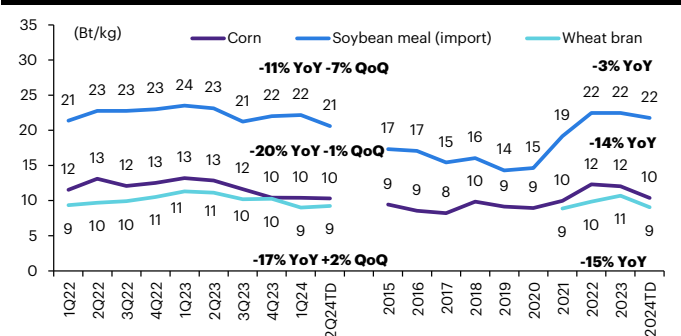
Source: OAE and InnovestX Research

Feed costs at the year's low in April. Feed costs continued to come down to this year's low in April. In 2Q24TD, local corn and imported soybean meal prices are Bt10.3/kg (-20% YoY, -1% QoQ) and Bt20.6/kg (-11% YoY, -7% QoQ) on more supply from favorable crop conditions.

Looking ahead, there seems to be little threat of a jump in global corn and soybean meal prices in the near term as in FY2024/25, global corn and soybean crops are expected to be relatively stable YoY with crop supply close to all time highs in FY2023/24 but +5% YoY from expanding planting areas in Brazil and more plantings in the US, based on USDA data.

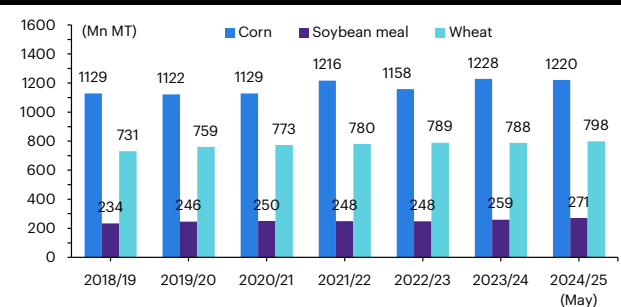
As Thai livestock operators normally keep 3-4 months of feed inventory, this implies actual feed costs will come down 13-17% YoY (cutting total production costs by 9-12% YoY) in 2Q24-3Q24F.

Figure 8: Feedstock prices in 2Q24TD



Source: CPF, TFM and InnovestX Research

Figure 9: Global corn, wheat, soybean meal production



Source: USDA and InnovestX Research

Overseas swine prices at the year's high in May to date. Swine prices in Vietnam and China have bounced from this year's low at VND50,244/kg and CNY14.5/kg in Jan to VND60,000/kg and CNY15.2/kg in May to date. In 2Q24TD, swine prices in Vietnam and China are VND60,000/kg (+10% YoY, +12% QoQ, up from lower supply on the spread of a new round of ASF in late 2023 and higher demand) and CNY15.2/kg (+5% YoY, +4% QoQ, from better supply adjustment) vs VND45,000/kg and CNY16/kg for breakeven at the gross profit level for big players.

Product prices in 2024F are expected to improve slightly from 2023's VND52,525/kg and CNY15.2/kg on better demand and supply management. Based on futures contracts, swine prices in China range from CNY15-18/kg over the next 12 months, up from spot level and slightly above cost breakeven.

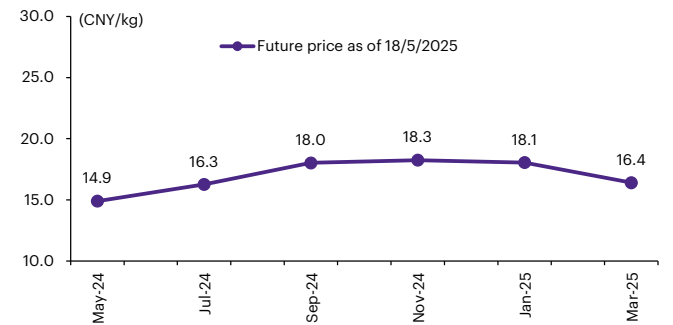
Spot skipjack tuna price turning up MoM in April. In April, spot skipjack tuna price rose MoM to US\$1,375/ton (+6% MoM, -31% YoY) off a 3-year low of US\$1,300/ton in March. In 2024TD, spot skipjack price is US\$1,344/ton, -25% YoY. TU expects prices to edge up further in 2H24F from seasonality, but still be manageable at below US\$1,700-1,800/ton. With spot skipjack price edging up MoM vs a low 3-6-month moving average YoY, we expect TU to have a better 2Q24F gross margin, led by better OEM tuna product prices (moving in tandem with spot price) and lower actual raw tuna costs (it keeps 3-6 months of inventory on average) in the ambient unit. A weaker THB against US dollar will help support seafood exports further.

Figure 10: Swine price in China in 2Q24TD



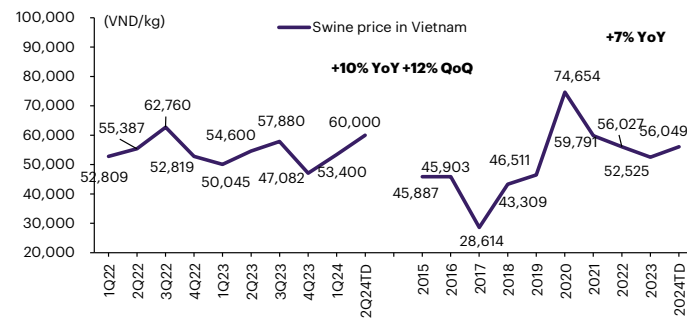
Source: CPF and InnovestX Research

Figure 11: Futures contracts indicate swine price in China at CNY15-18/kg for May 2024–March 2025



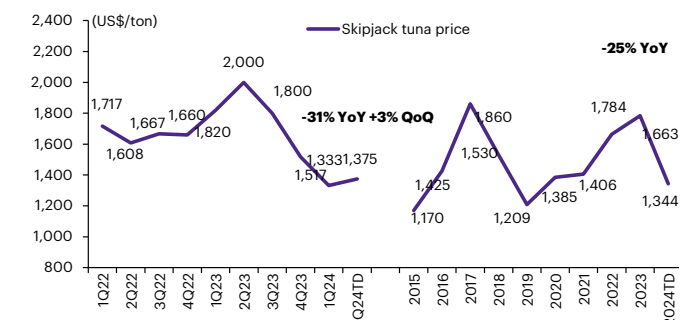
Source: Bloomberg and InnovestX Research

Figure 12: Swine price in Vietnam in 2Q24TD



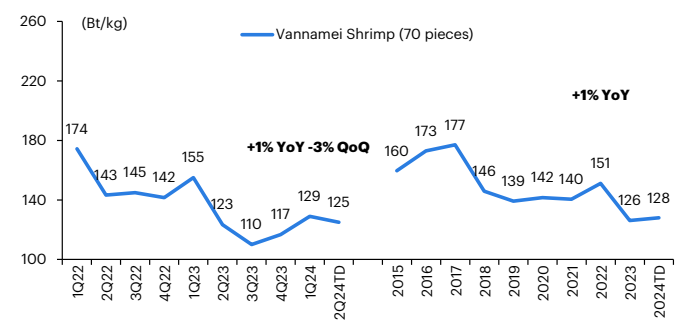
Source: CPF and InnovestX Research

Figure 13: Spot skipjack tuna price in 2Q24TD



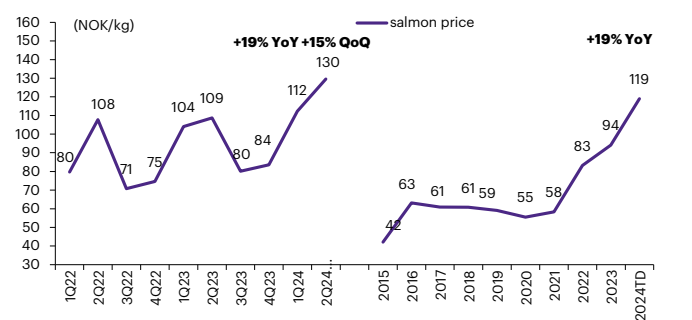
Source: TU and InnovestX Research

Figure 14: Local shrimp price in 2Q24TD



Source: CPF and InnovestX Research

Figure 15: Salmon price in 2Q24TD



Source: Fishpool and InnovestX Research

1Q24 core earnings recap. In 1Q24, sector players reported improved core earnings, led by a better margin, up QoQ in the broiler and swine businesses (CPF, BTG, GFPT) and up YoY in the seafood business (TU), broiler business (GFPT) and the divestment of some loss-making units (CPF). CPF, GFPT, and BTG earnings beat market estimates, while TU earnings were in line. Below we recap 1Q24 core earnings by company.

- CPF reported a 1Q24 core profit of Bt532mn (up from a core loss of Bt3.3bn in 1Q23 and Bt8bn in 4Q23), above estimates of a core loss of Bt2-3bn from a better gross margin and SG&A/sales from divestment of loss-making units and higher equity income. Underwriting the YoY improvement was: 1) better gross margin from higher swine prices in Vietnam, better broiler prices and exports from Thailand plus lower feed costs; 2) lower SG&A/sales, led by CPP HK, which sold some loss-making chicken farms in China in 4Q23; 3) higher equity income from CPALL (robust CVS unit), CTI (selling loss-making swine farms in China in 4Q23) and Hylife (sold a loss-making business in the US in 3Q23).
- GFPT reported a 1Q24 core profit of Bt441mn, +86% YoY and +9% QoQ, 10% above estimates from better equity income from GFN. The improvement came from better gross margin and equity income.
- BTG's 1Q24 core loss was Bt126mn, down from a core profit of Bt500mn in 1Q23 but better than the core loss of Bt676mn in 4Q23, in line with INVX estimate but 10% above market consensus. The YoY drop reflects losses on swine units in Thailand and Cambodia and behind the QoQ rise is a wider gross margin from better livestock product prices and lower feed costs.
- TU's 1Q24 core profit was in line with INVX and market estimates at Bt900mn, +12% YoY on better sales and gross margin but -26% QoQ on seasonality.

Stronger 2Q24F core earnings momentum and 2024F earnings. We expect all sector players to report better earnings QoQ on seasonality and YoY from better livestock prices, more export sales volume on robust demand and a weak THB/US\$, lower feed costs for the livestock business and lower tuna raw material costs for the aquatic business. We expect sector 2024F core earnings to reach Bt15bn, turning around from a core loss of Bt12bn in 2023 underwritten by a better margin and better sales.

Figure 16: 1Q24 sector earnings recap

Core profit (Bt mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	% YoY	% QoQ
CPF	752	3,312	5,471	1,237	(3,298)	(2,579)	(3,455)	(7,997)	532	n.m.	n.m.
BTG	1,583	2,013	2,329	1,835	500	(168)	(736)	(676)	(126)	n.m.	n.m.
GFPT	405	484	739	421	237	334	318	403	441	86%	9%
TU	1,741	1,790	1,792	1,800	806	1,275	1,504	1,212	900	12%	-26%
Total	4,480	7,600	10,331	5,293	(1,754)	(1,138)	(2,369)	(7,059)	1,748	n.m.	n.m.
Growth YoY (%)											
CPF	-89%	-11%	-210%	-125%	n.m.	n.m.	n.m.	n.m.	n.m.		
BTG	110%	420%	-314%	142%	-68%	n.m.	n.m.	n.m.	n.m.		
GFPT	906%	176%	-965%	2915%	-41%	-31%	-57%	-4%	86%		
TU	-3%	-20%	15%	-5%	-54%	-29%	-16%	-33%	12%		
Total	-52%	17%	-326%	-336%	n.m.	n.m.	n.m.	n.m.	n.m.		
Net profit (Bt mn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	% YoY	% QoQ
CPF	2,842	4,208	5,108	1,812	(2,725)	(792)	(1,811)	121	1,152	n.m.	852%
BTG	1,970	1,869	2,303	1,796	393	(351)	(784)	(656)	(124)	n.m.	n.m.
GFPT	456	454	683	452	298	349	319	410	466	56%	14%
TU	1,746	1,624	2,530	1,238	1,022	1,029	1,206	(17,189)	1,153	13%	-107%
Total	7,013	8,155	10,624	5,298	(1,013)	235	(1,070)	(17,314)	2,647	n.m.	n.m.
Growth YoY (%)											
CPF	41%	-11%	-195%	-73%	n.m.	n.m.	n.m.	n.m.	n.m.		
BTG	246%	370%	-311%	99%	-80%	n.m.	n.m.	n.m.	n.m.		
GFPT	752%	150%	-883%	733%	-35%	-23%	-53%	-9%	56%		
TU	97%	-31%	31%	-36%	-41%	-37%	-52%	-1488%	13%		
Total	73%	6%	-330%	-45%	n.m.	n.m.	n.m.	n.m.	n.m.		

Source: InnovestX Research

Figure 17: 2024-25F core earnings forecast from INVX and market estimates

	Reported Core profit (Bt mn)					INVX Core profit (Bt mn)		Consensus Core profit (Bt mn)		% differences (INVX/consensus)	
	2019	2020	2021	2022	2023	2024F	2025F	2024F	2025F	2024F	2025F
CPF	14,715	24,894	672	10,771	(17,329)	6,048	7,403	6,781	9,830	-11%	-25%
BTG	700	2,319	811	7,760	(1,080)	1,465	2,482	2,099	3,023	-30%	-18%
GFPT	1,256	1,137	144	2,049	1,292	1,810	1,942	1,596	1,695	13%	15%
TU	5,227	6,511	7,467	7,123	4,796	5,449	6,239	5,722	6,430	-5%	-3%
Total	21,898	34,861	9,095	27,703	(12,320)	14,772	18,066	16,197	20,977	-9%	-14%
Growth YoY (%)											
CPF	101%	69%	-97%	1502%	n.m.	n.m.	22%	n.m.	45%		
BTG	n.m.	231%	-65%	856%	n.m.	n.m.	69%	n.m.	44%		
GFPT	10%	-9%	-87%	1324%	-37%	40%	7%	24%	6%		
TU	30%	25%	15%	-5%	-33%	14%	14%	19%	12%		
Total	150%	59%	-74%	205%	n.m.	n.m.	22%	n.m.	30%		

Source: Bloomberg and InnovestX Research

Analysts of earnings sensitivity to a minimum wage hike. Of total production costs, labor costs account for 5-6% for BTG, CPF and TU operations in Thailand and 10% for GFPT, and all sector players normally pay their workers at above minimum daily wage. If we conservatively assume an increase in wages in Thailand (+14%), in tandem with government consideration of an increase in the minimum daily wage to Bt400 from Bt330-370, and without factoring in raising product prices or better sales in tandem with more purchasing power, our sensitivity analysis suggests a cut in the sector's annualized earnings of 15% (down 20% for CPF and BTG, 10% for GFPT and 7% for TU).

Top picks: CPF, BTG and TU. We keep our 3-month tactical rating at Outperform for all players, reflecting our positive view on sector earnings growth in 2Q24F both YoY and QoQ from better sales and margin on higher livestock prices, more export sales on robust demand and weak THB, and lower feed costs and tuna raw material costs for the livestock and aquatic businesses. Our sector picks are CPF, BTG (earnings turnaround on swine operations), and TU (sector laggard with earnings improvement). We also like GFPT for its stronger earnings momentum. Details are below.

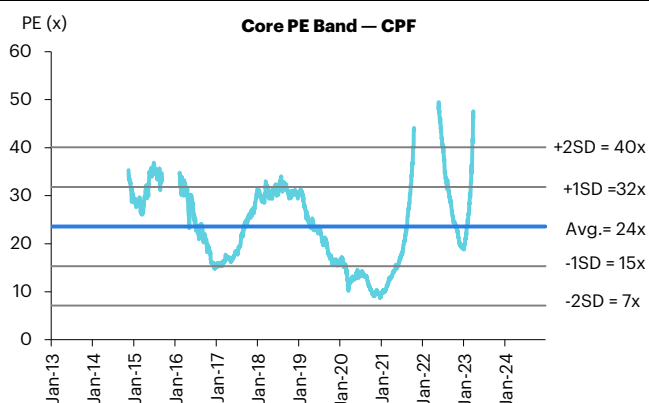
- CPF and BTG are our picks as possessing the sector's most outstanding earnings momentum compared to peers, with 2Q24F earnings turning around from core losses in 2Q23, backed by an increase in local swine price to a 1-year high to above cost breakeven at the gross profit level for big players. CPF earnings will grow YoY thanks to the divestment of loss-making businesses in 2H23.
- TU is another top pick as the sector's most laggard, with potential 2Q24F earnings improvement from a wider ambient seafood margin from better product prices and lower tuna raw material costs.
- We like GFPT for its stronger 2Q24F earnings, up solidly YoY and improving slightly QoQ from a better gross margin and higher equity income in tandem with more high-margin export sales volume and better local product price amid lower feed costs. Our 2024F core earnings forecast for GFPT is 13% above market consensus, and we expect the market to upgrade. Note that 1Q24 core earnings accounted for 24% of our forecast and 28% of market consensus in 2024F, vs 22% in 2021-23.

Figure 18: Sector regional peers

Company name	Country	Mkt Cap (US\$m)	Core PE (x)		Core EPS Growth (%)		PBV (x)		Div. Yield (%)		ROE (%)		EV/EBITDA (x)	
			24F	25F	24F	25F	24F	25F	24F	25F	24F	25F	24F	25F
Thailand peers														
Betagro PCL	Thailand	1,252	21.6	15.1	250.1	43.3	1.6	1.5	1.5	2.2	7.9	10.5	10.1	8.5
GFPT PCL	Thailand	447	10.2	9.5	15.4	6.9	0.9	0.8	1.9	2.0	8.6	8.5	7.3	6.9
Charoen Pokphand Foods PCL	Thailand	5,127	29.9	20.3	200.4	47.0	0.7	0.7	1.4	2.2	2.7	3.9	14.6	14.4
Thai Union Group PCL	Thailand	1,858	12.9	11.5	28.5	11.7	1.2	1.1	4.3	4.8	9.4	10.0	10.2	9.6
Average			17.6	13.8	81.4	21.9	0.9	0.9	2.5	3.0	6.9	7.5	10.7	10.3
Regional peers														
Feed Companies			18.4	15.6	290.7	151.3	2.2	2.2	1.8	2.3	0.5	9.4	12.8	9.3
Tech-Bank Food Co Ltd	China	717	n.m	13.2	98.4	808.0	3.8	3.8	n.a	n.a	(47.0)	0.4	19.4	7.8
New Hope Liuhe Co Ltd	China	6,052	16.2	10.1	1,382.5	60.7	1.6	1.5	0.5	1.5	6.9	10.9	17.5	12.0
Japfa Comfeed Indonesia Tbk PT	Indonesia	1,060	13.1	10.8	37.9	21.1	1.2	1.1	2.1	2.8	9.2	10.6	8.1	7.4
Charoen Pokphand Indonesia Tbk PT	Indonesia	5,535	25.9	24.1	47.1	7.6	3.1	2.8	1.6	2.1	11.3	12.9	16.0	13.8
Universal Robina Corp	Philippines	4,153	16.9	15.3	16.2	10.9	1.9	1.8	3.5	3.8	11.6	12.2	9.7	8.6
BRF SA	Brazil	6,106	20.0	20.1	162.2	(0.4)	1.9	2.1	1.3	1.1	11.4	9.3	6.2	6.1
Farm Companies			15.1	14.6	37.4	28.9	1.9	1.8	3.2	3.9	11.2	13.1	7.5	7.9
RCL Foods Ltd/South Africa	South Africa	496	7.2	n.m.	45.1	n.m.	n.a	n.a	n.a	n.a	10.1	n.m.	4.3	n.a.
Mowi ASA	Norway	9,617	15.8	13.5	(1.4)	16.5	2.6	2.4	3.2	4.5	18.0	18.9	8.2	7.2
Tyson Foods Inc	US	21,614	22.3	15.7	68.4	41.4	1.2	1.1	3.2	3.3	5.3	7.3	10.1	8.6
Food Companies			15.5	13.4	95.1	15.8	3.2	2.4	3.9	4.2	16.9	18.5	9.0	8.5
Henan Shuan-A	China	12,215	15.4	14.7	13.3	5.0	3.7	3.4	5.1	5.4	25.1	25.3	10.9	10.5
Uni-President China Holdings Ltd	China	4,007	16.4	14.9	6.0	10.0	2.1	2.1	6.3	6.9	13.3	14.6	8.1	7.5
Uni-President Enterprises Corp	Taiwan	14,129	21.1	19.2	17.2	9.9	3.5	3.3	4.1	4.5	15.4	16.9	8.8	8.4
Nissui Corp	Japan	1,845	11.9	10.9	9.9	9.3	1.2	1.1	2.6	2.9	10.0	10.1	9.0	8.3
Toyo Suisan Kaisha Ltd	Japan	7,682	20.8	20.0	16.6	4.0	2.4	2.2	1.4	1.5	11.9	11.4	11.5	10.9
NH Foods Ltd	Japan	3,214	15.7	14.1	24.7	10.8	0.9	0.9	2.5	2.6	6.2	6.7	7.7	7.2
WH Group Ltd	Hong Kong	9,124	8.0	7.0	81.6	13.5	0.9	0.8	6.2	7.0	11.2	11.6	4.7	4.4
Indofood Sukses Makmur Tbk PT	Indonesia	3,391	5.4	5.0	22.5	8.9	0.8	0.7	5.9	7.1	15.5	15.7	4.8	4.6
JBS S/A	Brazil	11,806	12.1	10.2	567.1	19.0	1.3	1.3	4.4	4.0	12.2	14.1	6.2	5.8
Marfrig Global Foods SA	Brazil	1,970	n.m	n.m	96.3	(49.4)	1.3	1.8	1.4	0.7	(8.1)	7.6	7.7	7.4
Minerva SA/Brazil	Brazil	748	10.1	4.7	(13.6)	115.1	18.1	5.4	4.5	5.9	63.1	67.2	4.6	3.8
Maple Leaf Foods Inc	Canada	2,154	30.8	15.5	760.0	98.8	1.9	1.8	3.6	3.7	6.4	10.9	8.8	7.3
Danone SA	France	43,978	16.9	15.8	(0.4)	7.3	2.1	2.0	3.6	3.8	12.7	13.0	10.8	10.3
Aker ASA	Norway	4,344	n.m.	n.m.	n.m.	n.m.	n.a	n.a	n.a	n.a	n.m.	n.m.	n.a.	n.a.
Nestle SA	Switzerland	276,384	19.0	17.6	4.8	8.2	6.8	6.2	3.3	3.5	36.0	37.0	15.0	14.1
Conagra Brands Inc	US	14,543	11.5	11.0	(1.2)	4.1	1.5	1.5	4.7	4.8	13.7	13.4	9.8	9.5
General Mills Inc	US	39,422	15.2	14.5	4.3	4.9	3.9	3.6	3.5	3.6	26.3	26.7	12.3	12.0
Hormel Foods Corp	US	19,498	22.0	20.6	0.7	7.1	2.3	2.3	3.2	3.4	11.4	11.4	15.1	14.1
Pilgrim's Pride Corp	US	9,080	11.2	11.5	101.8	(2.6)	2.4	2.1	n.a	n.a	21.5	19.7	7.2	7.2
Average			16.0	14.0	132.2	48.1	2.9	2.3	3.4	3.8	12.6	16.0	9.7	8.7

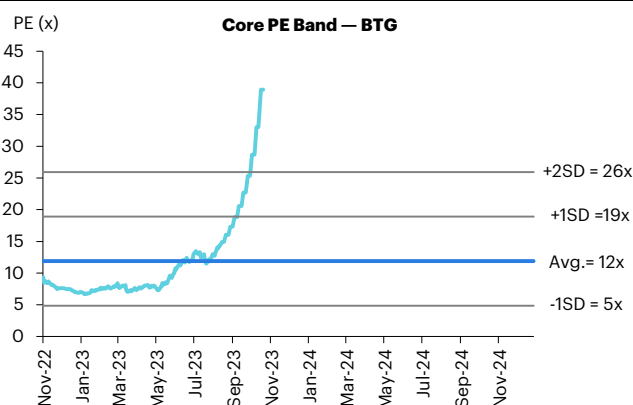
Source: Bloomberg and InnovestX Research

Figure 19: CPF's historical core PE band

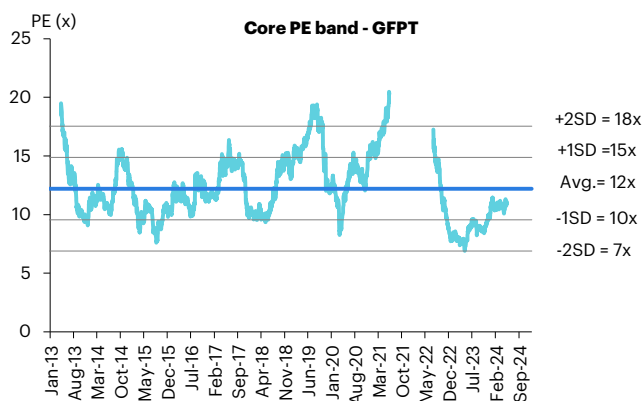


Source: InnovestX Research

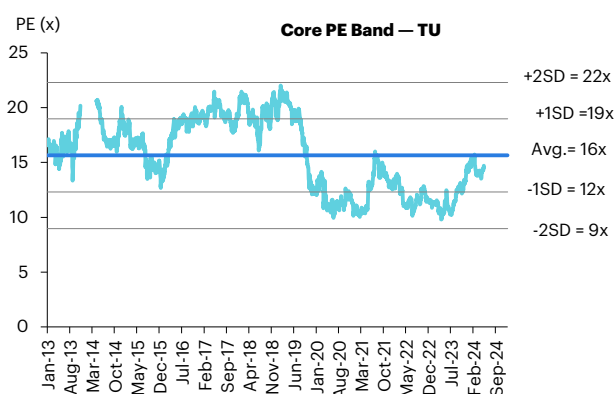
Figure 20: BTG's historical core PE band



Source: InnovestX Research

Figure 21: GFPT's historical core PE band

Source: InnovestX Research

Figure 22: TU's historical core PE band

Source: InnovestX Research

Figure 23: Valuation summary (price as of May 17, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
BTG	Outperform	23.80	28.0	18.6	n.m.	31.4	18.6	n.m.	n.m.	69	1.8	1.8	1.6	(4)	6	9	1.1	1.0	1.6	n.m.	26.9	17.6
CPF	Outperform	22.50	26.0	16.4	n.m.	32.5	26.0	n.m.	n.m.	25	0.6	0.6	0.6	(6)	2	3	0.0	0.9	1.3	15.3	11.2	10.9
GFPT	Outperform	13.20	16.0	23.4	12.8	9.1	8.5	(37)	40	7	0.9	0.9	0.8	8	10	10	1.1	2.2	2.3	7.8	6.8	6.2
TU	Outperform	15.30	18.0	22.2	15.4	13.4	11.6	(32)	14	15	1.0	1.0	1.0	6	8	9	3.5	4.6	4.9	10.1	8.9	8.2
Average					14.1	21.6	16.2	(35)	27	29	1.1	1.1	1.0	1	6	8	1.4	2.2	2.5	11.1	13.5	10.8

Source: InnovestX Investment Research

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CG Rating 2023 Companies with CG Rating
Companies with Excellent CG Scoring

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Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWL, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator
Certified (ได้ผ่านการรับรอง)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BGGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBC, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWL, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCON, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ได้ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBUK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRPC, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, LTS, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MVP, NAM, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUJ, TIGER, TITLE, TK, TKT, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.