

## Still strong and upsides mostly priced in

- Strong 1Q26 confirms TFGH's success in business model transformation
- Higher revenues from high-margin retail and export remain key growth engines
- Downgrade to HOLD and retain TP of THB9.5

### Solid 1Q26 results on improving business model

1Q26 net profit (NP) was strong at THB2.0b, up 78% q-q and 0.5% y-y, propelled by higher margins despite the declining revenue on the lower prices of both pork and chicken after the peak cycle prices in 2025. Overall gross profit margin (GPM) continued to improve to 22% in 1Q26, boosted by the swine unit in Vietnam, feed mill, and retail.

### Revenue mix improved, led by retail segment

Revenue dipped slightly by 1% y-y to THB17.6b mainly due to declining prices of poultry and pork y-y on their normalizations after the peak price cycles in 2025. Retail shop revenue continued its phenomenal growth path to reach THB8.1b in 1Q26 (46% of 1Q26 revenue). Poultry revenue shrank y-y to THB4.2b (24% of 1Q26 revenue) as TFG's revenue from non-poultry grew faster than poultry revenue and the y-y lower selling prices of poultry. Swine revenue dropped to THB3.7b, accounting for 15% of 1Q26 revenue, down from 21% in 1Q25, as the selling price plunged y-y from the peak price cycle in 2025.

### Superb margin enhancement strategy

GPM rose to 22% in 1Q26, catalyzed by 1) 51% GPM (vs 34% in 1Q25) for swine thanks to the high-margin swine business in Vietnam and the expanding revenue of pork part from 42% in 1Q25 to 77% in 1Q26 as TFG sold more pork part via its own growing retail channel; 2) 14% GPM for retail (vs 14% in 1Q25), the most sustainable and critical part of TFG's growth strategy through its retail shops; 3) 7% GPM (vs 6% in 1Q25) for feed mill on good cost control; and 4) 26% GPM (vs 28% in 1Q25) for poultry as the chicken price declined y-y.

### Retail business remains TFG's crown jewel

Retail revenue continued to grow to THB8.1b in 1 Q26, up from THB6.2b in 1Q25, with a y-y stable GPM at 14%, as TFG expands its number of retail shops from 615 at the end of 2025 to 690 in 1Q26. SSSG returned to +1.8% y-y from -1.3% y-y in 4Q25, supported by superior product mix with TFG's own products of pork (45.3% of retail revenue in 1Q26) and chicken (27.3%) to account for almost ¾ of retail revenue as TFG's retail key margin driver.

### Downgrade to HOLD and maintain TP of THB9.5

We downgrade from BUY to HOLD and retain our TP of THB9.5, based on 10x 2026E P/ETHB9.5 as we think the fast-rising current share price has already priced in most upsides for TFG's high-growth, high-quality and sustainability of TFG's earnings and cash flows.

#### Analyst

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ESG Rating : n.a.

CG Rating : ▲▲▲▲▲

## HOLD (from BUY)

Target Price 12M (THB)	9.50
VS. BB Consensus TP (%)	-9.8%
Share Price (THB)	10.10
Upside/Downside	-5.9%

#### Share Data

Market Cap (THB m)	58,819.19
Par (THB)	5.00
Free Float (%)	42.11
Issued shares (m shares)	2,996

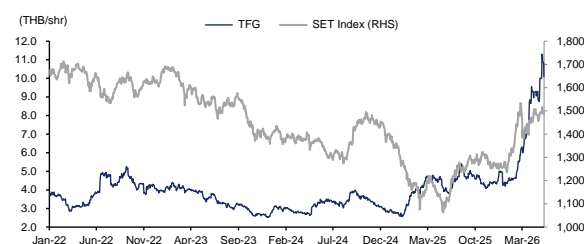
#### Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	72,810	94,174	108,073	124,704
Net profit	7,441	5,525	6,771	7,748
Core net profit	7,441	5,525	6,771	7,748
vs Consensus (%)		(19.9)	(7.8)	(1.4)
Net profit growth (%)	136.7	(25.7)	22.5	14.4
Core net profit growth (%)	136.7	(25.7)	22.5	14.4
EPS (THB)	1.28	0.95	1.17	1.33
Core EPS (THB)	1.28	0.95	1.17	1.33
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	1.20	0.45	0.55	0.62
P/E (x)	3.48	10.62	8.67	7.57
P/BV (x)	1.29	2.65	2.23	1.90
ROE (%)	40.73	26.18	27.96	27.10
Dividend yield (%)	3.72	22.67	18.50	16.17

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	9.19	100.00	127.48	126.46
Market	10.90	94.33	97.00	92.28
12M High/Low (THB)	11.600 / 4.14			



#### Major Shareholders (%) as of 5 Mar 2026

New Star Victor Company Limited	31.74
Mr. Winai Teawsomboonkit	17.94
The Bank Of New York (Nominees) Limited	13.98

#### Company Profile

The principal business operations of the Company are producing and distributing frozen and chilled chicken products, producing and distributing swine and producing and distributing feed mill.

Source: SETSMART, SET

### Exhibit 1: Summary of 1Q26 operations

	1Q25	4Q25	1Q26		2025	2026E	chg.	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
<b>Revenue</b>	<b>17,729</b>	<b>18,115</b>	<b>17,588</b>	<b>(2.9)</b>	<b>(0.8)</b>	<b>72,810</b>	<b>94,174</b>	<b>29.3</b>
Operating costs	(14,324)	(15,424)	(14,000)	(9.2)	(2.3)	(59,751)	(82,726)	38.5
<b>EBITDA</b>	<b>3,404</b>	<b>2,692</b>	<b>3,588</b>	<b>33.3</b>	<b>5.4</b>	<b>13,059</b>	<b>11,449</b>	<b>(12.3)</b>
EBITDA margin (%)	19.2	14.9	20.4	<i>nm</i>	<i>nm</i>	17.9	12.2	<i>nm</i>
Depn & amort.	(865)	(968)	(1,328)	37.2	53.6	(3,618)	(5,014)	38.6
EBIT	<b>2,540</b>	<b>1,723</b>	<b>2,260</b>	<b>31.1</b>	<b>(11.0)</b>	<b>9,441</b>	<b>6,435</b>	<b>(31.8)</b>
Interest expense	(210)	(189)	(178)	(6.0)	(15.4)	(771)	(645)	(16.4)
Interest & invt inc	43	80	88	10.4	<i>na</i>	260	166	<i>na</i>
Other income	70	44	64	44.8	(8.6)	11	476	<b>4,152.8</b>
Associates' contrib	32	(72)	(0)	<i>na</i>	<i>na</i>	20	-	<i>na</i>
Exceptionals	(77)	(200)	113	(156.4)	<i>na</i>	(152)	-	<i>na</i>
<b>Pretax profit</b>	<b>2,397</b>	<b>1,386</b>	<b>2,347</b>	<b>69.3</b>	<b>(2.1)</b>	<b>8,809</b>	<b>6,432</b>	<b>(27.0)</b>
Tax	(363)	(236)	(296)	25.7	(18.3)	(1,364)	(951)	(30.3)
Tax rate (%)	15.1	17.0	12.6	<i>nm</i>	<i>nm</i>	15.5	14.8	<i>nm</i>
Minority interests	2	(3)	(4)	<i>na</i>	<i>na</i>	(4)	45	<i>na</i>
<b>Net profit</b>	<b>2,037</b>	<b>1,148</b>	<b>2,047</b>	<b>78.3</b>	<b>0.5</b>	<b>7,441</b>	<b>5,525</b>	<b>(25.7)</b>
Non-recurring	(1,503)	(611)	(1,509)	<i>na</i>	<i>na</i>	-	-	<i>na</i>
<b>Core net profit</b>	<b>534</b>	<b>537</b>	<b>538</b>	<b>0.2</b>	<b>0.7</b>	<b>7,441</b>	<b>5,525</b>	<b>(25.7)</b>
EPS (THB)	0.35	0.20	0.35	78.3	0.5	1.28	0.95	(25.7)
Core EPS (THB)	0.36	0.23	0.34	48.2	(7.3)	1.28	0.95	(25.7)

Sources: TFG, Globlex Research

### Exhibit 2: 1Q26 Revenue breakdown

	1Q25	4Q25	1Q26	(q-q%)	(y-y%)
<b>Revenue</b>	<b>17,728</b>	<b>18,115</b>	<b>17,588</b>	<b>(2.9)</b>	<b>(0.8)</b>
Poultry	5,170	4,790	4,164	(13.1)	(19.5)
Swine	3,666	2,952	2,673	(9.4)	(27.1)
Feed	2,627	2,703	2,584	(4.4)	(1.6)
Retail	6,195	7,543	8,095	7.3	30.7
Other	70	127	72	(43.4)	2.7

Sources: TFG, Globlex Research

Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Current assets</b>					
Cash & ST investment	4,907	4,818	1,566	3,395	7,438
Account receivable	2,084	1,977	1,840	1,681	1,499
Inventories	5,375	5,848	8,102	9,265	10,722
Others	8,790	9,225	11,897	13,636	15,716
<b>Non-current assets</b>					
Net fixed assets	16,202	17,132	16,215	15,179	14,025
Others	8,792	8,848	8,848	8,848	8,848
<b>Total Assets</b>	<b>46,149</b>	<b>47,848</b>	<b>48,469</b>	<b>52,004</b>	<b>58,247</b>
<b>Current liabilities</b>					
Account payable	3,594	3,824	5,298	6,059	7,011
ST borrowing	14,444	12,866	9,000	7,000	7,000
Others	2,477	3,393	4,389	5,037	5,812
<b>Long-term liabilities</b>					
Long-term debts	8,567	6,978	7,000	7,000	7,000
Others	568	704	704	704	704
<b>Total liabilities</b>	<b>29,650</b>	<b>27,765</b>	<b>26,391</b>	<b>25,799</b>	<b>27,527</b>
Paid-up capital	5,811	5,824	5,824	5,824	5,824
Retained earnings	7,461	11,249	13,288	17,469	22,045
Others	3,177	3,013	3,013	3,013	3,013
Minority interest	51	(2)	(47)	(101)	(162)
<b>Shareholders' equity</b>	<b>16,499</b>	<b>20,083</b>	<b>22,078</b>	<b>26,205</b>	<b>30,720</b>

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Growth (%YoY)</b>					
Sales	17.2	11.2	29.3	14.8	15.4
Operating profit	133.3	62.4	(12.3)	17.4	14.3
EBITDA	133.3	62.4	(12.3)	17.4	14.3
Net profit	486.9	136.7	(25.7)	22.5	14.4
Core net profit	486.9	136.7	(25.7)	22.5	14.4
EPS	486.9	136.7	(25.7)	22.5	14.4
Core EPS	486.9	136.7	(25.7)	22.5	14.4
<b>Profitability (%)</b>					
Gross margin	18.9	25.6	20.3	20.6	20.3
Operation margin	12.3	17.9	12.2	12.4	12.3
EBITDA margin	12.3	17.9	12.2	12.4	12.3
Net margin	4.8	10.2	5.9	6.3	6.2
ROE	20.9	40.7	26.2	28.0	27.1
ROA	6.7	15.8	11.5	13.5	14.1
<b>Stability</b>					
Interest bearing debt/equity (x)	1.4	1.0	0.7	0.5	0.5
Net debt/equity (x)	1.1	0.7	0.7	0.4	0.2
Interest coverage (x)	4.4	12.2	10.0	14.3	17.3
Interest & ST debt coverage (x)	0.3	0.7	0.7	1.0	1.2
Cash flow interest coverage (x)	0.2	0.3	0.2	0.3	0.4
Current ratio (x)	1.0	1.1	1.3	1.5	1.8
Quick ratio (x)	0.3	0.3	0.2	0.3	0.5
Net debt (THB m)	18,104	15,026	14,434	10,605	6,562
<b>Activity</b>					
Asset turnover (X)	1.4	1.4	1.8	2.9	6.4
Days receivables	11.6	9.9	7.1	5.7	4.4
Days inventory	37.0	39.4	39.4	39.4	39.4
Days payable	24.7	25.8	25.8	25.8	25.8
Cash cycle days	23.9	23.5	20.8	19.3	18.0

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Revenue</b>	<b>65,482</b>	<b>72,810</b>	<b>94,174</b>	<b>108,073</b>	<b>124,704</b>
Cost of goods sold	(53,088)	(54,191)	(75,086)	(85,862)	(99,364)
<b>Gross profit</b>	<b>12,394</b>	<b>18,620</b>	<b>19,089</b>	<b>22,211</b>	<b>25,340</b>
Operating expenses	(4,350)	(5,560)	(7,640)	(8,768)	(9,976)
<b>Operating profit</b>	<b>8,043</b>	<b>13,059</b>	<b>11,449</b>	<b>13,443</b>	<b>15,364</b>
<b>EBIT</b>	<b>4,425</b>	<b>9,441</b>	<b>6,435</b>	<b>7,710</b>	<b>8,729</b>
Depreciation	(3,619)	(3,618)	(5,014)	(5,733)	(6,635)
<b>EBITDA</b>	<b>8,043</b>	<b>13,059</b>	<b>11,449</b>	<b>13,443</b>	<b>15,364</b>
<b>Non-operating income</b>	<b>66</b>	<b>271</b>	<b>642</b>	<b>712</b>	<b>796</b>
Other incomes	(100)	11	476	546	630
Other non-op income	166	260	166	166	166
<b>Non-operating expense</b>	<b>(1,022)</b>	<b>(923)</b>	<b>(645)</b>	<b>(540)</b>	<b>(504)</b>
Interest expense	(1,007)	(771)	(645)	(540)	(504)
Other non-op expense	(14)	(152)	-	-	-
<b>Equity income/(loss)</b>	<b>(31)</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Pre-tax Profit</b>	<b>3,438</b>	<b>8,809</b>	<b>6,432</b>	<b>7,882</b>	<b>9,022</b>
Extraordinary items					
Current taxation	(319)	(1,364)	(951)	(1,166)	(1,334)
Minorities	26	(4)	45	54	61
<b>Net Profit</b>	<b>3,144</b>	<b>7,441</b>	<b>5,525</b>	<b>6,771</b>	<b>7,748</b>
<b>Core net profit</b>	<b>3,144</b>	<b>7,441</b>	<b>5,525</b>	<b>6,771</b>	<b>7,748</b>
<b>EPS (THB)</b>	<b>0.54</b>	<b>1.28</b>	<b>0.95</b>	<b>1.17</b>	<b>1.33</b>
<b>Core EPS (THB)</b>	<b>0.54</b>	<b>1.28</b>	<b>0.95</b>	<b>1.17</b>	<b>1.33</b>

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Operating cash flow</b>	<b>7,210</b>	<b>8,525</b>	<b>6,085</b>	<b>8,646</b>	<b>9,911</b>
Net profit	3,144	7,441	5,525	6,771	7,748
Depre. & amortization	3,619	3,618	5,014	5,733	6,635
Change in working capital	1,464	463	(2,319)	(1,335)	(1,626)
Others	(1,017)	(2,998)	(2,136)	(2,523)	(2,845)
<b>Investment cash flow</b>	<b>6,190</b>	<b>2,224</b>	<b>2,854</b>	<b>6,408</b>	<b>7,206</b>
Net CAPEX	(2,538)	(4,548)	(1,225)	(10)	(10)
Change in LT investment	8,728	6,772	4,079	6,418	7,215
Change in other assets	-	-	-	-	1
<b>Free cash flow</b>	<b>13,399</b>	<b>10,749</b>	<b>8,938</b>	<b>15,054</b>	<b>17,118</b>
<b>Financing cash flow</b>	<b>(9,329)</b>	<b>(10,838)</b>	<b>(12,190)</b>	<b>(13,225)</b>	<b>(13,074)</b>
Change in share capital	-	49	-	-	-
Net change in debt	36	(53)	(45)	(54)	(61)
Dividend paid	(1,743)	(3,486)	(3,486)	(2,589)	(3,172)
Others	(7,621)	(7,347)	(8,659)	(10,582)	(9,841)
<b>Net cash flow</b>	<b>4,070</b>	<b>(89)</b>	<b>(3,252)</b>	<b>1,829</b>	<b>4,043</b>
<b>Per share (THB)</b>					
EPS	0.54	1.28	0.95	1.17	1.33
Core EPS	0.54	1.28	0.95	1.17	1.33
CFPS	1.16	1.90	1.81	2.14	2.46
BVPS	2.83	3.46	3.81	4.53	5.31
Sales/share	11.27	12.53	16.21	18.60	21.46
EBITDA/share	1.38	2.25	1.97	2.31	2.64
DPS	0.30	1.20	0.45	0.55	0.62
<b>Valuation</b>					
P/E (x)	41.4	3.5	10.6	8.7	7.6
P/BV (x)	7.91	1.29	2.65	2.23	1.90
Dividend yield (%)	74.67	3.72	22.67	18.50	16.17
Dividend payout ratio (%)	55.45	93.71	46.86	46.86	46.86

## GENERAL DISCLAIMER

### Analyst Certification

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## RECOMMENDATION STRUCTURE

### Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

- BUY:** Expected return of 10% or more over the next 12 months.  
**HOLD:** Expected return between -10% and 10% over the next 12 months.  
**REDUCE:** Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.  
**Neutral:** The industry is expected to perform in line with the relevant primary market index over the next 12 months.  
**Underweight:** The industry is expected to underperform the relevant primary market index over the next 12 months.

### Country (Strategy) Recommendations

**Overweight:** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral:** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight:** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.