

Pilgrim's Pride Corp.

Solid 4Q23 sets up strong start for 2024; raising estimates & PO

Reiterate Rating: BUY | PO: 36.00 USD | Price: 30.84 USD

4Q23 adj EBITDA above; raising estimates & PO to \$36

PPC 4Q23 adj EBITDA of \$309.5mm was ahead of BofAe of \$280mm and Visible Alpha consensus of \$279mm on better EBIT in Europe. In the US, Small Bird and Retail momentum continued, while Big Bird improved dramatically YoY due to better industry fundamentals and operational excellence efforts. Fundamentals have continued to improve into 1Q. In Europe, benefits from network and back-office optimization drove the upside. In Mexico – weaker live operations resulted in a slower sequential 4Q. We raise our 2024-2026 adj EBITDA estimates to \$1,554mm, \$1,632mm and \$1,699mm, respectively as well as our PO from \$32 to \$36 to reflect our higher estimates, now based on 7x CY25e EBITDA (prior 7.5x) to reflect a mid-cycle EBITDA multiple which we expect in 2024/2025.

US fundamentals strong on limited protein availability

US chicken industry fundamentals have improved since the start of 2024 with gains in commodity big bird pricing aided by a tailwind from lower grain/feed costs. Both should materially benefit PPC's US gross margins in 2024. In addition, limited availability of Beef has driven greater demand for Chicken, while the supply dynamic, per USDA, is expected to be relatively benign and should support pricing. PPC should also see de-levering of its balance sheet which provides strategic optionality for inorganic growth opportunities in 2024.

1Q24 puts & takes and other 2024 modeling items

1Q24: US EBIT could improve sequentially vs 4Q, Europe EBIT is expected to step back sequentially vs 4Q on seasonality and Mexico should improve vs a depressed 4Q. All in we model 1Q24 adj EBITDA of \$301mm. 2024 Capex is expected to be \$475-\$525mm, Net interest expense of \$125-135mm and tax rate of 23-25%. D&A should step up \$15-\$20mm YoY and SG&A is expected to grow vs 2023, but not back to 2022 \$ levels.

Reiterate Buy & \$36 PO

We reiterate our Buy rating. We continue to believe US chicken market fundamentals will improve into 2024. PPC also continues to benefit from strategic optionality considering JBS's recent announced plans for a US listing in 2H24 as updated at CAGNY last week.

Estimates (Dec) (US\$)	2022A	2023A	2024E	2025E	2026E
EPS	3.34	1.69	3.16	3.37	3.58
GAAP EPS	2.87	1.04	3.16	3.37	3.58
EPS Change (YoY)	46.5%	-49.4%	87.0%	6.6%	6.2%
Consensus EPS (Bloomberg)			2.51	2.85	3.28
DPS	0	0	0	0	0
Valuation (Dec)					
P/E	9.2x	18.2x	9.7x	9.1x	8.6x
GAAP P/E	10.7x	29.6x	9.7x	9.1x	8.6x
EV / EBITDA*	6.1x	9.7x	6.4x	6.1x	5.9x
Free Cash Flow Yield*	2.5%	1.8%	9.3%	10.8%	11.5%

* For full definitions of *IQmethod*SM measures, see page 6.

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Refer to important disclosures on page 7 to 9. Analyst Certification on page 5. Price Objective Basis/Risk on page 5.

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26 February 2024

Equity

Key Changes

(US\$)	Previous	Current
Price Obj.	32.00	36.00
2024E Rev (m)	17,332.1	17,509.9
2025E Rev (m)	17,545.0	17,725.6
2026E Rev (m)	17,760.8	17,944.3
2024E EPS	2.43	3.16
2025E EPS	2.58	3.37
2026E EPS	2.78	3.58

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Stock Data

Price	30.84 USD
Price Objective	36.00 USD
Date Established	26-Feb-2024
Investment Opinion	B-1-9
52-Week Range	19.96 USD - 29.24 USD
Mrkt Val (mn) / Shares Out (mn)	7,323 USD / 237.5
Free Float	17.3%
Average Daily Value (mn)	16.50 USD
BofA Ticker / Exchange	PPC / NAS
Bloomberg / Reuters	PPC US / PPC.OQ
ROE (2024E)	20.2%
Net Dbt to Eqty (Dec-2023A)	85.1%
ESGMeter TM	High

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to "BofA ESGMeter Methodology".

iQprofileSM Pilgrim's Pride Corp.

iQmethodSM – Bus Performance*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Return on Capital Employed	13.7%	7.8%	11.4%	11.0%	10.5%
Return on Equity	29.7%	13.0%	20.2%	17.8%	16.0%
Operating Margin	7.1%	3.5%	6.4%	6.7%	7.0%
Free Cash Flow	183	134	679	789	839

iQmethodSM – Quality of Earnings*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash Realization Ratio	0.8x	1.7x	1.6x	1.5x	1.5x
Asset Replacement Ratio	1.2x	1.3x	1.1x	1.0x	1.0x
Tax Rate	27.0%	14.5%	24.0%	24.0%	24.0%
Net Debt-to-Equity Ratio	105.9%	85.1%	52.0%	27.4%	8.8%
Interest Cover	8.1x	3.3x	6.6x	7.0x	7.4x

Income Statement Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Sales	17,468	17,362	17,510	17,726	17,944
% Change	18.2%	-0.6%	0.9%	1.2%	1.2%
Gross Profit	1,812	1,118	1,643	1,714	1,787
% Change	32.7%	-38.3%	46.9%	4.3%	4.3%
EBITDA	1,641	1,026	1,554	1,632	1,699
% Change	28.6%	-37.5%	51.5%	5.0%	4.1%
Net Interest & Other Income	(136)	(137)	(129)	(129)	(129)
Net Income (Adjusted)	804	400	751	800	851
% Change	44.2%	-50.2%	87.5%	6.6%	6.3%

Free Cash Flow Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Net Income from Cont Operations (GAAP)	747	324	751	800	851
Depreciation & Amortization	403	420	438	450	450
Change in Working Capital	(499)	(107)	(17)	(20)	(20)
Deferred Taxation Charge	21	7	0	0	0
Other Adjustments, Net	(2)	35	8	8	8
Capital Expenditure	(487)	(544)	(500)	(450)	(450)
Free Cash Flow	183	134	679	789	839
% Change	NM	-26.6%	406.5%	16.1%	6.4%
Share / Issue Repurchase	(200)	0	0	0	0
Cost of Dividends Paid	(2)	(2)	0	0	0
Change in Debt	(31)	118	0	0	0

Balance Sheet Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash & Equivalents	401	698	1,410	2,199	3,038
Trade Receivables	1,253	1,290	1,360	1,375	1,390
Other Current Assets	2,238	2,216	2,241	2,259	2,278
Property, Plant & Equipment	2,941	3,158	3,221	3,221	3,221
Other Non-Current Assets	2,423	2,447	2,447	2,447	2,447
Total Assets	9,256	9,810	10,680	11,502	12,374
Short-Term Debt	26	1	1	1	1
Other Current Liabilities	2,544	2,495	2,606	2,620	2,634
Long-Term Debt	3,397	3,544	3,544	3,544	3,544
Other Non-Current Liabilities	435	426	426	426	426
Total Liabilities	6,402	6,466	6,577	6,591	6,605
Total Equity	2,853	3,345	4,103	4,911	5,770
Total Equity & Liabilities	9,256	9,810	10,680	11,502	12,374

* For full definitions of iQmethodSM measures, see page 6.

Company Sector

Food Processors

Company Description

PPC is the second largest, vertically integrated broiler (chicken) producer in the US with an estimated 16% share of processing capacity according to Watt Poultry. The company also maintains chicken operations in Mexico and the UK. In the US PPC maintains a diversified portfolio of big bird (30%), small bird (30%), tray pack/retail (30%) and prepared foods (10%) operations within chicken.

Investment Rationale

We rate PPC shares at Buy. PPC maintains a diversified chicken portfolio with among the highest exposures to the fast-growing QSR channel, including key customer Chick-Fil-A. Following poor 2H22/1Q23 industry supply fundamentals we believe pricing/margins are set to inflect which should support the stock price.

Stock Data

Average Daily Volume 535,148

Quarterly Earnings Estimates

	2023	2024
Q1	0.08A	0.51E
Q2	0.44A	1.11E
Q3	0.58A	0.98E
Q4	0.59A	0.56E

Variance table

Exhibit 1: PPC summary variance table (\$ in mss, except per share figures)

4Q23 adj EBITDA of \$309.5mm was above our \$280mm

Variance	4Q23	4Q23E	A vs. E	Per Share	4Q22	% Chg
Sales	\$4,528.3	\$4,557.4	-\$29.1	-\$0.09	\$4,127.4	9.7%
Cost of Goods Sold	4,207.3	4,243.8	-\$36.5	-\$0.11	4,031.6	4.4%
Gross Profit	\$321.0	\$313.6	\$7.4	\$0.02	\$95.8	235.2%
Gross Margin	7.1%	6.9%	21bps		2.3%	477bps
SG&A	126.4	137.2	-\$10.9	\$0.03	137.1	-7.8%
SG&A as % of sales	2.8%	3.0%	-22bps		3.3%	-53bps
Operating Income	\$194.7	\$176.4	\$18.3	\$0.06	-\$41.3	-571.6%
Operating Margin	4.3%	3.9%	43bps		-1.0%	530bps
Adjusted EBITDA	\$309.5	\$280.4	\$29.1		\$62.9	392.4%
EBITDA Margin	6.8%	6.2%	68bps		1.5%	531bps
Interest expense, net of capitalized interest	46.1	49.7	-\$3.6	\$0.01	41.4	11.5%
Interest income	12.3	7.0	\$5.3	\$0.02	4.1	202.3%
Miscellaneous, net	(1.9)	-	-\$1.9	\$0.01	(1.9)	NM
Pretax Income	\$162.8	\$133.7	\$29.1	\$0.09	-\$76.7	-312.4%
Income Tax Expense	23.9	34.8	-\$10.9		38.5	-37.9%
Tax Rate	14.7%	26.0%	-1132bps	\$0.08	-50.2%	6490bps
NCI	(0.4)	-	-\$0.4	\$0.00	(0.1)	NM
Net Income attributable to PPC	\$139.3	\$98.9	\$40.4	\$0.17	-\$115.1	-221.1%
Adjusted Diluted EPS	\$0.59	\$0.42	\$0.17		(\$0.49)	-220.6%
Shares outstanding	237.5	237.3	0.1	\$0.00	236.5	0.4%
By Segment:						
Sales:						
US	\$2,660.6	\$2,649.1	\$11.6		\$2,430.3	9.5%
Europe	1,341.1	1,376.6	-\$35.5		1,234.6	8.6%
Mexico	526.6	531.8	-\$5.2		462.4	13.9%
Total	\$4,528.3	\$4,557.4	-\$29.1		\$4,127.4	9.7%
Gross Profit:						
US	\$199.4	\$210.3	-\$10.9		\$24.0	732.3%
Europe	107.5	89.4	\$18.1		80.2	34.1%
Mexico	14.1	13.9	\$0.2		(8.4)	-269.0%
Total	\$321.0	\$313.6	\$7.4		\$95.8	235.2%
Operating Income:						
US	\$133.1	\$144.1	-\$11.0		-\$47.0	-383.1%
Europe	63.2	34.3	\$28.9		29.1	117.3%
Mexico	(1.6)	(2.0)	\$0.4		(23.4)	-93.1%
Intersegment transactions, net	(0.0)	-	\$0.0		0.0	NM
Total	\$194.7	\$176.4	\$18.3		-\$41.3	-571.6%

Source: PPC, BofA Global Research estimates

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Income statement

Exhibit 2: PPC summary income statement (\$ in mms)

We model 2024e EPS of \$3.16

Dec Year End	Dec-22 2022	Mar-23 1Q23	Jun-23 2Q23	Sep-23 3Q23	Dec-23 4Q23	Dec-23 2023	Mar-24 1Q24E	Jun-24 2Q24E	Sep-24 3Q24E	Dec-24 4Q24E	Dec-24 2024E
Net Sales	\$17,468.4	\$4,165.6	\$4,308.1	\$4,360.2	\$4,528.3	\$17,362.2	\$4,253.5	\$4,519.7	\$4,488.1	\$4,248.6	\$17,509.9
Cost of goods sold	15,656.6	3,992.6	4,029.7	4,014.3	4,207.3	16,243.8	3,934.1	4,006.1	4,014.3	3,912.7	15,867.0
Gross profit	\$1,811.8	\$173.0	\$278.4	\$345.9	\$321.0	\$1,118.4	\$319.4	\$513.5	\$473.8	\$335.9	\$1,642.9
Selling general & administrative	574.0	122.5	135.4	128.1	126.4	512.4	127.6	135.6	134.9	127.6	525.7
Operating income (adjusted)	\$1,237.8	\$50.6	\$143.0	\$217.8	\$194.7	\$606.0	\$191.8	\$377.9	\$338.9	\$208.3	\$1,116.9
Interest expense, net of capitalized interest	152.7	42.7	47.2	45.6	46.1	181.6	42.4	42.4	42.4	42.4	169.4
Interest income	9.0	3.6	7.6	12.1	12.3	35.7	10.0	10.0	10.0	10.0	40.0
FX currency transaction loss (gain)	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous, net	(8.1)	(3.6)	(1.3)	(2.2)	(1.9)	(9.0)	-	-	-	-	-
Earnings before income taxes	\$1,102.2	\$15.1	\$104.8	\$186.5	\$162.8	\$469.1	\$159.5	\$345.6	\$306.5	\$176.0	\$987.5
Income tax expense	298.0	(4.4)	(0.9)	49.5	23.9	68.0	38.3	82.9	73.6	42.2	237.0
Adjusted net income	\$804.2	\$19.5	\$105.7	\$137.0	\$138.9	\$401.1	\$121.2	\$262.6	\$233.0	\$133.7	\$750.5
Less: Net income (loss) to NCI	0.6	0.4	0.5	0.3	(0.4)	0.7	-	-	-	-	-
Adjusted net income to PPC	\$803.6	\$19.0	\$105.3	\$136.7	\$139.3	\$400.4	\$121.2	\$262.6	\$233.0	\$133.7	\$750.5
Non-recurring items	(57.6)	(13.4)	(44.4)	(15.1)	(4.7)	(77.6)	-	-	-	-	-
GAAP net income	\$745.9	\$5.6	\$60.9	\$121.6	\$134.7	\$322.8	\$121.2	\$262.6	\$233.0	\$133.7	\$750.5
GAAP EPS	\$3.10	\$0.02	\$0.26	\$0.51	\$0.57	\$1.36	\$0.51	\$1.11	\$0.98	\$0.56	\$3.16
Adjusted EPS	\$3.34	\$0.08	\$0.44	\$0.58	\$0.59	\$1.69	\$0.51	\$1.11	\$0.98	\$0.56	\$3.16
Weighted avg diluted shares	240.2	237.2	237.2	237.3	237.5	237.3	237.5	237.5	237.5	237.5	237.5
EBITDA calculation											
Adjusted Operating Profit	\$1,237.8	\$50.6	\$143.0	\$217.8	\$194.7	\$606.0	\$191.8	\$377.9	\$338.9	\$208.3	\$1,116.9
(-) Miscellaneous, net	8.1	3.6	1.3	2.2	1.9	9.0	-	-	-	-	-
(+) Non-controlling interest	(0.6)	(0.4)	(0.5)	(0.3)	0.4	(0.7)	-	-	-	-	-
(+) Other nonrecurring losses/expense	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBIT	\$1,245.2	\$53.7	\$143.9	\$219.7	\$197.0	\$614.3	\$191.8	\$377.9	\$338.9	\$208.3	\$1,116.9
(+) Depreciation & Amortization	403.1	98.3	104.9	104.3	112.5	419.9	109.4	109.4	109.4	109.4	437.0
Adjusted EBITDA	\$1,648.4	\$151.9	\$248.7	\$324.0	\$309.5	\$1,034.2	\$301.2	\$487.3	\$448.3	\$317.7	\$1,554.0
Margin Analysis											
Gross Margin	10.4%	4.2%	6.5%	7.9%	7.1%	6.4%	7.5%	11.4%	10.6%	7.9%	9.4%
Total SG&A % Sales	3.3%	2.9%	3.1%	2.9%	2.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Operating Margin	7.1%	1.2%	3.3%	5.0%	4.3%	3.5%	4.5%	8.4%	7.6%	4.9%	6.4%
Adjusted EBIT margin	7.1%	1.3%	3.3%	5.0%	4.4%	3.5%	4.5%	8.4%	7.6%	4.9%	6.4%
Adjusted EBITDA margin	9.4%	3.6%	5.8%	7.4%	6.8%	6.0%	7.1%	10.8%	10.0%	7.5%	8.9%
Pre-tax Margin	6.3%	0.4%	2.4%	4.3%	3.6%	2.7%	3.7%	7.6%	6.8%	4.1%	5.6%
Net Margin (continuing ops)	4.6%	0.5%	2.5%	3.1%	3.1%	2.3%	2.8%	5.8%	5.2%	3.1%	4.3%
Tax rate	27.0%	-29.3%	-0.9%	26.5%	14.7%	14.5%	24.0%	24.0%	24.0%	24.0%	24.0%
YoY % Change											
Sales	18.2%	-1.8%	-7.0%	-2.4%	9.7%	-0.6%	2.1%	4.9%	2.9%	-6.2%	0.9%
Gross Profit	32.7%	-68.1%	-58.9%	-30.4%	235.2%	-38.3%	84.6%	84.4%	37.0%	4.6%	46.9%
Operating Profit	38.2%	-87.3%	-72.6%	-39.2%	-571.6%	-51.0%	279.3%	164.3%	55.6%	7.0%	84.3%
EBITDA	27.9%	-69.7%	-60.1%	-29.6%	392.4%	-37.3%	98.2%	95.9%	38.3%	2.6%	50.3%
Pre-tax Profit	38.9%	-95.9%	-78.4%	-43.1%	-312.4%	-57.4%	957.9%	229.7%	64.4%	8.1%	110.5%
Net Income (continuing ops)	44.2%	-93.2%	-71.5%	-47.6%	-220.6%	-50.1%	521.8%	148.4%	70.0%	-3.7%	87.1%
Adjusted EPS	46.4%	-93.2%	-71.2%	-47.2%	-220.6%	-49.6%	535.5%	149.2%	70.3%	-4.0%	87.3%

Source: PPC, BofA Global Research estimates

BofA GLOBAL RESEARCH



Price objective basis & risk

Pilgrim's Pride Corp. (PPC)

Our \$36 price objective (PO) is based on 7.0x our 2025e adjusted EBITDA . This compares to PPC's average adjusted EV/EBITDA multiple of roughly 7x and to broiler industry comps which have traded at 6.3x EV/EBITDA historically, but is broadly in line with the companies mid-cycle earnings multiple.

Upside risks to our PO: 1) greater than expected move up in chicken prices, 2) improvement in Europe cost structure, 3) lower than expected feed/grain costs.

Downside risks to our PO are: 1) continued overhang from the broiler industry over-production on breast meat pricing 2) difficulty in improving profits in Europe, 3) Mexico volatility, and 4) higher than expected feed/grain costs.

Analyst Certification

I, Peter T. Galbo, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

US - Consumables Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	BellRing Brands Inc	BRBR	BRBR US	Bryan D. Spillane
	Coca-Cola Europacific Partners plc	CCEP	CCEP US	Bryan D. Spillane
	Colgate-Palmolive Company	CL	CL US	Bryan D. Spillane
	Constellation Brands	STZ	STZ US	Bryan D. Spillane
	Coty Inc.	COTY	COTY US	Anna Lizzul
	e.l.f. Beauty	ELF	ELF US	Anna Lizzul
	Freshpet, Inc.	FRPT	FRPT US	Bryan D. Spillane
	Kenvue Inc.	KVUE	KVUE US	Anna Lizzul
	Keurig Dr Pepper	KDP	KDP US	Bryan D. Spillane
	Kraft Heinz Company	KHC	KHC US	Bryan D. Spillane
	Lamb Weston Holdings Inc	LW	LW US	Peter T. Galbo, CFA
	McCormick & Co.	MKC	MKC US	Peter T. Galbo, CFA
	Mondelez International	MDLZ	MDLZ US	Bryan D. Spillane
	Monster Beverage Corporation	MNST	MNST US	Peter T. Galbo, CFA
	PepsiCo	PEP	PEP US	Bryan D. Spillane
	Philip Morris International	PM	PM US	Lisa K. Lewandowski
	Pilgrim's Pride Corp.	PPC	PPC US	Peter T. Galbo, CFA
	The Coca Cola Company	KO	KO US	Bryan D. Spillane
	The Procter & Gamble Company	PG	PG US	Bryan D. Spillane
NEUTRAL				
	Altria Group	MO	MO US	Lisa K. Lewandowski
	Celsius Holdings Inc	CELH	CELH US	Jonathan Keypour
	Church & Dwight	CHD	CHD US	Anna Lizzul
	Clorox	CLX	CLX US	Anna Lizzul
	Conagra Brands, Inc.	CAG	CAG US	Peter T. Galbo, CFA
	Estee Lauder Companies Inc.	EL	EL US	Bryan D. Spillane
	General Mills	GIS	GIS US	Bryan D. Spillane
	JM Smucker Company	SJM	SJM US	Peter T. Galbo, CFA
	Kellanova	K	K US	Peter T. Galbo, CFA
	Molson Coors Beverage Company	TAP	TAP US	Bryan D. Spillane
	The Hershey Company	HSY	HSY US	Bryan D. Spillane
	Tyson Foods, Inc.	TSN	TSN US	Peter T. Galbo, CFA
	Utz Brands	UTZ	UTZ US	Peter T. Galbo, CFA
	WK Kellogg Co	KLG	KLG US	Peter T. Galbo, CFA



US - Consumables Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
UNDERPERFORM				
	Brown-Forman Corporation	BFB	BF/B US	Bryan D. Spillane
	Campbell Soup Company	CPB	CPB US	Peter T. Galbo, CFA
	Canopy Growth	YWEE	WEED CN	Lisa K. Lewandowski
	Canopy Growth	CGC	CGC US	Lisa K. Lewandowski
	Cronos Group	YCRON	CRON CN	Lisa K. Lewandowski
	Cronos Group	CRON	CRON US	Lisa K. Lewandowski
	Dole plc	DOLE	DOLE US	Bryan D. Spillane
	Herbalife Ltd	HLF	HLF US	Anna Lizzul
	Hormel Foods Corp.	HRL	HRL US	Peter T. Galbo, CFA
	Kimberly-Clark	KMB	KMB US	Anna Lizzul
	The Duckhorn Portfolio, Inc.	NAPA	NAPA US	Peter T. Galbo, CFA
RSTR				
	The Vita Coco Company, Inc.	COCO	COCO US	Bryan D. Spillane

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

EV / EBITDA

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill Amortization

Shareholders' Equity

Sales

N/A

N/A

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

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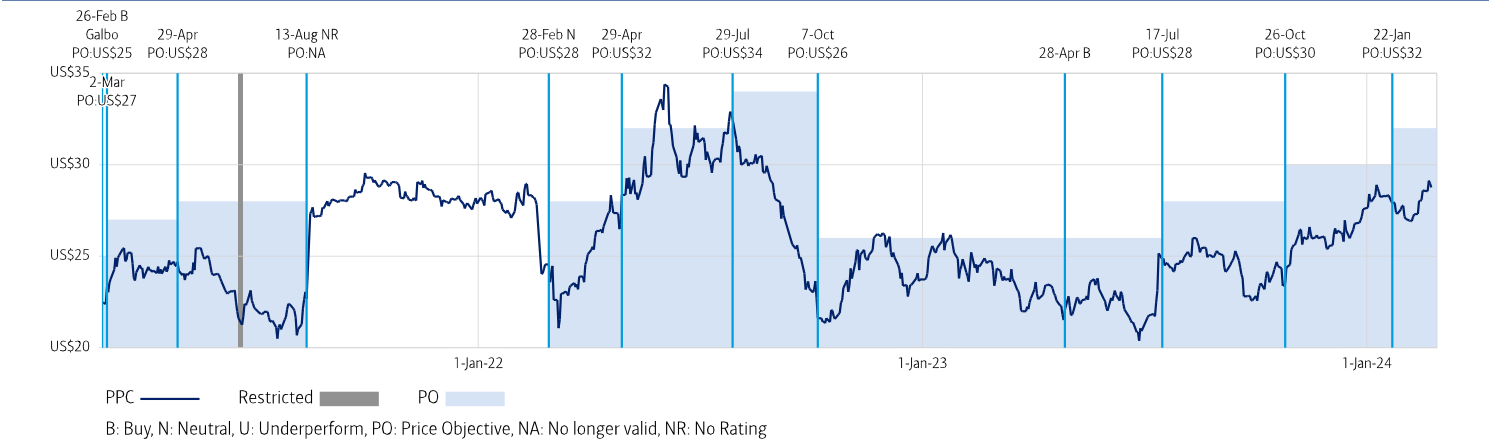
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Pilgrim's Pride (PPC) Price Chart



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Equity Investment Rating Distribution: Food Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	33	49.25%	Buy	16	48.48%
Hold	17	25.37%	Hold	10	58.82%
Sell	17	25.37%	Sell	8	47.06%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

^{R1} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R2} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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