

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	49412.4	0.6	0.1	1.4	2.8
S&P 500	6950.2	0.5	0.1	0.3	1.5
FTSE 100	10148.9	0.1	(0.5)	2.8	2.2
AS30	9189.9	0.2	(0.4)	1.3	1.9
CSI 300	4707.0	0.1	(0.6)	1.1	1.7
FSSTI	4860.9	(0.6)	0.5	4.8	4.6
HSCEI	9147.2	(0.1)	0.1	2.6	2.6
HSI	26765.5	0.1	0.8	3.7	4.4
JCI	8975.3	0.3	(1.7)	5.1	3.8
KLCI	1744.1	1.4	1.9	4.0	3.8
KOSPI	4949.6	(0.8)	0.9	19.9	17.5
Nikkei 225	52885.3	(1.8)	(1.3)	4.2	5.1
SET	1307.1	(0.6)	1.9	3.8	3.8
TWSE	32064.5	0.3	1.3	12.3	10.7
BDI	1780	1.0	7.9	(5.2)	(5.2)
CPO (RM/mt)	4091	(0.8)	2.4	2.6	4.0
Brent Crude (US\$/bbl)	66	(0.2)	2.8	8.4	8.0

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Engagement Session with Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz	Malaysia	30 Jan	30 Jan

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Dec. Trade Balance	Thailand	30 Jan

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Top Stories

Company Update | GFPT (GFPT TB/**BUY**/Bt9.80/Target: Bt13.50)

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We expect GFPT to post a 4Q25 core profit of Bt460m, up 48% yoy but down 35% qoq. Gross margin is projected to normalise, coming in at 14.8% in 4Q25, up yoy but down qoq. Looking ahead, we expect 1Q26 earnings to recover qoq, driven by higher livestock ASPs during the Chinese New Year and the low raw material costs of stock inventories. Maintain **BUY** on GFPT with a lower target price of Bt13.50 (previously Bt15.00).

Company Update | PTT Oil and Retail (OR TB/**HOLD**/Bt14.40/Target: Bt14.50)

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We expect 4Q25 net profit to be disappointing, as earnings are projected to decline both qoq and yoy, driven by significant extra losses. For 2026, concerns over further impairments are likely to persist, particularly related to assets in Cambodia. In 2025, OR closed approximately 30% of its PTT Stations and Café Amazon outlets in Cambodia. OR's management expects greater clarity on the impairment situation by mid-26. Downgrade to **HOLD**, with a lower target price of Bt14.50 (previously Bt21.00).

Company Update | Thaifoods Group (TFG TB/**BUY**/Bt4.76/Target: Bt5.70)

Page 8

We expect TFG to report a core profit of Bt1,422m for 4Q25, up 25% yoy but down 13.6% qoq. 4Q25 gross margin is projected to come in at 18.0%, up yoy but down qoq. We are positive on TFG's 1Q26 earnings growth qoq, supported by higher domestic livestock prices and rising Vietnam swine prices in Jan 26, along with continued retail store ramp-up. Maintain **BUY** with a target price of Bt5.70 (previously Bt6.80).

GFPT (GFPT TB)

Gross Profit Margin To Normalise

Highlights

- We expect GFPT to post a 4Q25 core profit of Bt460m, up 48% yoy but down 35% qoq. Gross margin is projected to normalise, coming in at 14.8% in 4Q25, up yoy but down qoq.
- Looking ahead, we expect 1Q26 earnings to recover qoq, driven by higher livestock ASPs during the Chinese New Year and low raw material costs.
- Maintain BUY with a lower target price of Bt13.50 (previously Bt15.00).

Analysis

- **4Q25 earnings projected to soften.** We expect GFPT to post a 4Q25 core profit of Bt460m, up 48% yoy but down 35% qoq. The qoq decline is expected to result from lower gross-profit margin due to: a) lower domestic chicken ASPs; and b) weaker export volumes, mainly to the Japan market in Dec 25. However, share of profit in 4Q25 is anticipated to recover both yoy and qoq.
- **Gross profit margin expected to normalise.** We expect the gross margin to come in at 14.8% in 4Q25, up from 12.8% in 4Q24 but down from 20.3% in 3Q25. The qoq decline is anticipated to reflect the low chicken ASPs in Oct-Nov 25, following the Vegetarian festival and flooding situation. In addition, the drop in higher-margin export volumes to the Japanese market in Dec 25 is expected to put further pressure on gross margins. However, this adverse impact should be partly offset by lower raw material costs.
- **Better share of profit.** We estimate the share of profit at Bt170m, up from Bt119m in 4Q24 and Bt113m in 3Q25, due to the low base and better performance from McKey Food Services (Thailand).

	BUY (Maintained)
Share Price	Bt9.80
Target Price	Bt13.50
Upside	37.76%
Previous TP	Bt15.00

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Stock Data

GICS Sector	Consumer Staples
Bloomberg ticker	GFPT TB
Shares issued (m)	1,253.8
Market cap (Btm)	12,663.6
Market cap (US\$m)	407.8
3-mth avg daily t'over (US\$m)	0.7

Price Performance (%)

52-week high/low		Bt10.7/Bt8.2			
1mth	3mth	6mth	1yr	YTD	
(2.9)	2.5	4.7	3.1	(4.7)	

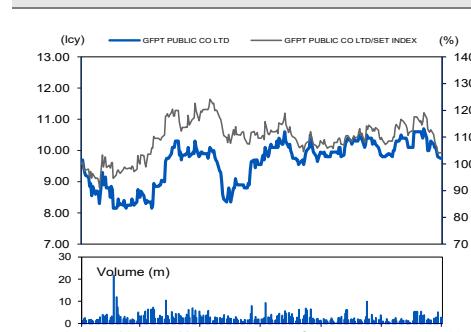
Major Shareholders

	%
Sirimongkolsasem Family	50.83
Nichirei Food	4.52
Mr. Anucha Kittanamongkolchai	4.02

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.67
FY26 Net Debt/Share (Bt)	0.16

Price Chart



Source: Bloomberg

Company Description

GFPT produces and distributes frozen and cooked chicken products. Subsidiaries are engaged in broiler farms, and produce and distribution of feed mill

4Q25 Preview

Year to 31 Dec (Btm)	4Q25F	4Q24	3Q25	yoY(%)	qoq(%)
Revenue	4,503.6	4,898.0	4,740.6	-8.1%	-5.0%
Gross profit	666.5	626.7	962.6	6.4%	-30.8%
SG&A/Sales	360.3	403.9	349.8	-10.8%	3.0%
EBIT	396.3	303.7	705.0	30.5%	-43.8%
Net profit	459.5	383.0	715.4	20.0%	-35.8%
Core profit	459.5	310.9	710.3	47.8%	-35.3%
Core EPS (Bt)	0.4	0.3	0.6	20.0%	-35.8%
Gross Margin (%)	14.8%	12.8%	20.3%	2.0%	-5.5%
%SG&A/revenue	8.0%	8.2%	7.4%	-0.2%	0.6%
Net Margin (%)	10.2%	7.8%	15.1%	2.4%	-4.9%

Source: GFPT, Bloomberg, UOB Kay Hian

- 1Q26 outlook for chicken operators likely to recover.** We expect a qoq earnings recovery in 1Q26, driven by a rise in ASPs following the Chinese New Year, with chicken prices already climbing to Bt40-41/kg (+5% mom). This is further underpinned by robust export momentum in the UK and EU markets. In addition, raw material costs are expected to remain at low levels due to stock inventory. We anticipate a higher share of profit on a qoq basis, following the increase in carcass prices to Bt13.50/kg in Jan 26 (+4% mom).

Valuation/Recommendation

- Maintain BUY with a lower target price of Bt13.50 (previously Bt15.00),** based on 2026 EPS and a target PE of 8x, with GFPT's five-year average PE at -1SD. We are still positive on GFPT given the recovery in 1Q26 earnings momentum, following the increase of chicken and carcass prices. In addition, GFPT is trading at an attractive valuation of 5.5x 2026F PE.

Earnings Revision/Risk

- We revise our 2025-26 earnings forecasts down by 8-10%. The key assumptions are weaker-than-expected 4Q25 results and a lower gross profit in 2026, following the normalisation of raw material costs and forex impact.

Share Price Catalyst

- Lower commodity costs, chicken export volumes, domestic chicken prices.

Environmental, Social, Governance (ESG)

CG Report: 5

SET ESG Rating: Non-rated

Environmental

- Zero greenhouse gas target.** GFPT aims to be a carbon neutral organisation by 2030 and achieve net zero carbon emissions by 2050.

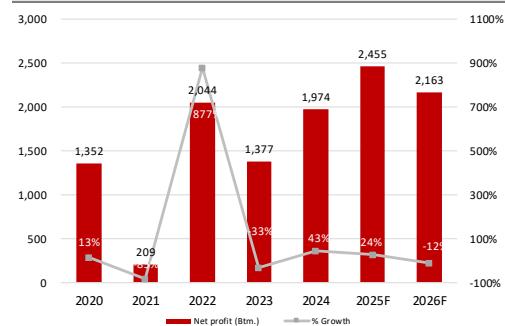
Social

- GFPT complies with the sustainability targets for the Sustainable Development Goals, which include gender equality, quality education, and decent work and economic growth.

Governance

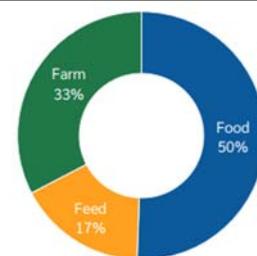
- Good governance practice.** GFPT has taken strong action against corruption, declaring its intent to join the Private Sector Collective Action Coalition Against Corruption (PCA) on 26 Sep 14. The company was certified as a member of the Thai Private Sector Collective Action Against Corruption in 2017 and has been renewed twice, in 2020 and 2023. The certification is valid for three years, expiring on 31 Dec 26.

Earnings Growth Momentum



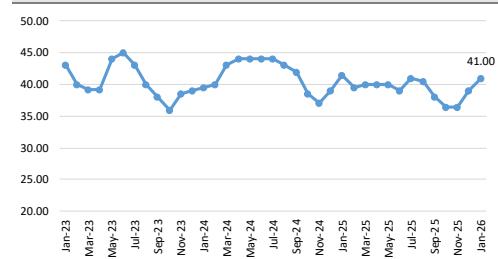
Source: GFPT, UOB Kay Hian

Revenue By Segment



Source: GFPT, UOB Kay Hian

Chicken Prices (Baht/kg)



Source: GFPT, UOB Kay Hian

Quarterly Performance



Source: GFPT, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	19,314	18,774	19,714	20,867
EBITDA	2,782	3,440	3,403	3,558
Deprec. & amort.	1,683	1,762	1,876	1,965
EBIT	1,099	1,679	1,527	1,593
Total other non-operating income	342	356	394	417
Associate contributions	834	801	740	805
Net interest income/(expense)	(119)	(103)	(119)	(119)
Pre-tax profit	2,156	2,733	2,542	2,696
Tax	(266)	(260)	(360)	(378)
Minorities	(13)	(12)	(18)	(20)
Net profit	1,974	2,455	2,163	2,298
Net profit (adj.)	1,974	2,455	2,163	2,298

Balance Sheet

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	12,853	13,493	13,819	14,056
Other LT assets	6,119	6,254	6,392	6,535
Cash/ST investment	2,101	3,700	4,168	5,022
Other current assets	5,243	5,226	5,535	5,857
Total assets	26,317	28,673	29,914	31,470
ST debt	1,191	1,886	1,747	1,636
Other current liabilities	1,380	1,519	1,586	1,654
LT debt	3,475	2,780	2,224	1,780
Other LT liabilities	778	778	778	778
Shareholders' equity	19,347	21,552	23,403	25,426
Minority interest	146	158	176	196
Total liabilities & equity	26,317	28,673	29,914	31,470

Cash Flow

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	2,311	3,172	2,595	2,807
Pre-tax profit	2,156	2,733	2,542	2,696
Tax	(266)	(260)	(360)	(378)
Deprec. & amort.	1,683	1,762	1,876	1,965
Associates	834	801	740	805
Working capital changes	(710)	156	(241)	(255)
Non-cash items	(403)	(1,202)	(1,202)	(1,202)
Other operating cashflows	(984)	(819)	(758)	(825)
Investing	(1,058)	(1,335)	(1,139)	(1,143)
Capex (growth)	(1,120)	(1,200)	(1,000)	(1,000)
Investments	0	0	0	0
Others	62	(135)	(139)	(143)
Financing	(762)	(238)	(988)	(810)
Dividend payments	(188)	(251)	(312)	(275)
Loan repayment	(433)	0	(695)	(555)
Others/interest paid	(141)	12	18	20
Net cash inflow (outflow)	491	1,599	468	854
Beginning cash & cash equivalent	1,610	2,101	3,700	4,168
Ending cash & cash equivalent	2,101	3,700	4,168	5,022

Key Metrics

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	14.4	18.3	17.3	17.0
Pre-tax margin	11.2	14.6	12.9	12.9
Net margin	10.2	13.1	11.0	11.0
ROA	8.9	10.5	9.0	9.3
ROE	12.4	14.4	12.0	12.1
Growth				
Turnover	16.0	12.8	18.4	25.4
EBITDA	21.4	50.2	48.5	55.3
Pre-tax profit	65.8	110.2	95.4	107.2
Net profit	90.2	136.6	108.4	121.4
Net profit (adj.)	43.4	24.4	(11.9)	6.2
EPS	90.2	136.6	108.4	121.4
Leverage				
Debt to total capital	23.9	21.5	16.8	13.3
Debt to equity	24.1	21.6	17.0	13.4
Net debt/(cash) to equity	13.2	4.5	(0.8)	(6.3)
Interest cover	23.3	33.5	28.5	29.8

PTT Oil and Retail (OR TB)

4Q25 Net Profit Likely Disappointing, Falling QOQ And YOY

Highlights

- We expect a disappointing 4Q25 net profit, and potential overhangs from expected impairment losses in 2026, have led us to cut our 2025-26 earnings forecasts amid concerns over further impairment recognition.
- We expect 4Q25 net profit to decline both qoq and yoy, driven by substantial extra losses.
- We downgrade to HOLD with a lower target price of Bt14.50 (previously Bt21.00).

4Q25 Earnings Preview

Year to 31 Dec (Btm)	4Q24	3Q25	4Q25F	% yoy	% qoq	2024	2025F	% yoy
Revenue	185,971	153,600	164,152	-12%	7%	723,958	667,340	-8%
Gross profit	8,191	8,636	8,998	10%	4%	33,041	35,492	7%
SG&A	5,484	6,088	6,566	20%	8%	25,484	24,047	-6%
EBITDA	4,887	4,878	5,659	16%	16%	19,717	21,070	7%
Operating Profit	2,708	2,548	2,432	-10%	-5%	11,153	13,423	20%
Interest expenses	297	228	253	-15%	11%	1,264	977	-23%
Other Income	805	528	492	-39%	-7%	3,595	1,978	-45%
Gain (Loss) from affiliate	311	173	265	-15%	53%	271	794	193%
EBT	2,319	2,391	4,237	83%	77%	12,431	13,481	8%
Core Profit	2,782	1,741	3,717	34%	114%	8,361	10,713	28%
Net Profit	2,999	2,614	2,074	-31%	-21%	7,650	11,300	48%
EPS	0.25	0.22	0.17			0.64	0.94	
Financial ratio (%)								
Gross Profit Margin	3.2%	4.9%	5.6%			4.6%	5.3%	
SG&A Exp. / Sales	3.9%	3.7%	4.0%			3.5%	3.6%	
Net profit margin	-0.9%	1.3%	1.7%			1.1%	1.7%	

Source: OR, UOB Kay Hian

Analysis

- 4Q25 net profit expected to decline both qoq and yoy.** We estimate PTT Oil and Retail's (OR) 4Q25 net profit at Bt2.07b, down 21% qoq and 31% yoy. Earnings are expected to be disappointing despite the high domestic oil demand, largely driven by the recognition of significant extra losses, due to: a) stock losses of Bt1.3b, and b) impairment losses of Bt343m. Excluding these extra losses, we estimate core profit at Bt3.72b, representing an increase of 114% qoq and 34% yoy.
- Mobility business remains seasonally strong.** Core profit of Bt3.72b improved both qoq and yoy, supported by:
 - the mobility business, where oil sales volume reached 6,170m litres, up 4% qoq but down 13% yoy, while marketing margin stood at Bt1.0/litre, flat qoq. Excluding stock losses, the marketing margin would have been Bt1.21/litre (vs Bt0.91/litre in 3Q25).

Key Financials

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	769,224	723,958	667,340	848,677	885,562
EBITDA	22,920	19,717	21,070	24,582	24,997
Operating profit	14,357	11,153	13,423	14,456	14,705
Net profit (rep./act.)	11,099	7,650	11,300	10,332	11,941
Net profit (adj.)	11,091	8,361	10,713	11,912	11,941
EPS	0.9	0.7	0.9	1.0	1.0
PE	15.6	20.7	16.1	14.5	14.5
P/B	0.8	0.8	0.7	0.7	0.7
EV/EBITDA	6.8	7.8	6.8	6.0	5.7
Dividend yield	3.6	2.8	4.2	4.2	4.2
Net margin	1.4	1.1	1.7	1.2	1.3
Net debt/(cash) to equity	32.8	26.4	17.3	14.9	12.4
Interest cover	16.7	15.6	21.6	26.0	30.2
Consensus net profit	-	-	11,175	11,173	11,288
UOBKH/Consensus (x)	-	-	1.01	0.92	1.06

Source: Bloomberg, OR, UOB Kay Hian

	HOLD (Downgraded)
Share Price	Bt14.40
Target Price	Bt14.50
Upside	0.69%
Previous TP	Bt21.00

Analyst(s)

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Stock Data

GICS Sector	Energy
Bloomberg ticker	OR TB
Shares issued (m)	12,000.0
Market cap (Btm)	164,400.0
Market cap (US\$m)	5,058.5
3-mth avg daily t/over (US\$m)	5.9

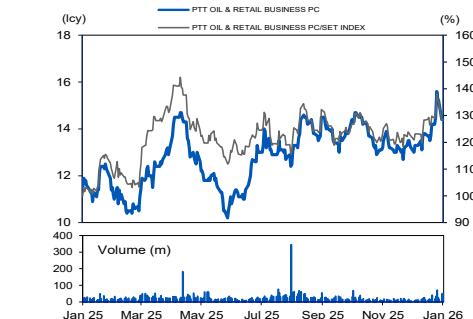
Price Performance (%)

52-week high/low	Bt17.00/Bt10.10			
1mth	3mth	6mth	1yr	YTD
(5.6)	13.3	7.9	5.5	2.3

Major Shareholders

PTT	75.00%
Thai NVDR	2.41%
Social Security Office	1.81%

Price Chart



Source: Bloomberg

Company Description

The company operates an integrated oil and non-oil retailing platform both in Thailand and abroad, including the sales and distribution of petroleum products and other products in retail and commercial marketing, coffee shops, other food and beverage outlet.

- b) The lifestyle business, with an EBITDA margin of 25.1% (3Q25: 28.2%) due to higher operating expenses, while Café Amazon sales totalled 109m cups, flat qoq; and c) the global business, where oil and Café Amazon sales declined following the closure of 28 PTT Stations and 39 Café Amazon outlets, amid unrest along the Thai-Cambodian border. As of end-25, OR had 127 PTT Stations and 178 Café Amazon outlets remaining in Cambodia. Consequently, the global business' EBITDA margin fell to -0.1% in 4Q25 (3Q25: 2.5%).

- Impairment outlook in 2026.** We expect impairment risks to persist in 2026, driven by two key items: a) Vietnam's coffee business, with an estimated impairment of Bt70m-80m, likely to be recognised in 1Q26; and b) Cambodia operations, where OR is currently reviewing its business strategy following border unrest. Management expects clarity by mid-26. OR's total assets in Cambodia amount to approximately US\$100m. In 2025, OR closed an additional 59 PTT Stations and 75 Café Amazon outlets, equivalent to around 30% of total operations, leading us to assume a maximum impairment of no more than Bt1.5b for the Cambodia business.
- Dividends.** We expect a 2H25 dividend of Bt0.30 per share, while 2026 dividends are estimated at Bt0.65 per share.

Valuation/Recommendation

- Downgrade to HOLD with a lower target price of Bt14.50 (previously Bt21.00),** based on a three-year historical average PE at -1.0SD of 16.8x (previously based on a three-year historical average PE at -1.0SD of 21.0x). The downgrade reflects our concerns over potential impairment losses in 2026. OR has delivered an 18% return since our upgrade in Aug 25. In the oil and gas sector, we prefer SCG Packaging (SCGP TB/BUY/Target: Bt26.00) and Indorama Ventures (IVL TB/BUY/Target: Bt27.00), while our wind card pick remains PTT Global Chemical (PTTGCTB/BUY/Target Bt28.00).

Earnings Revision/Risk

- Revisions to our 2025-26 forecasts.** We raise our 2025 core profit forecast by 7% to Bt10.7b, reflecting a stronger-than-expected marketing margin in 4Q25. However, we cut our 2025 net profit estimate by 7% to account for extra losses recognised in 4Q25, resulting in a 2025 net profit of Bt11.3b. For 2026, we trim our net profit forecast by 13%, factoring in impairment losses of Bt1.58b related to Cambodia assets and the Vietnam coffee business. We expect 2026 net profit to decline to Bt10.3b, down 8.6% yoy.

Environment, Social, Governance (ESG) Updates

Environmental

- OR aims to cut greenhouse gas emissions (Scope 1 and 2) from its operations by over one-third by 2030 compared with 2022 levels, while also reducing its conventional fuel use intensity by more than one-third within the same timeframe. Additionally, it plans to expand its EV Station PluZ network to reach 7,000 DC fast-charging connectors by 2030.

Social

- OR aims to improve the quality of life in 17,000 communities, benefitting 13m people by 2030 in areas surrounding its operations. It also targets achieving a brand health score of 70 or higher among social and community stakeholders by 2030.

Governance

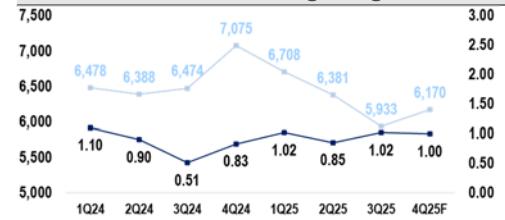
- OR's board, management, and employees are committed to five core corporate governance principles – accountability, responsibility, equitable treatment, transparency, and vision – to foster long-term value and ethical conduct. It also implements a transparent and fair nomination process for selecting key management positions across all levels.

Five-year Capex Plan



Source: Energy policy and planning office (EPPO), UOB Kay Hian

Sales Volume in Marketing Margin



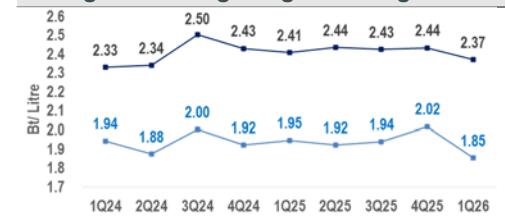
Source: Oil fuel fund office (EFFO), UOB Kay Hian

Estimated Fuel Fund Status



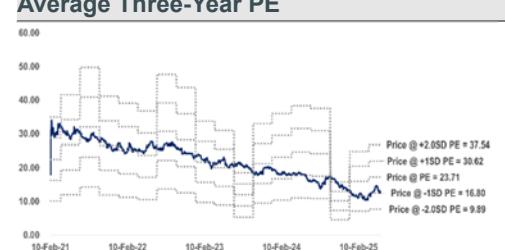
Source: Oil fuel fund office (EFFO), UOB Kay Hian

Average Marketing Margin In Bangkok



Source: Energy policy and planning office (EPPO), UOB Kay Hian

Average Three-Year PE



Source: OR, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	723,958	667,340	848,677	885,562
EBITDA	19,717	21,070	24,582	24,997
Deprec. & amort.	8,564	7,647	10,126	10,292
EBIT	11,153	13,423	14,456	14,705
Associate contributions	271	794	834	876
Net interest income/(expense)	-1,264	-977	-945	-828
Pre-tax profit	9,452	13,830	12,765	14,753
Tax	-1,801	-2,766	-2,433	-2,812
Minorities	-1	236	0	0
Net profit	7,650	11,300	10,332	11,941
Net profit (adj.)	8,361	10,713	11,912	11,941

Balance Sheet

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	47,327	53,037	53,162	54,032
Other LT assets	44,133	41,597	49,719	51,371
Cash/ST investment	47,263	48,921	44,158	45,226
Other current assets	59,034	64,743	64,869	65,739
Total assets	207,492	206,863	227,704	234,808
ST debt	8,657	2,340	2,340	2,340
Other current liabilities	52,016	54,485	69,970	73,049
LT debt	20,077	17,737	15,397	13,059
Other LT liabilities	17,781	16,391	20,845	21,750
Shareholders' equity	228,897	235,846	239,088	244,546
Total liabilities & equity	207,492	206,863	227,704	234,808

Cash Flow

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	17,640	27,359	18,586	21,797
Pre-tax profit	9,452	13,830	12,765	14,753
Tax	-1,801	-2,766	-2,433	-2,812
Deprec. & amort.	8,564	7,647	10,126	10,292
Working capital changes	2,547	7,962	-1,872	-436
Other operating cashflows	-1,122	686	0	0
Investing	-5,263	-12,211	-13,919	-11,908
Investments	-6,886	-13,357	-10,251	-11,162
Others	1,624	1,145	(3,668)	(746)
Financing	-16,275	-13,457	-9,430	-8,821
Dividend payments	-6,466	-4,800	-7,090	-6,483
Issue of shares	-9,808	-8,657	-2,340	-2,339
Proceeds from borrowings	n.a.	n.a.	n.a.	n.a.
Net cash inflow (outflow)	-3,898	1,690	-4,763	1,068
Beginning cash & cash equivalent	51,469	47,231	48,921	44,158
Changes due to forex impact	(307)	0	0	0
Ending cash & cash equivalent	47,263	48,921	44,158	45,226

Key Metrics

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	2.7	3.2	2.9	2.8
Pre-tax margin	1.3	2.1	1.5	1.7
Net margin	1.1	1.7	1.2	1.3
Net profit (adj.)	1.2	1.6	1.4	1.3
Growth				
Turnover	-5.9	-7.8	27.2	4.3
EBITDA	-14.0	6.9	16.7	1.7
Pre-tax profit	-30.2	46.3	-7.7	15.6
Net profit	-31.1	47.7	-8.6	15.6
Net profit (adj.)	-24.6	28.1	11.2	0.2
EPS	-24.6	28.1	11.2	0.2
Leverage				
Debt to total capital	26.4	17.3	14.9	12.4
Debt to equity	12.6	8.5	7.4	6.3
Net debt/(cash) to equity	26.4	17.3	14.9	12.4
Interest cover (x)	15.6	21.6	26.0	30.2
EBITDA margin	2.7	3.2	2.9	2.8

Thaifoods Group (TFG TB)

4Q25 Earnings To Drop QOQ, Turnaround Expected In 1Q26

Highlights

- We expect TFG to report a core profit of Bt1,422m for 4Q25, up 25% yoy but down 13.6% qoq. 4Q25 gross margin is projected to come in at 18.0%, up yoy but down qoq.
- We are positive on TFG's 1Q26 earnings growth qoq, supported by higher domestic livestock prices and rising Vietnam swine prices in Jan 26, along with continued retail store ramp-up. In addition, the Chinese New Year in Thailand and Tet in Vietnam are expected to boost demand.
- Maintain BUY with a lower target price of Bt5.70 (previously Bt6.80).

Analysis

- 4Q25 earnings to improve.** We expect Thaifoods Group (TFG) to report a core profit of Bt1,422m for 4Q25, up 25% yoy but down 13.6% qoq. The qoq decline will be driven by a lower gross profit margin, reflecting weak average livestock prices in Thailand and Vietnam during 4Q25.
- Top-line to be flat yoy and qoq.** We expect TFG's 4Q25 top-line to be flat yoy and qoq. Although livestock ASPs declined in 4Q25, sales were offset by higher retail volumes following the expansion of retail stores. The number of Thaifoods Fresh Market stores was 615 in 2025, with the current store count at 635 in Jan 26, in line with the target growth.
- Export business to remain positive.** Chicken export volumes in 4Q25 are expected to decline slightly qoq due to seasonality. However, the company remains positive on its 2026 outlook, supported by strong order momentum from Japan and the EU, with 50% volumes already secured.
- Profitability to decline qoq in 4Q25, following livestock ASP declines.** We expect a 4Q25 gross margin of 18.0%, up from 14.8% in 4Q24 but down from 18.8% in 3Q25. The yoy improvement reflects lower raw material costs and retail segment expansion, while the qoq decline is due to the low livestock ASPs in Thailand and Vietnam. 4Q25 SG&A-to-sales is expected to rise qoq.

Key Financials

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	55,870.9	65,481.7	72,521.9	81,177.3	86,263.3
EBITDA	3,726.2	8,374.4	13,364.1	10,914.7	11,423.3
Operating profit	385.0	4,755.7	9,707.6	5,149.7	7,925.0
Net profit (rep./act.)	(812.5)	3,143.8	7,651.2	5,708.4	6,264.5
Net profit (adj.)	(689.1)	3,465.5	7,727.0	5,575.7	6,131.9
EPS	(0.1)	0.6	1.2	0.9	1.0
PE (x)	(39.0)	7.8	3.8	5.3	4.8
P/B (x)	2.0	1.6	1.4	1.2	1.0
EV/EBITDA (x)	13.8	5.4	3.0	3.6	3.3
Dividend yield (%)	6.8	1.8	7.8	5.8	6.3
Net margin (%)	(1.4)	4.8	10.6	7.0	7.3
Net debt/(cash) to equity(%)	159.6	93.5	50.3	37.2	28.3
Interest cover (x)	3.3	8.3	14.4	13.3	14.7
ROE (%)	(5.6)	19.6	40.9	27.6	27.4
Consensus net profit	n.a	n.a	7,717.3	5,785.9	6,177.4
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: TFG TB, Bloomberg, UOB Kay Hian

BUY (Maintained)	
Share Price	Bt4.76
Target Price	Bt5.70
Upside	19.75%
Previous TP	Bt6.80

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Stock Data

GICS Sector	Consumer Staples
Bloomberg ticker	TFG TB
Shares issued (m)	5,823.7
Market cap (Btm)	28,303.1
Market cap (US\$)	911.4
3-mth avg daily t'over (US\$)	2.8

Price Performance (%)

52-week high/low	Bt6.0/Bt3.1			
1mth	3mth	6mth	1yr	YTD
(7.4)	(0.8)	6.1	48.2	9.0

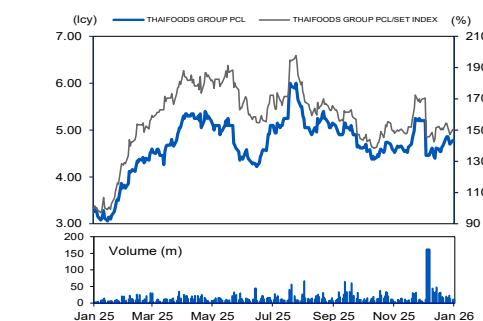
Major Shareholders (%)

New Star Victor CO LTD	31.74
BNP Paribas (HK Branch)	20.01
Winai Teawsomboonkij	17.94

Balance Sheet Metrics (%)

FY26 NAV/Share (Bt)	4.18
FY26 Net Debt/Share (Bt)	1.88

Price Chart



Source: Bloomberg

Company Description

TFG operates an integrated operation, producing and distributing frozen and chilled chicken products, as well as animal feed, in both the domestic and international markets

4Q25 Results Preview

Year to 31 Dec (Btm)	4Q25F	4Q24	3Q25	yoY(%)	qoq(%)
Sales	17,827	17,952	18,191	-0.7%	-2.0%
Gross Profit	3,209	2,665	3,422	20.4%	-6.2%
Pre-tax Profit	1,601	1,069	1,974	49.8%	-18.9%
Net Profit	1,358	855	1,704	58.9%	-20.3%
Core Profit	1,422	1,139	1,647	24.9%	-13.6%
EPS (Bt)	0.23	0.15	0.29	58.5%	-20.3%
Gross Margin (%)	18.0%	14.8%	18.8%	3.2%	-0.8%
%SG&A/revenue	-8.2%	-6.5%	-8.0%	-1.7%	-0.2%
Net Margin (%)	7.6%	4.8%	9.3%	2.8%	-1.7%

Source: TFG, Bloomberg, UOB Kay Hian

- Expect 1Q26 earnings to increase qoq.** We are positive on TFG's 1Q26 earnings growth qoq, underpinned by higher domestic livestock prices, with swine prices at Bt68-70/kg in Jan 26 (+11.3% qtd) and chicken prices at Bt40-41/kg (+6% qtd). In addition, Vietnamese swine prices are expected to gain strong positive momentum, currently rising to VND70,000-75,000/kg in Jan 26, driven by demand during the Tet season. On the cost front, raw material costs are expected to remain at low and manageable levels.
- Update on new CEO appointment.** Following the former CEO's use of inside information to trade TFG shares, he resigned effective 26 Dec 25. The company is currently overseen by the COO and CFO. Meanwhile, it is in the process of appointing a suitable candidate, which is expected to be announced within 1Q26. We will monitor the CEO appointment and the management of corporate governance issues going forward.

Valuation/Recommendation

- Maintain BUY with a lower target price of Bt5.70 (previously Bt6.80).** We adopt the PE valuation method and peg the stock to 6.5x 2026F PE. We apply a 20% derating to our PE multiple to reflect the ESG-related risks in our valuation. In terms of operation, we expect earnings to strongly recover qoq in 1Q26, driven by higher livestock prices in both Thailand and Vietnam, together with the volume increase following the growth phase of the retail expansion.

Earnings Revision/Risk

- None.

Share Price Catalyst

- Improvement in domestic swine and broiler ASPs.
- Lower raw material costs for corn and soybean meal.
- Resumption of the retail expansion plan and a continuous improvement in the retail business' same-store sales growth.
- Expansion in Vietnam's market.

Environmental, Social, Governance (ESG)

CG Report: 5

SET ESG Rating: Non-rated

Environmental

- Net zero.** TFG aims to be a Net Zero company by 2065. It conducts business with a commitment to the efficient use of resources, ensuring operations are environmentally friendly and comply with legal requirements.

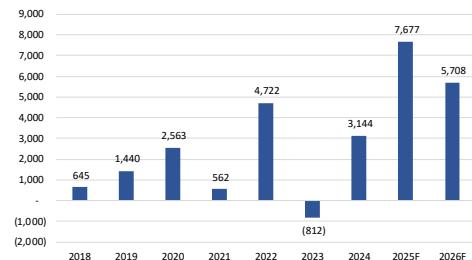
Social

- TFG is working to improve many dimensions of social responsibility.
- This includes the treatment of employees and human rights.

Governance

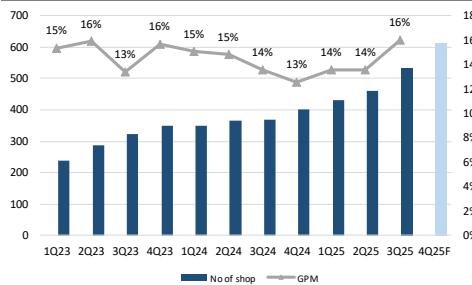
- TFG was removed from the SET ESG Ratings list (from AA) due to insider trading by management. We view this as negative and derate our PE to reflect governance risks, though management has resigned and we will monitor new corporate governance measures.

Core Profit



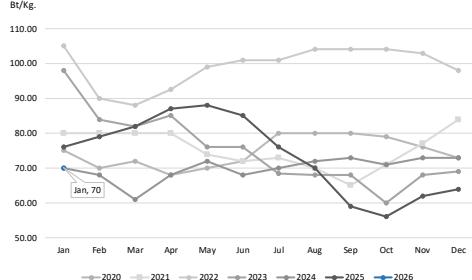
Source: TFG, Bloomberg, UOB Kay Hian

Retail Business And Gross Profit Margin



Source: TFG, Bloomberg, UOB Kay Hian

Domestic Swine Prices



Source: TFG, Bloomberg, UOB Kay Hian

Swine Prices In Vietnam



Source: PIG333, Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F	Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	65,482	72,522	81,177	86,263	Fixed assets	16,202	16,652	16,111	15,676
EBITDA	8,374	13,364	10,915	11,423	Other LT assets	8,792	9,013	9,298	9,465
Deprec. & amort.	3,619	3,550	3,541	3,435	Cash/ST investment	4,907	7,851	9,274	11,145
EBIT	4,756	9,708	5,150	7,925	Other current assets	16,249	20,403	25,038	28,341
Total other non-operating income	0	0	0	0	Total assets	46,149	54,164	59,721	64,626
Associate contributions	(31)	143	143	143	ST debt	13,364	10,564	10,664	10,766
Net interest income/(expense)	(1,007)	(753)	(822)	(779)	Other current liabilities	7,150	8,699	10,051	9,476
Pre-tax profit	3,717	9,097	6,552	7,209	LT debt	6,921	8,259	8,195	8,917
Tax	(319)	(1,369)	(1,041)	(1,143)	Other LT liabilities	2,142	4,271	4,893	5,182
Minorities	26	(4)	(5)	(5)	Shareholders' equity	16,448	21,807	25,778	30,140
Preferred dividends	0	0	0	0	Minority interest	51	51	51	51
Net profit	3,144	7,651	5,708	6,265	Total liabilities & equity	46,149	54,164	59,721	64,626
Net profit (adj.)	3,466	7,727	5,576	6,132					

Cash Flow

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	10,501	9,506	6,030	6,334
Pre-tax profit	3,118	9,024	6,718	7,375
Tax	319	1,369	1,041	1,143
Deprec. & amort.	3,658	3,550	3,541	3,435
Associates	0	0	0	0
Working capital changes	573	(4,023)	(5,051)	(5,256)
Non-cash items	0	(615)	(220)	(364)
Other operating cashflows	2,832	10	0	0
Investing	(1,080)	(4,000)	(3,000)	(3,000)
Capex (growth)	(1,287)	(4,000)	(3,000)	(3,000)
Capex (maintenance)	0	0	0	0
Investments	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	207	0	0	0
Financing	(5,261)	(2,562)	(1,607)	(1,463)
Dividend payments	(494)	(2,297)	(1,703)	(1,870)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,657)	1,338	(65)	722
Loan repayment	(489)	(126)	566	187
Others/interest paid	(2,620)	(1,474)	(374)	(503)
Net cash inflow (outflow)	4,160	2,944	1,423	1,871
Beginning cash & cash equivalent	836	4,907	7,851	9,274
Changes due to forex impact	(90)	0	0	0
Ending cash & cash equivalent	4,907	7,851	9,274	11,145

Key Metrics

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	12.8	17.8	13.4	13.2
Pre-tax margin	5.7	12.5	8.1	8.4
Net margin	4.8	10.6	7.0	7.3
ROA	6.8	15.4	10.8	11.4
ROE	19.6	40.9	27.6	27.4
Growth				
Turnover	25.2	38.6	55.1	64.9
EBITDA	(8.8)	45.5	18.9	24.4
Pre-tax profit	(38.8)	49.7	7.8	18.6
Net profit	(33.4)	62.0	20.9	32.7
Net profit (adj.)	0.0	123.0	(27.8)	10.0
EPS	(34.4)	33.0	(4.0)	5.5
Leverage				
Debt to total capital	123.0	86.1	73.0	65.2
Debt to equity	123.3	86.3	73.2	65.3
Net debt/(cash) to equity	93.5	50.3	37.2	28.3
Interest cover	8.3	14.4	13.3	14.7

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