GFPT Plc. (GFPT TB)

3Q26: Earnings Beat Expectations On High Margins

Highlights

- GFPT's core profit came in at Bt631m (-11.2% yoy, +8.4% qoq). Core profit was 8% above our estimate due to a better-than-expected gross profit margin.
- Expect 4Q26 earnings to decline qoq but increase yoy on the back of higher ASPs for chicken and by-products, as well as export shipments that were postponed from 3Q26 to 4Q26.
- Maintain BUY with a target price of Bt11.40.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	3Q25	2Q26	yoy%	qoq%
Revenue	4,827	4,741	4,648	1.8%	3.9%
Gross profit	860	963	786	-10.7%	9.4%
SG&A	359	350	349	2.5%	2.6%
EBIT	728	705	538	3.2%	35.3%
Net profit	770	715	601	7.6%	28.1%
Core profit	631	710	582	-11.2%	8.4%
EPS (Bt)	0.61	0.57	0.48	7.6%	28.1%
Ratio (%)	**3Q26**	**3Q25**	**2Q26**	**yoy%**	**qoq%**
Gross Margin (%)	17.8%	20.3%	16.9%	-2.5%	0.9%
%SG&A/revenue	7.4%	7.4%	7.5%	0.0%	-0.1%
Net Margin (%)	15.9%	15.1%	12.9%	0.9%	3.0%

Source: GFPT, UOB Kay Hian

Analysis

- **Earnings beat.** GFPT Plc (GFPT) reported a 3Q26 net profit of Bt770m (+7.6% yoy, +28.1% qoq). Excluding a one-off insurance claim of Bt125m related to a fire at its subsidiary's hatchery and a forex gain of Bt14m, core profit came in at Bt631m (-11.2% yoy, +8.4% qoq). Core profit was 8% above our estimate due to a better-than-expected gross profit margin.
- **Food business drove revenue growth.** Top-line for 3Q26 was reported at Bt4.8b (+1.8% yoy, +3.9% qoq). The food business reported sales of Bt2.3b (+7% yoy, +4% qoq), while the farm business reported sales of Bt1.7b (-2% yoy, +2% qoq), and the feed business saw sales of Bt811m (-3% yoy, +6% qoq).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	19,314.1	18,840.1	18,383.4	18,832.2	19,177.9
EBITDA	2,781.9	3,345.5	3,292.6	3,420.7	3,560.7
Operating profit	1,099.0	1,612.1	1,495.3	1,526.8	1,574.1
Net profit (rep./act.)	1,973.8	2,439.4	2,155.6	2,196.3	2,262.3
Net profit (adj.)	1,877.3	2,440.9	2,105.6	2,196.3	2,262.3
EPS	1.5	2.0	1.7	1.8	1.8
PE (x)	6.2	4.8	5.6	5.3	5.2
P/B (x)	0.6	0.5	0.5	0.5	0.4
EV/EBITDA (x)	5.2	3.9	3.4	2.9	2.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net margin (%)	10.2	13.0	11.7	11.7	11.8
Net debt/(cash) to equity(%)	13.2	4.9	(2.4)	(8.1)	(13.6)
Interest cover (x)	23.3	32.8	38.8	28.6	29.8
ROE (%)	12.4	14.3	12.0	11.6	11.3
Consensus net profit	n.a	n.a	2,162.0	2,249.4	2,392.3
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: GFPT Plc., Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt9.70
Target Price	Bt11.40
Upside	17.53%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	GFPT TB
Shares issued (m)	1,253.8
Market cap (Btm)	11,347.1
Market cap (US$m)	346.6
3-mth avg daily t'over (US$m)	0.9

Price Performance (%)

52-week high/low				Bt10.7/Bt8.4
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(3.2)	(7.6)	(13.8)	(12.1)	(14.6)

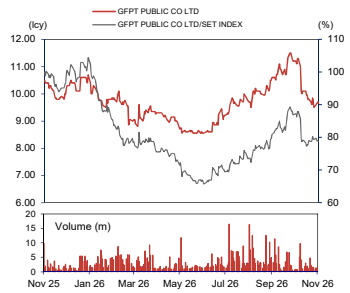
Major Shareholders (%)

Sirimongkolsasem Family	50.83
Nichirei Food	4.52

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.6
FY26 Net Debt/Share (Bt)	(0.4)

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.

- **Higher costs pressured margins yoy.** Gross profit margin in 3Q26 came in at 17.8%, up from 16.9% in 2Q26 but down from 20.3% in 3Q25. The yoy decrease was mainly due to a yoy increase in raw material costs.
- **Direct export volume declined yoy and qoq.** Direct export volume in 3Q26 totalled 7,400 tonnes, down from 7,900 tonnes in 3Q25 and 8,100 tonnes in 2Q26. The company attributed the decline to shipping delays caused by the Bangkok floods in 3Q26, which may have shifted some shipments to 4Q26.
- **Equity income increased yoy and qoq.** Equity income increased to Bt159m in 3Q26 (+40.9% yoy, +20.3% qoq). This was driven by higher contributions from both GFN and McKey, which recorded equity income of Bt37.6m and Bt121.6m respectively. GFN benefitted from higher domestic selling prices for chicken parts and by-products, while McKey gained from higher export volumes of cooked chicken products.
- **Expect 4Q26 earnings to decline qoq but increase yoy**. The qoq decline will be driven by the seasonal slowdown in exports and higher raw material costs. However, yoy earnings growth should be supported by higher ASPs for chicken and by-products, as well as export shipments that were postponed from 3Q26 to 4Q26.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt11.40** based on 2027 EPS. Using the PE valuation method, we value GFPT at -1SD, implying a target PE of 6.5x.

Earnings Revision/Risk

- None. 9M26 earnings accounted for 78% of our 2026 forecast. As 4Q is typically the low season for exports, we expect earnings to decline qoq but remain relatively flat yoy.

Share Price Catalyst

- Lower commodity costs.
- Stronger-than-expected chicken export volume.
- Increase in domestic chicken prices and an economic recovery.

Environment, Social, Governance (ESG) Updates

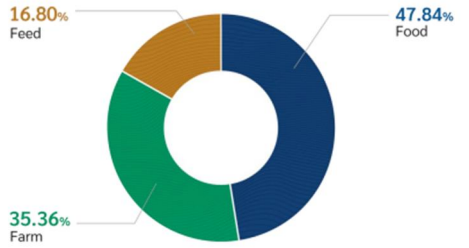
CG Report: 5
SET ESG Rating: AA

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.

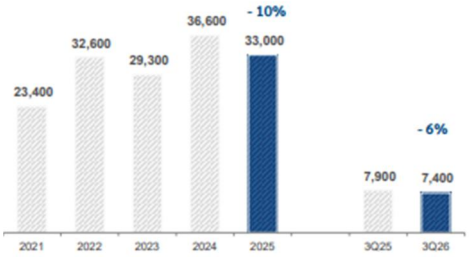
Governance: GFPT manages risk related to fraud and corruption by establishing an anti-fraud and corruption policy for the Board of Director's consideration and declaration. The company was certified as a member of the (Thai Private Sector Collective Action Against Corruption: CAC) in 2017 and has been renewed twice, in 2020 and 2023. The certification is valid for three years, expiring on 31 Dec 26.

Revenue Breakdown



Source: GFPT

Chicken Meat Direct Export (MT)



Source: GFPT

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**18,840**	**18,383**	**18,832**	**19,178**
EBITDA	3,345	3,293	3,421	3,561
Deprec. & amort.	1,733	1,797	1,894	1,987
EBIT	1,612	1,495	1,527	1,574
Total other non-operating income	365	383	377	384
Associate contributions	825	568	680	700
Net interest income/(expense)	(102)	(85)	(119)	(119)
Pre-tax profit	**2,701**	**2,361**	**2,464**	**2,538**
Tax	(245)	(239)	(251)	(258)
Minorities	(15)	(16)	(17)	(18)
Net profit	**2,439**	**2,156**	**2,196**	**2,262**
Net profit (adj.)	2,441	2,106	2,196	2,262

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	13,176	13,628	13,984	14,247
Other LT assets	6,230	6,230	6,230	6,230
Cash/ST investment	3,530	5,153	6,636	8,297
Other current assets	4,927	4,981	5,097	5,186
Total assets	**27,863**	**29,992**	**31,947**	**33,960**
ST debt	1,118	1,118	1,118	1,118
Other current liabilities	819	1,093	1,109	1,120
LT debt	3,470	3,470	3,470	3,470
Other LT liabilities	760	760	760	760
Shareholders' equity	21,536	23,375	25,297	27,280
Minority interest	160	177	194	212
Total liabilities & equity	**27,863**	**29,992**	**31,947**	**33,960**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**3,140**	**2,923**	**2,739**	**2,922**
Pre-tax profit	2,701	2,361	2,464	2,538
Tax	(245)	(239)	(251)	(258)
Deprec. & amort.	1,733	1,797	1,894	1,987
Associates	825	568	680	700
Working capital changes	(263)	220	(102)	(77)
Non-cash items	(342)	(1,250)	(1,250)	(1,250)
Other operating cashflows	(1,269)	(534)	(697)	(718)
Investing	**(758)**	**(1,000)**	**(1,000)**	**(1,000)**
Capex (growth)	(807)	(1,000)	(1,000)	(1,000)
Investments	0	0	0	0
Others	49	0	0	0
Financing	**(953)**	**(300)**	**(257)**	**(261)**
Dividend payments	(251)	(317)	(274)	(279)
Loan repayment	(625)	0	0	0
Others/interest paid	(77)	16	17	18
Net cash inflow (outflow)	**1,429**	**1,623**	**1,482**	**1,661**
Beginning cash & cash equivalent	**2,101**	**3,530**	**5,153**	**6,636**
Ending cash & cash equivalent	**3,530**	**5,153**	**6,636**	**8,297**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.8	17.9	18.2	18.6
Pre-tax margin	14.3	12.8	13.1	13.2
Net margin	13.0	11.7	11.7	11.8
ROA	10.6	9.0	8.8	8.7
ROE	14.3	12.0	11.6	11.3
Growth				
Turnover	13.2	10.4	13.1	15.2
EBITDA	46.0	43.7	49.3	55.4
Pre-tax profit	107.6	81.5	89.4	95.2
Net profit	135.0	107.7	111.6	118.0
Net profit (adj.)	30.0	(13.7)	4.3	3.0
EPS	135.2	102.9	111.6	118.0
Leverage				
Debt to total capital	21.2	19.5	18.0	16.7
Debt to equity	21.3	19.6	18.1	16.8
Net debt/(cash) to equity	4.9	(2.4)	(8.1)	(13.6)
Interest cover	32.8	38.8	28.6	29.8

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