

SET ESG Rating of AAA

Neutral · Downgraded	
Price as of 19 Dec 2023	18.40
12M target price (Bt/shr)	19.90
Unchanged/Revised up(down)(%)	(20.4)
Upside/downside (%)	8.2

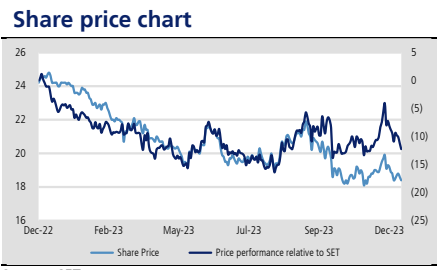
Key messages
 เรายังคงมีระดับความเสี่ยงกับธุรกิจของ CPF ในประเทศจีน เพราะภาวะเศรษฐกิจจีนที่ชะลอตัวลงจะกระทบกับอุปสงค์การบริโภค และราคาเนื้อสัตว์ เรามองว่าการที่ CPF ตัดสินใจขายบริษัทลูกที่มีผลขาดทุนออกไปจะส่งผลบวกต่อผลประกอบการของบริษัท โดยคาดว่าธุรกิจรวมนี้จะทำให้ผลประกอบการของ CPF ดีขึ้น 3.05 พันล้านบาท (ถ้าไรทางบัญชีที่เกิดขึ้นเพียงครั้งเดียว) ในปี 2566F เป็นขาดทุนสุทธิ 3.45 พันล้านบาท ในขณะที่ธุรกิจรวมดังกล่าวจะส่งผลคือผลประกอบการปี 2567F 1.4 พันล้านบาท ซึ่งเมื่อรวมกับค่าใช้จ่ายดอกเบี้ยที่ลดลง จากการออก perpetual bond (1.19 หมื่นล้านบาท) และอัตราผลตอบแทนพันธบัตรที่ลดลง ทำให้เราปรับเพิ่มประมาณการกำไรสุทธิของ CPF ในปี 2567F ขึ้นอีก 40% เป็น 1.03 หมื่นล้านบาท อย่างไรก็ตาม หลังจากการรวมผลจากการที่เราปรับลดประมาณการไปก่อนหน้านี้ เราได้ปรับลดราคาเป้าหมายปี 2567 ลงเหลือ 19.90 บาท จากเดิม 25.00 บาท และปรับลดคำแนะนำจากซื้อเป็นถือ

Trading data

Mkt cap (Btmn/US\$m)	154,810/3,870		
Outstanding shares (mn)	8,414		
Foreign ownership (mn)			
3M avg. daily trading (mn)	16		
52-week trading range (Bt)	18.1-24.8		
Performance (%)	3M	6M	12M
Absolute	-8.9	-9.4	-24.0
Relative	-1.5	-1.9	-12.5

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2021	0.85	0.57	(0.69)	0.82
2022	0.34	0.51	0.63	0.21
2023	(0.36)	(0.12)	(0.25)	NA



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Thailand

Charoen Pokphand Foods

(CPF.BK/CPF TB)*



ได้ประโยชน์จากการขายบริษัทย่อยที่มีผลขาดทุนออกไป

Event
 ปรับประมาณการกำไร และปรับลดคำแนะนำ

Impact
จีนยังคงเป็นอุปสรรค
 ถึงแม้ว่าราคากาหมูในประเทศจีนจะฟื้นตัวได้ในช่วงต้นปีหน้า แต่ราคากาหมูในต่างประเทศน่าจะยังคงอ่อนแอ โดยเฉพาะราคากาหมูในจีน ซึ่งกำลังแกว่งตัวอยู่ในช่วง CNY14-15/กก. ทั้งนี้ เนื่องจากภาวะเศรษฐกิจจีนอ่อนแอลง และอุปทานจากผู้ผลิตหมูรายใหญ่ ทำให้เราคาดว่าราคากาหมูในประเทศจีนจะเฉลี่ยอยู่ที่ CNY15.5/กก. ในปี 2567F ซึ่งยังต่ำกว่าระดับที่จะมีกำไรที่ CNY16/กก.

Upside ของผลประกอบการจะมาจากการขายบริษัทไก่สี่แห่งในประเทศจีน
 การขายบริษัท ไก่สี่แห่งที่มีผลขาดทุนในประเทศจีนน่าจะส่งผลบวกต่อผลประกอบการของ CPF ในปี 2567F ทั้งนี้ บริษัทสี่แห่งนี้ส่งผลขาดทุนที่ CPF รวม 1.56 พันล้านบาท ในปี 2565 และ 961 ล้านบาท ในงวด 9M66 หรือเท่ากับ -11% และ 18% ของผลประกอบการของ CPF ตามลำดับ ดังนั้น CPF จึงไม่ต้องรับรู้ผลขาดทุนจากสี่บริษัทนี้อีกต่อไปในปี 2567F นอกจากนี้ CPF จะได้รับเงินสด 2,152 ล้านบาทจากธุรกิจนี้ ซึ่งจะช่วยลดภาระหนี้ และค่าใช้จ่ายดอกเบี้ยของบริษัท โดยเราคาดว่าจะส่งผลดีต่อผลประกอบการของ CPF 3.05 พันล้านบาทในปี 2566F (รวมกำไรพิเศษจากการตัดผลขาดทุนสะสม) และ 1.4 พันล้านบาทในปี 2567F

ปรับประมาณการปี 2566F และ 2567F
 จากการขายบริษัทย่อยดังกล่าว เราจึงปรับประมาณการผลขาดทุนสุทธิของ CPF ในปีนี้ลงเหลือ 3.45 พันล้านบาท จากเดิมที่ 6.50 พันล้านบาท นอกจากนี้ การที่บริษัทออก perpetual bond ได้สำเร็จ (1.19 หมื่นล้านบาท) และอัตราผลตอบแทนพันธบัตรลดลง ทำให้เราคาดว่าค่าใช้จ่ายดอกเบี้ยของ CPF จะลดลง 6% ในปี 2567F ดังนั้น เราจึงปรับเพิ่มประมาณการกำไรสุทธิปี 2567F ขึ้นอีก 40% เป็น 1.03 หมื่นล้านบาท ทั้งนี้ ดอกเบี้ยที่จ่ายให้ perpetual bond จะไม่ถูกตัดออกจากกำไรสุทธิ

Valuation & Action
 หลังจากที่เราปรับประมาณการใหม่แล้ว เราได้ปรับลดราคาเป้าหมาย SoTP ปี 2567 ลงเหลือ 19.90 บาท (จากธุรกิจคู่ปลูก 17.90 บาท และธุรกิจการเกษตร 2.00 บาท) จากเดิม 25.00 บาท ดังนั้น เราจึงปรับลดคำแนะนำหุ้น CPF จากซื้อเป็นถือ

Risks
 ต้นทุนอาหารสัตว์แพง, เศรษฐกิจโลกถดถอย, ราคามันฝรั่งผันผวน

Key financials and valuations

	Dec - 20A	Dec - 21A	Dec - 22A	Dec - 23F	Dec - 24F
Revenue (Btmn)	589,713	512,704	614,197	579,665	601,022
Gross Profit (Btmn)	107,243	65,890	81,873	63,889	76,245
SG&A (Btmn)	57,665	50,880	55,001	54,489	54,693
Net Profit (Btmn)	26,022	13,028	13,970	(3,453)	10,299
Normalized Profit (Btmn)	25,444	2,691	11,455	(10,083)	10,299
EPS (Bt)	3.14	1.56	1.69	(0.5)	1.2
DPS (Bt)	1.00	0.65	0.75	-	0.4
EPS Growth (%)	43.8	(50.3)	24.3	(130.4)	NM
P/E (X)	8.5	16.4	14.7	NM	15.7
P/B (X)	1.2	1.0	0.8	0.6	0.6
EV/EBITDA (X)	6.8	12.6	11.0	14.1	11.5
Net Debt to Equity (%)	124.4	136.0	149.7	150.8	142.0
Dividend Yield (%)	5.4	2.5	3.0	-	2.1
Return on Average Equity (%)	14.4	6.4	5.9	NM	4.0

Source: Company data, KGI Securities Research

Figure 1: CPF's earnings revisions

	2023F			2024F		
	Revised	Previous	Change Percent	Revised	Previous	Change Percent
Financials (Btmn)						
Sales	579,665	579,665	0.0	601,022	612,130	(1.8)
COGS	515,777	515,777	0.0	524,777	536,652	(2.2)
SG&A	54,489	54,489	0.0	54,693	55,704	(1.8)
Operating profit	13,300	13,300	0.0	25,552	23,774	7.5
Bio asset gain (loss)	3,300	3,300	0.0	1,000	1,000	0.0
Share of profit	(1,293)	(1,293)	0.0	7,479	7,479	0.0
Interest expense	25,218	25,218	0.0	24,342	26,008	(6.4)
Tax expense (benefit)	0	0	0.0	150	(35)	NM
Net profit	(3,453)	(6,500)	NM	10,299	7,347	40.2
Normalized profit	(10,083)	(10,083)	0.0	10,299	7,347	40.2
EPS (Bt/shr)	(0.51)	(0.83)	NM	1.19	0.86	38.5
Key financial ratio (%)			ppts			ppts
GPM	11.0	11.0	0.0	12.7	12.3	0.4
SG&A/Sale	9.4	9.4	0.0	9.1	9.1	0.0
Net profit margin	(0.6)	(1.1)	0.5	1.7	1.2	0.5

Source: Company data, KGI Securities Research

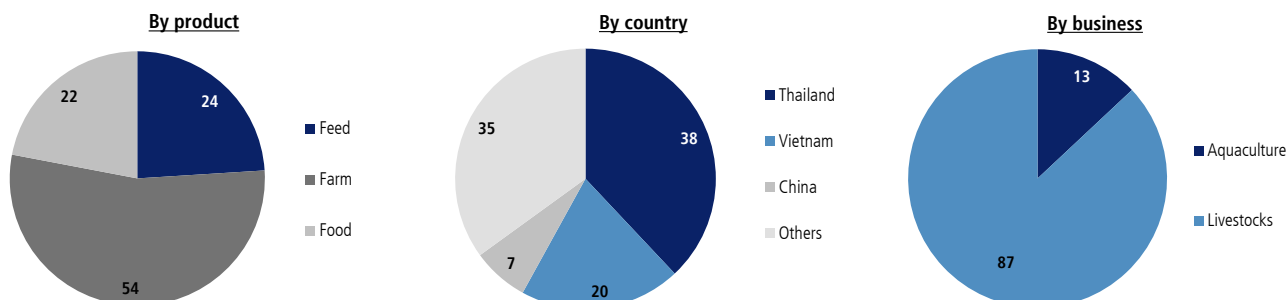
Figure 2: Key assumptions

Our assumptions	2019	2020	2021	2022	2023F	2024F	4Q22	1Q23	2Q23	3Q23	4Q23F
Meat price											
Thai swine price (Bt/kg)	68.4	74.6	75.5	99.1	75.5	78.0	101.7	88.0	79.0	68.2	66.8
Thai broiler price (Bt/kg)	35.3	33.0	32.1	42.8	40.5	42.0	44.7	40.4	42.8	40.3	38.5
Vietnam swine price (VND/kg)	46,511	74,654	59,791	55,944	54,500	55,000	52,819	50,045	55,095	57,023	55,837
China swine price (CNY/kg)*			21.0	18.7	15.2	15.5	23.9	15.2	14.3	16.2	15.1
Revenue breakdown by country											
Thailand	175,966	180,570	189,191	224,356	218,055	233,060	59,593	56,109	56,594	54,310	51,042
Vietnam	85,390	107,793	111,111	124,634	116,619	120,295	29,903	27,398	30,827	29,443	28,951
China (Exc. CTI since 1Q21)	129,457	157,688	30,456	36,794	38,753	29,583	10,237	9,530	9,682	9,781	9,760
Others	141,760	143,662	181,946	228,413	206,239	218,084	59,315	50,744	53,143	50,964	51,388
Feed price											
Imported soybean meal price (Bt/kg)	14.3	14.6	19.2	22.5	22.4	22.4	23.0	23.5	23.1	21.2	21.7
Corn price (Bt/kg)	9.2	9.0	10.0	12.3	12.0	11.0	12.5	13.2	12.9	11.5	10.5
Share of profit	8,893	9,254	4,167	3,745	-1,293	7,479	2,580	-1,088	-893	528	159
Retail business (Bt mn)	7,565	5,459	4,819	5,205	6,677	7,673	1,296	1,596	1,645	1,662	1,774
Others	1,328	3,794	-652	-1,460	-7,970	-194	1,284	-2,684	-2,537	-1,134	-1,615

Source: Company data

Figure 3: CPF's sales revenue breakdown in 9M23

Percent



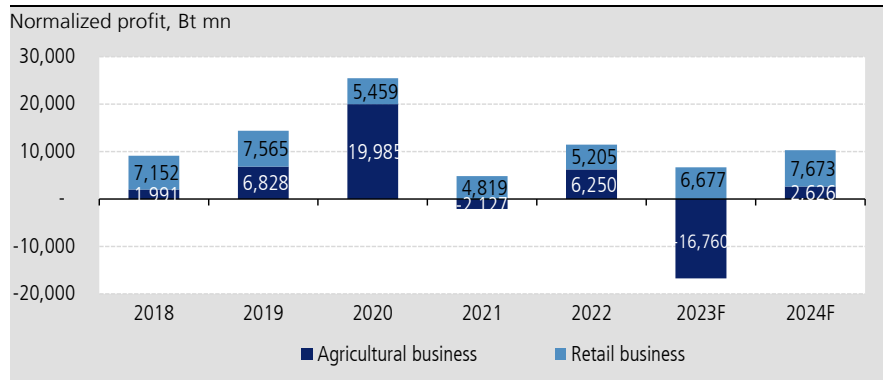
Source: Company data, KGI Securities Research

Figure 4: CPF's SoTP valuation

	EPS	PER	Target price
Agricultural Business (2024F)	0.20	10	2.0
Retails Business (2024F)	0.99	30/32	29.8
Retails Business Discount (40%)			17.9
SoTP Valuation 2024F			19.9

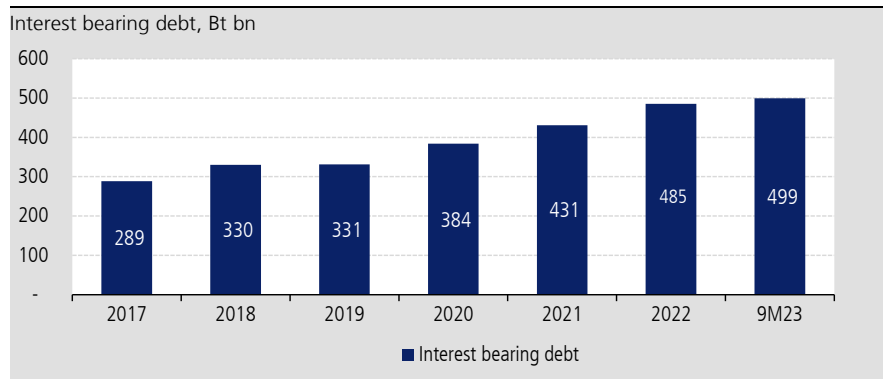
Source: Company data, KGI Securities Research

Figure 5: CPF's normalized profit by business segment



Source: Company data, KGI Securities Research

Figure 6: CPF's interest bearing debt



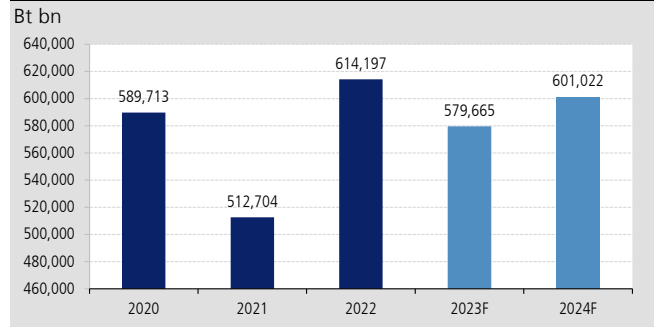
Source: Company data, KGI Securities Research

Figure 7: Company profile

Charoen Pokphand Foods (CPF) engages in agro-industrial and food conglomerate with three product categories : i) feed business involving production and sale of animal feed, ii) farm-processing business involving breeding, farming and basic meat processing, iii) food business involving production of semi-cooked and cooked meet as well as ready-meal products including food retail and food outlets.

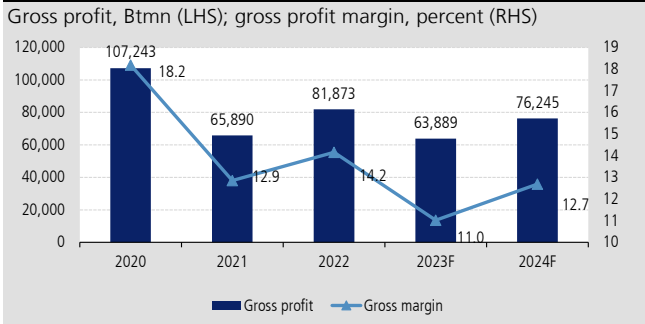
Source: Company data, KGI Securities Research

Figure 8: Revenue



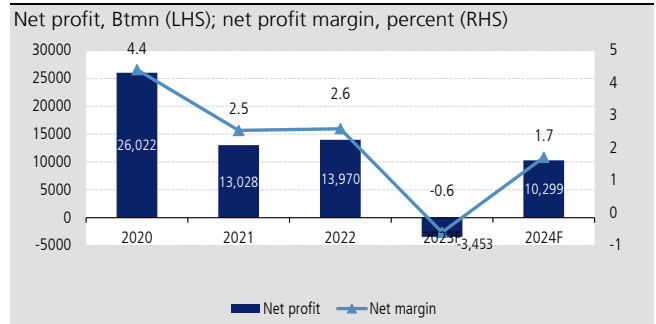
Source: Company data, KGI Securities Research

Figure 9: Gross profit



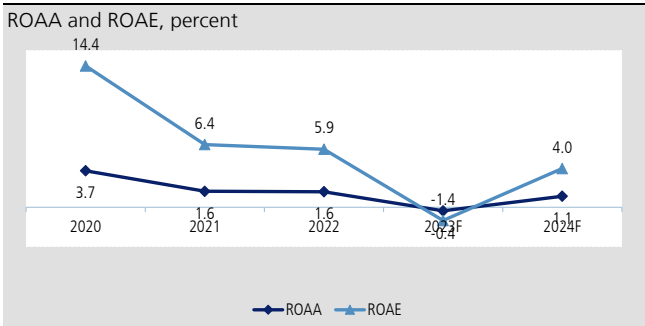
Source: Company data, KGI Securities Research

Figure 10: Net profit



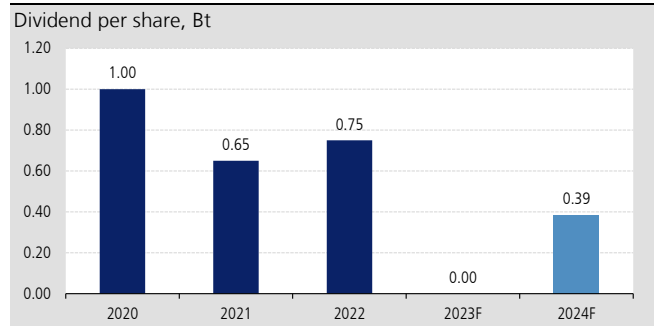
Source: Company data, KGI Securities Research

Figure 11: Company ROAA and ROAE



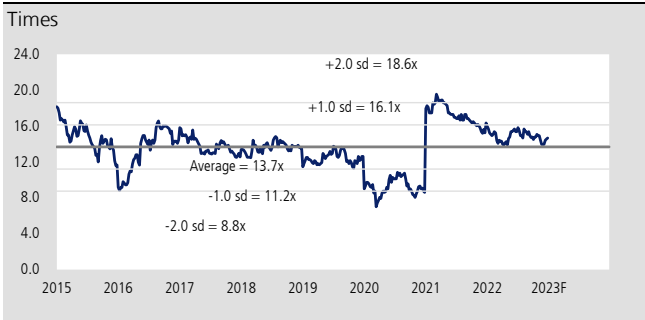
Source: Company data, KGI Securities Research

Figure 12: Dividend



Source: Company data, KGI Securities Research

Figure 13: Company trading PER



Source: Company data, KGI Securities Research

Figure 14: Company trading PBV



Source: Company data, KGI Securities Research

Quarterly Income Statement

Bt mn	MAR-21A	JUN-21A	SEP-21A	DEC-21A	MAR-22A	JUN-22A	SEP-22A	DEC-22A	MAR-23A	JUN-23A	SEP-23A
Income Statement (Bt mn)											
Revenue	119,345.9	129,637.6	125,939.7	137,781.2	138,887.0	155,995.8	160,266.0	159,048.2	143,781.0	150,246.0	144,498.2
Cost of Good Sold	(95,554.6)	(108,401.3)	(114,839.0)	(128,019.9)	(121,096.4)	(133,371.7)	(136,286.8)	(141,569.1)	(128,202.4)	(133,750.3)	(128,940.4)
Gross Profit	23,791.3	21,236.3	11,100.7	9,761.3	17,790.6	22,624.1	23,979.2	17,479.0	15,578.7	16,495.7	15,557.8
Operating Expenses	(11,683.9)	(12,297.5)	(13,127.4)	(13,771.7)	(12,124.0)	(13,563.7)	(14,385.2)	(14,927.9)	(12,786.9)	(13,868.2)	(14,079.1)
Other incomes	595.5	541.6	1,749.1	1,186.7	512.5	1,136.9	970.3	1,297.9	871.2	967.7	885.8
Operating Profit	12,702.9	9,480.4	(277.7)	(2,823.7)	6,179.2	10,197.3	10,564.4	3,849.0	3,662.9	3,595.2	2,364.5
Depreciation of Fixed assets	6,767.6	7,232.7	8,086.7	6,843.8	7,472.9	7,792.1	8,357.2	8,584.9	7,989.3	8,175.9	8,220.8
Operating EBITDA	19,470.5	16,713.2	7,809.1	4,020.2	13,652.1	17,989.4	18,921.6	12,433.9	11,652.3	11,771.2	10,585.3
Non-Operating Income	151.5	468.0	377.3	461.3	132.0	59.4	611.5	192.7	307.9	357.7	448.4
Interest Income	145.9	221.1	214.7	161.4	173.2	207.6	217.8	244.2	280.2	265.4	238.6
Other Non-op Income	5.7	247.0	162.6	299.9	(41.2)	(148.2)	393.7	(51.5)	27.7	92.3	209.8
Non-Operating Expenses	(4,172.1)	(4,496.4)	(7,416.9)	(2,892.1)	(3,371.1)	(3,630.9)	(6,379.8)	(5,565.4)	(6,109.7)	(4,541.9)	(6,058.0)
Interest Expenses	(4,098.4)	(3,970.9)	(4,154.8)	(4,372.0)	(4,469.2)	(4,360.1)	(5,494.2)	(6,034.5)	(6,068.4)	(6,157.4)	(6,377.3)
Other Non-Op Expenses	(73.7)	(525.5)	(3,262.1)	1,479.9	1,098.1	729.1	(885.6)	469.1	(41.3)	1,615.5	319.4
Net investment income/(loss)	2,043.1	753.2	(1,266.0)	2,636.5	(336.4)	(792.8)	2,294.4	2,580.1	(1,087.5)	(893.0)	528.0
Pre-tax Profit	10,725.4	6,205.3	(8,583.2)	(2,617.9)	2,603.6	5,832.9	7,090.4	1,056.4	(3,226.4)	(1,481.9)	(2,717.1)
Current Taxation	(2,117.3)	(1,752.2)	1,266.3	(50.4)	(1,158.2)	(3,522.4)	(2,020.4)	698.0	(429.2)	(123.3)	115.3
Minorities	(1,672.9)	(747.9)	467.8	902.6	(154.1)	(263.7)	10.0	(46.3)	79.0	(526.2)	(601.9)
Extraordinary items	10.3	1,032.1	1,474.9	8,485.6	1,550.7	2,161.2	27.8	103.6	851.3	1,339.2	1,392.9
Net Profit	6,945.5	4,737.3	(5,374.3)	6,719.8	2,842.0	4,208.1	5,107.7	1,811.6	(2,725.3)	(792.3)	(1,810.9)
EPS (Bt)	0.85	0.57	(0.69)	0.82	0.34	0.51	0.63	0.21	(0.36)	(0.12)	(0.25)
Margins (%)											
Gross Profit Margin	19.9	16.4	8.8	7.1	12.8	14.5	15.0	11.0	10.8	11.0	10.8
Operating EBIT Margin	10.6	7.3	(0.2)	(2.0)	4.4	6.5	6.6	2.4	2.5	2.4	1.6
Operating EBITDA Margin	16.3	12.9	6.2	2.9	9.8	11.5	11.8	7.8	8.1	7.8	7.3
Net Profit Margin	5.8	3.7	(4.3)	4.9	2.0	2.7	3.2	1.1	(1.9)	(0.5)	(1.3)
Growth (% YoY)											
Revenue Growth	(13.6)	(9.9)	(20.2)	(8.1)	16.4	20.3	27.3	15.4	3.5	(3.7)	(9.8)
Operating EBIT Growth	5.8	(27.6)	(101.8)	(122.0)	(51.4)	7.6	NM	NM	(40.7)	(64.7)	NM
Operating EBITDA Growth	3.2	(16.4)	(64.7)	(80.3)	(29.9)	7.6	142.3	209.3	(14.6)	(34.6)	(44.1)
Net Profit Growth	13.7	(21.4)	(171.9)	4.9	(59.1)	(11.2)	NM	(73.0)	(195.9)	(118.8)	(135.5)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Total Asset	761,719	842,681	926,987	914,073	911,534
Current Asset	194,670	216,550	233,219	219,798	210,114
Cash and ST Investment	57,997	40,296	36,215	46,770	36,753
Inventories	52,136	73,431	83,080	69,560	72,123
Account Receivable	29,952	38,471	43,221	36,358	37,697
Others	54,585	64,352	70,703	67,111	63,541
Non-Current Assets	567,049	626,130	693,768	694,275	701,419
LT investment	251,757	267,867	279,989	282,594	294,563
Net Fixed Assets	300,220	339,637	388,770	391,326	386,058
Others	15,072	18,626	25,009	20,355	20,798
Total Liabilities	499,541	555,544	627,144	616,296	597,341
Current Liabilities	204,147	203,928	266,978	258,617	236,957
Account Payable	32,312	44,372	50,964	46,373	42,072
ST Borrowings	144,223	133,916	188,473	185,761	169,830
Others	27,612	25,640	27,541	26,484	25,055
LT Liabilities	295,394	351,616	360,166	357,678	360,384
Long-term Debts	271,889	330,701	332,081	346,882	346,164
Others	23,505	20,915	28,085	10,796	14,220
Shareholder's Equity	262,179	287,137	299,844	297,777	314,193
Common Stock	8,611	8,611	8,611	8,414	8,414
Capital Surplus	132,745	152,348	153,378	154,963	164,263
Retained Earnings	120,822	126,178	137,854	134,401	141,516
Preferred Stock	-	-	-	-	-

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Forecast Drivers					
Growth (% YoY)					
Sales	10.7	(13.1)	19.8	(5.6)	3.7
OP	116.0	(64.0)	61.4	(56.8)	92.1
EBITDA	71.0	(41.0)	31.2	(30.3)	26.5
NP	41.0	(49.9)	7.2	(124.7)	(398.2)
EPS	43.8	(50.3)	8.4	(130.4)	(327.8)
Profitability (%)					
Gross Profit Margin	18.2	12.9	13.3	11.0	12.7
Operating Margin	9.0	3.7	5.0	2.3	4.3
Operating EBITDA Margin	13.8	9.4	10.3	7.6	9.2
Net Profit Margin	4.4	2.5	2.3	(0.6)	1.7
ROAA	3.7	1.6	1.6	(0.4)	1.1
ROAE	14.4	6.4	5.9	(1.4)	4.0
Stability					
Gross Debt/Equity (%)	260.3	258.3	244.9	244.1	222.4
Net Debt/Equity (%)	230.0	239.6	230.8	225.6	208.7
Interest coverage (x)	4.3	2.0	2.0	0.9	1.4
Interest & ST Debt Coverage (x)	1.2	0.6	0.4	0.2	0.5
Cash Flow Interest Coverage (x)	4.2	(0.1)	0.8	1.1	1.3
Cash Flow/Interest & ST Debt (x)	1.2	(0.0)	0.2	0.3	0.4
Current Ratio (x)	1.0	1.1	0.9	0.8	0.9
Quick Ratio (x)	0.4	0.4	0.3	0.3	0.3
Net Debt (Bt mn)	441,544	515,248	590,929	569,526	560,588
Per Share Data (bt)					
EPS	3.14	1.56	1.69	-0.51	1.17
CFPS	8.76	-0.13	2.04	3.62	4.02
BVPS	23.68	26.98	32.26	32.47	34.54
SPS	72.76	64.33	77.39	74.55	77.30
EBITDA/Share	11.63	7.00	8.27	6.08	7.57
DPS	1.00	0.65	0.75	0.00	0.39
Activity					
Asset Turnover (x)	0.8	0.6	0.7	0.6	0.7
Day Receivables	19.5	24.4	24.3	25.1	22.5
Day Inventories	42.8	51.3	53.7	54.0	49.3
Day Payable	24.9	29.9	32.1	35.4	30.6
Cash Cycle	37.5	45.7	45.8	43.7	41.2

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Revenue	589,713	512,704	614,197	579,665	601,022
Cost of Goods Sold	(482,470)	(446,815)	(532,324)	(515,777)	(524,777)
Gross Profit	107,243	65,890	81,873	63,889	76,245
Operating Expenses	(57,665)	(50,880)	(55,001)	(54,489)	(54,693)
Other Income	3,416	4,073	3,918	3,900	4,000
Operating Profit	52,994	19,082	30,790	13,300	25,552
Depreciation of Fixed Asset	28,328	28,931	32,207	30,633	30,032
Operating EBITDA	81,323	48,013	62,997	43,933	55,584
Non-Operating Income	1,882	1,458	996	1,378	1,060
Interest Income	770	743	843	1,000	1,000
Other Non-op Income	1,112	715	153	378	60
Non-Operating Expenses	(17,088)	(18,977)	(18,947)	(21,918)	(23,342)
Interest Expenses	(16,818)	(16,596)	(20,358)	(25,218)	(24,342)
Other Non-Op Expenses	(270)	(2,381)	1,411	3,300	1,000
Net investment income/(loss)	9,254	4,167	3,745	(1,293)	7,479
Pre-tax Profit	47,042	5,730	16,583	(8,533)	10,749
Current Taxation	(11,001)	(2,654)	(6,003)	0	(150)
Minorities	(18,070)	(1,050)	(454)	(1,550)	(300)
Extraordinary items	8,051	11,003	3,843	6,630	0
Net Profit	26,022	13,028	13,970	(3,453)	10,299
EPS (Bt)	3.14	1.56	1.69	(0.51)	1.19

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Operating Cash Flow	71,038	(1,008)	16,210	28,177	31,272
Net Profit	44,092	14,079	14,424	(1,903)	10,599
Depreciation and Amortization	28,328	28,931	32,207	30,633	30,032
Change in Working Capital	(12,962)	(44,018)	(30,420)	(554)	(9,358)
Others	11,579	0	0	0	0
Investment Cash Flow	(75,919)	(22,705)	(25,723)	(29,548)	(30,457)
Net CAPEX	(25,832)	(23,304)	(27,362)	(26,500)	(18,488)
Change in LT Investment	(57,737)	(9,753)	(2,800)	(2,605)	(11,969)
Change in Other Assets	7,650	10,352	4,438	(443)	0
Free Cash Flow	45,206	(24,312)	(11,151)	1,677	12,784
Financial Cash Flow	28,841	(5,744)	(12,858)	11,892	(10,832)
Change in Share Capital	(17,273)	(15,298)	(36,509)	(198)	(3,183)
Net Change in Debt	50,990	14,600	29,213	10,842	(3,904)
Change in other LT Liab.	(4,875)	(5,046)	(5,563)	1,248	(3,745)
Net Cash Flow	23,960	(29,457)	(22,371)	10,520	(10,017)

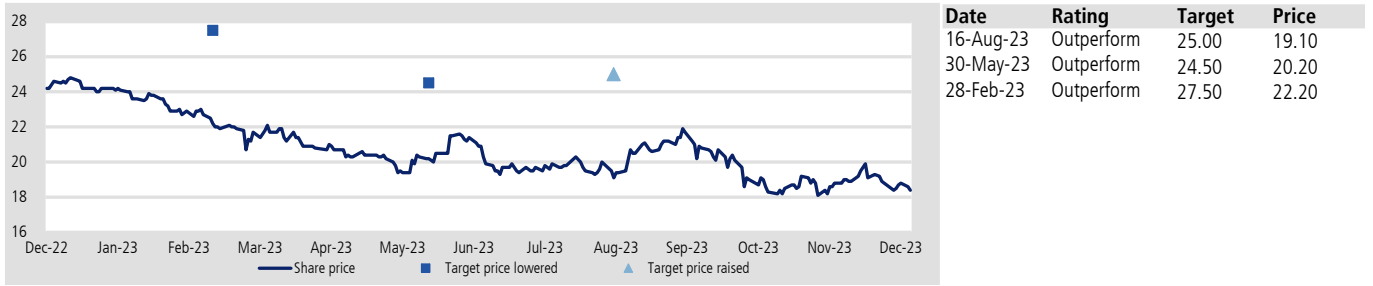
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{Cost of Goods Sold}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Op. Expenses}}{\text{Revenue}}$	= Operating Margin		
2020	81.3%	0.0%	9.7%	8.9%		
2021	86.5%	0.0%	9.8%	3.7%		
2022	86.1%	0.0%	8.9%	5.0%		
2023F	88.4%	0.0%	9.3%	2.3%		
2024F	86.7%	0.0%	9.0%	4.2%		
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= Capital Turnover		
2020	-0.02	0.51	0.45	1.06		
2021	0.02	0.66	0.55	0.81		
2022	-0.05	0.63	0.49	0.94		
2023F	-0.07	0.67	0.52	0.89		
2024F	-0.04	0.64	0.52	0.90		
Year	Operating Margin	X	Capital Turnover	X	Cash Tax Rate	= AKer-tax Return on Inv. Capital
2020	8.9%		1.1		24.00	2.3
2021	3.7%		0.8		21.12	0.6
2022	5.0%		0.9		35.99	1.7
2023F	2.3%		0.9		0.00	0.0
2024F	4.2%		0.9		20.00	0.8

Source: KGI Securities Research

Charoen Pokphand Foods- Recommendation & target price history



Source: KGI Securities Research

Company's ESG details

Environment

- CPF implemented a 10-year plan called "CPF 2030 sustainability in action". In 2021 total waste disposed by landfill or incineration was 21.69 kg per production unit, increasing from 2.23 kg in 2020. CPF set a target of zero waste to landfill and incineration by 2030. The company targets to reduce 30% of its water withdrawal per production unit, compared to the base year 2015 (Thailand Operations) by 2025.
- In 2021, energy consumption declined to 1.27 GJ per ton of production, from 1.34 GJ in 2020. water withdrawal was 15.28 m3 per ton of product, declining 43% from the base year 2015 and from 17.3 m3 in 2020.

Social

- CPF conducts human rights due diligence once every three years, including risk assessment and impact assessment in high-risk areas of own operations. In 2021, 100% of CPF's employees at its establishments in Thailand and overseas attended online and offline human rights trainings. The lost time injury frequency rate of employees declined to 0.38 cases per 200,000 man-hours, from 0.39 cases in 2020.
- CPF established the Center for Preventing the Spread of COVID-19 and 26 Coordinating Centers covering all business units in its Thailand operations.
- The company set a target to improve 3mn livelihoods in communities connected to its business activities.
- In 2021, CPF Thailand supported societies in the form of charitable donations (7%), investing in communities.

Governance

- CPF maintains annual "Excellent" CG scoring From Thai Institute of Directors Association (IOD).

Climate Management (Being the subset of Environment)

- CPF set a target to reduce direct and indirect GHG emissions per production unit by 25% compared to the base year 2015 (Thailand Operations) by 2025. The company set a target for carbon dioxide (CO2) sequestration from conservation and reforestation projects in strategic areas and green areas in CPF operations (Thailand Operations) by 2030.
- In direct and indirect GHG emission declined to 97 kg of CO2e per ton of products from 107 kg in 2020. Meanwhile, renewable energy was 27% of total energy consumption.

Source: Company data, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALAI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFECO	SEAFECO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENDEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRISAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. 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 or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFSCO	SEAFSCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BPCG	BPCG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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KGI's Ratings

Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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