

HOLD (from BUY)

Target Price (IDR)	2,400
Potential Downside (%)	(7.7)

Consensus

Cons. Target Price (IDR)	3,107
SSI vs. Cons (%)	77

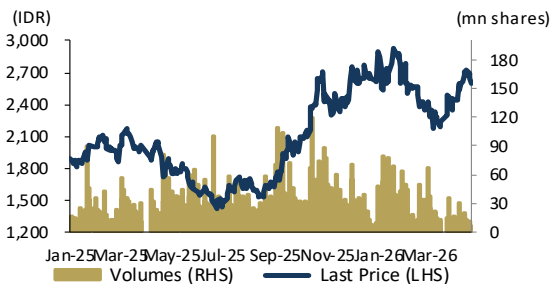
Stock Information

Last Price (IDR/share)	2,600
Shares Issued (mn)	11,727
Market Cap. (IDR bn)	30,489
52-Weeks High/Low (IDR)	2,970/1,415
3M Avg. Daily Value (IDR Bn)	56.8
Free Float (%)	43.2
Shareholder structure (%):	
Japfa Pte Ltd	55.4
Public	43.7
Others	0.9

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	(0.8)	16.1	(9.7)	51.6
JCI Return	(13.0)	5.9	(16.3)	15.1
Relative	12.2	10.2	6.6	36.5

Stock Price & Volume



Company Background

Established in 1995 and listed in 2005, PT Japfa Comfeed Indonesia Tbk (JPFA), owned by Santosa family, is a major producer of animal feeds (31% market share) and poultry products (36% share) in Indonesia. In poultry landscape, JPFA is vertically integrated across segments from feed (24.6% FY25 sales), poultry breeding (5.6%), farming (40.3%), to processing & consumer protein products (16.6%) and others (12.9%).

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JPFA Bittersweet

Margins hurt by rising feed costs (50% of COGS) on global energy crisis and IDR weakness.

We expect Indonesian poultry stocks, including JPFA, to record lower 2026F margins on the current global energy crisis. This environment will cause higher input costs, particularly for imported soybean meal (SBM), vitamins, concentrates, and premixes, collectively accounting for approximately 50% of COGS. The surge in crude oil prices is expected to increase global demand for biodiesel, which utilizes CPO, resulting in further higher SBM prices, negative for poultry. This is compounded by the government's recent initiative to appoint Berdikari as the single gateway for national SBM imports, as well as Indonesia's strengthening trade relationship with the US, which may lead to greater reliance on relatively more expensive US-sourced SBM. Elevated crude oil prices will also further raise feed additive costs due to dependence on energy-intensive production processes and transportation, as we had observed in 2022. In addition, with those raw-mats being USD-linked, further IDR depreciation will apply added margin pressure. Thus, we forecast JPFA's GPM to fall to 20.7% in 2026F (2025: 21.7%) with NPM to 5.9% (2025: 6.6%).

Favorable supply–demand dynamics in 2026F to retain elevated DOC & live bird prices.

On a more positive note, JPFA is expected to continue benefiting from strong broiler and DOC prices, supported by tighter local supply conditions. This supply tightness was partly driven by the Indonesian government's decision to lower GPS import quota to 535k back in 2024 (-22.6% YoY), likely to stabilize—or even limit—supply growth and further restrict 2026F market conditions. At the same time, chicken demand is projected to strengthen structurally, supported by additional 0.67mt (14% of 2026F demand) of chicken demand from the government's free-meals program. We also believe that, despite challenging 2026F economic condition amid potential energy-related pressures, broiler demand will remain resilient amid higher fuel prices as chicken is arguably the most affordable source of protein per gram: beef is ~5x more expensive, eggs ~1.8x, and fish 1.5x.

HOLD — IDR 2,400 TP on mixed outlook and unexciting earnings growth through 2027F.

We cut our sectoral weighting from Overweight to NEUTRAL as we expect Indonesia's poultry sector outlook to be mixed, supported by higher broiler and DOC prices but offset by rising raw materials costs, resulting in muted bottom-line growth for JPFA of -0.8% YoY in 2026F and unexciting earnings growth in 2027F. Accordingly, we assign HOLD rating (from BUY) for JPFA, with unchanged IDR 2,400 TP. Downside risks: protracted Iran war and worsening IDR depreciation; upside risks: lower raw-mat prices and improved operating efficiencies.

Key Data, Ratios & Valuations (at closing price IDR 2,600 per share)

Y/E Dec	23A	24A	25A	26F	27F	28F
Revenue (IDR bn)	51,176	55,801	60,716	66,786	68,841	72,926
Net Profit (IDR bn)	930	3,019	4,004	3,971	4,225	4,801
EBITDA (IDR bn)	3,272	6,274	7,290	7,332	7,782	8,875
EV/EBITDA (x)	13.0	6.5	5.5	5.4	5.0	4.3
EPS (IDR)	80	260	344	342	363	413
EPS Growth (%)	(34.6)	224.7	32.6	(0.8)	6.4	13.6
P/E Ratio (x)	32.5	10.0	7.6	7.6	7.2	6.3
P/S Ratio (x)	0.6	0.5	0.5	0.5	0.4	0.4
ROE (%)	6.6	18.2	20.0	17.5	16.5	16.6
ROA (%)	2.7	8.7	10.0	9.2	9.1	9.7
ROIC (%)	3.8	12.1	14.8	13.7	13.8	14.8
Dividend Yield (%)	1.9	2.7	3.8	5.3	5.3	5.7
Net Gearing (%)	80.1	56.7	41.5	34.8	27.3	19.6

Sector View: Cut to NEUTRAL from Overweight

The Bitter Part...

Current energy crisis prompted Malaysia to expand mandatory biodiesel blend to B20 and... Malaysia should accelerate the adoption of higher biodiesel blends to mitigate the impact of rising global fuel prices and enhance energy security, according to the Malaysian Biodiesel Association (MBA). The ongoing Middle East conflict has disrupted key shipping routes and oil production, putting immense pressure on global fuel supply chains, leading to higher fuel costs worldwide. This, in turn, affects domestic fuel prices, inflation, and economic stability in Malaysia. To address these challenges, Malaysia plans to gradually implement the B20 biodiesel policy nationwide, with consideration of palm oil price sensitivity to crude oil fluctuations. Currently, Malaysia enforces a B10 biodiesel mandate in the transportation sector, and B20 is already in place in Labuan, Langkawi, and Sarawak (excluding Bintulu).

...push Indonesia towards rolling out B50 biodiesel,... Meanwhile, Indonesia's move towards B50 biodiesel is seen as a solution to the ongoing energy crisis, with the Ministry of Agriculture testing the use of B50 in agricultural machinery, including tractors and water pumps. Field and laboratory tests have shown that B50 performs stably without compromising operational reliability. Minister Andi Amran Sulaiman emphasized that this program reduces diesel imports by converting CPO into biodiesel, making use of Indonesia's locally produced commodity.

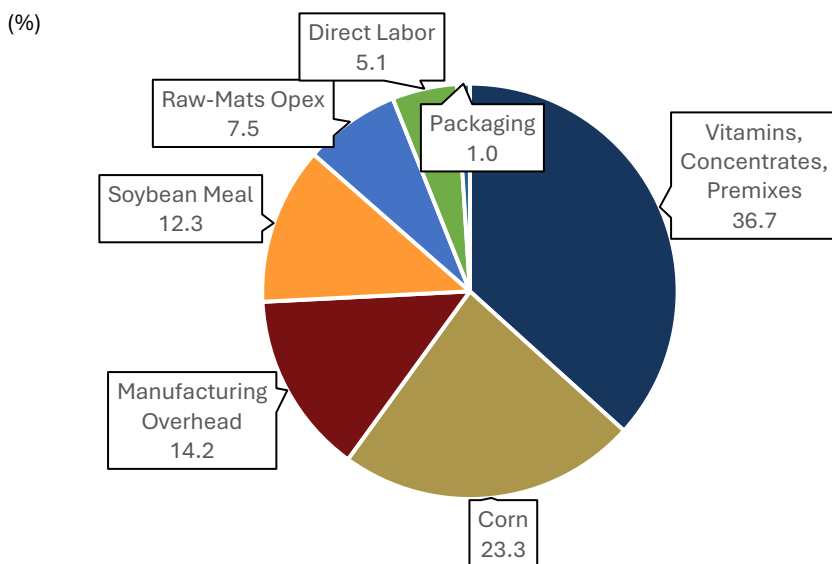
..., resulting in both higher CPO as well as soybean meal prices Both Malaysia and Indonesia, which together account for 85% of global CPO production, risk causing significant disruptions to the global CPO supply chain if they increase their biodiesel output. As CPO prices rise, this will likely drive up demand for soybeans, a premium substitute for CPO, due to the growing scarcity of vegetable oil. Additionally, the price gap between soybean meal (SBM) and CPO is expected to narrow, further intensifying this shift in demand.

Malaysian Biodiesel Association urges Malaysia to accelerate higher biodiesel blends to combat rising fuel prices and strengthen energy security amid global energy supply chain disruptions

Indonesia's shift to B50 biodiesel aims to address the energy crisis, reduce diesel imports, and make use of locally produced CPO

Malaysia and Indonesia, accounting for 85% of global CPO production, risk disrupting the CPO supply chain and driving up soybean prices

Figure 1. Average Indonesia Poultry Players' COGS Breakdown, 2025



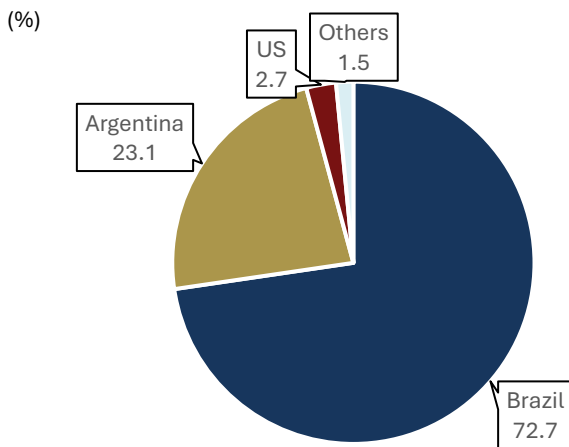
Sources: Various Sources, SSI Research

On average, SBM comprises 12.3% of Indonesia's poultry players' COGS, while total imported raw-mats amount to 50%

Higher US soymeal imports may pressure feed margins. Following the recent US–Indonesia trade agreement, Indonesia has pledged to increase several agricultural imports from the US. Indonesia plans to raise annual US wheat imports to 2 million metric tons from 1.1 million tons last year, increase soybean purchases to 3.5 million tons from 2.2 million tons, and expand soymeal imports to 3.8 million tons from 216,257 tons, among other commitments. Additionally, Berdikari has been assigned to import around 5 million tons of soybean meal in 2026 to supply feed mills and smallholder poultry farmers. However, US soybean meal prices are 7% higher than those from Brazil and Argentina. As most Indonesian poultry producers previously sourced soybean meal from these lower-cost suppliers, the shift toward US imports could increase feed input costs and potentially weigh on profitability margins across the sector.

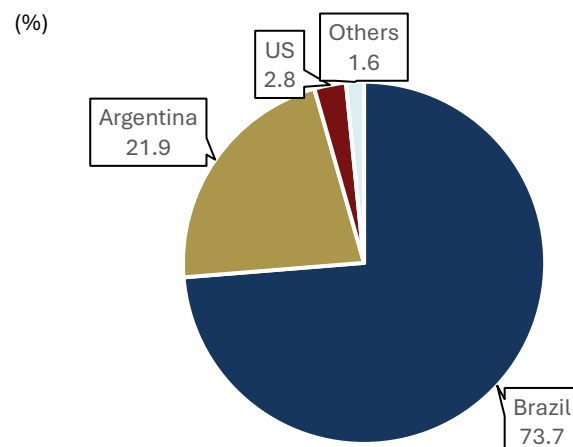
Higher US soymeal import prices could weigh on poultry feed margins

Figure 2. Indonesia SBM Import Origin by Quantity, 2024



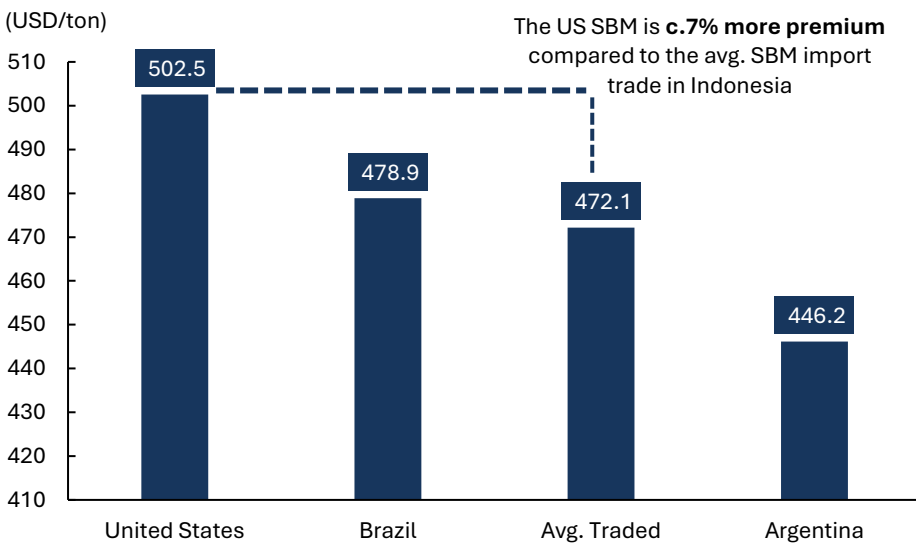
Sources: World Bank, SSI Research

Figure 3. Indonesia SBM Import Origin by Value, 2024



Sources: World Bank, SSI Research

Figure 4. Indonesia SBM Import Price per Ton, 2024



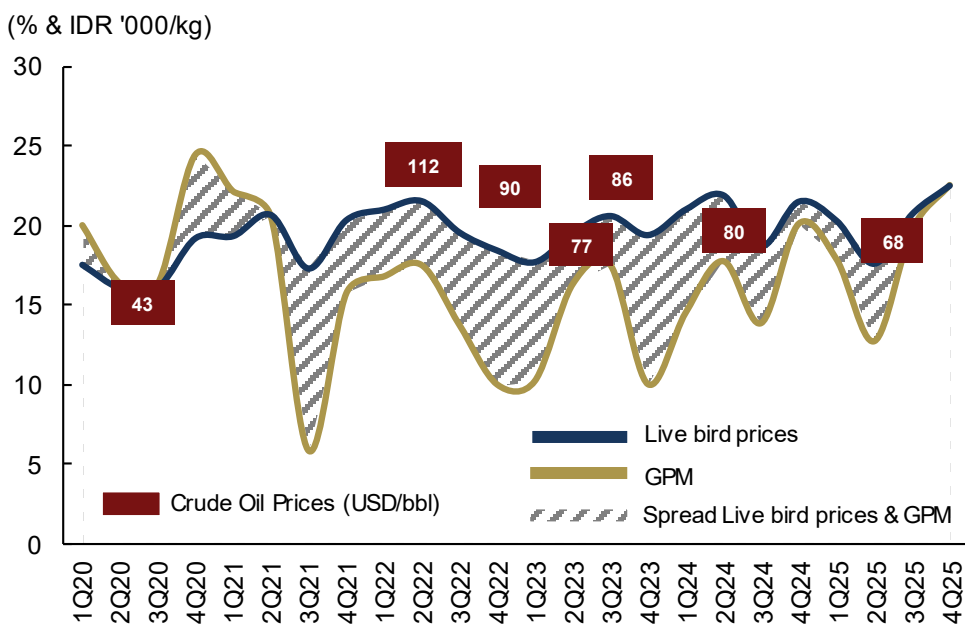
Sources: World Bank, SSI Research

US SBM 2024 import prices are relatively the highest at USD 502.5/ton, which potentially could lead to higher feed costs for Indonesia given recent strong relationship with America

Impact of global oil prices on Indonesia's poultry profitability. We believe that global oil prices will remain elevated in the long term, likely normalizing by 2027. As a result, we expect feed costs to rise. Our research shows that the profitability margins of Indonesia's poultry sector are highly sensitive to crude oil prices. In addition to affecting SBM prices, crude oil also impacts feed additive costs due to the energy-intensive nature of their production and transportation. Our findings indicate that when oil prices were normalized at USD 43/bbl in 2020, the spread between LB prices and GPM tended to increase. However, when oil prices surged to USD 122/bbl in the second half of 2022, the spread widened-down. More recently, as oil prices fell below USD 70/bbl, the spread began to narrow in 2024-2025.

Rising global oil prices are expected to increase feed costs, affecting Indonesia's poultry profitability, with crude oil impacting both SBM and feed additive prices

Figure 5. Weighted Indonesia's Poultry GPM, Live Bird Prices, and Global Crude Oil



Our findings show correlations that at high oil prices, GPMs of poultry players had the tendency to contract more

Sources: Arbogé, Bloomberg, SSI Research

...sweet

Tightening supply cycle due to lower GPS import quota to support Indonesia's poultry sector.

The Indonesian poultry sector is entering a potentially favorable cycle, supported by tightening supply conditions. The government's decision to reduce Grand Parent Stock (GPS) import quotas in 2024 to around 535k (-22.6% YoY) represents a critical supply shock that will only be fully reflected in the production cycle roughly 18–24 months later, reflecting the biological chain from GPS → Parent Stock (PS) → Final Stock (FS). As a result, the lower quota in 2024 is expected to translate into reduced DOC availability and weaker broiler supply starting in 2026. Assuming no additional government intervention and stable average harvesting weights, the broiler market may experience a tighter supply environment in 2026F. However, the higher GPS import quota of 800k birds planned for 2026 could eventually lead to a stronger supply cycle in 2027F. On the demand side, we use Indonesia's GDP as a benchmark and find that every IDR 6.7tn increase in GDP requires approximately one ton of chicken, implying demand growth of around 1.88% CAGR over 2025–28F.

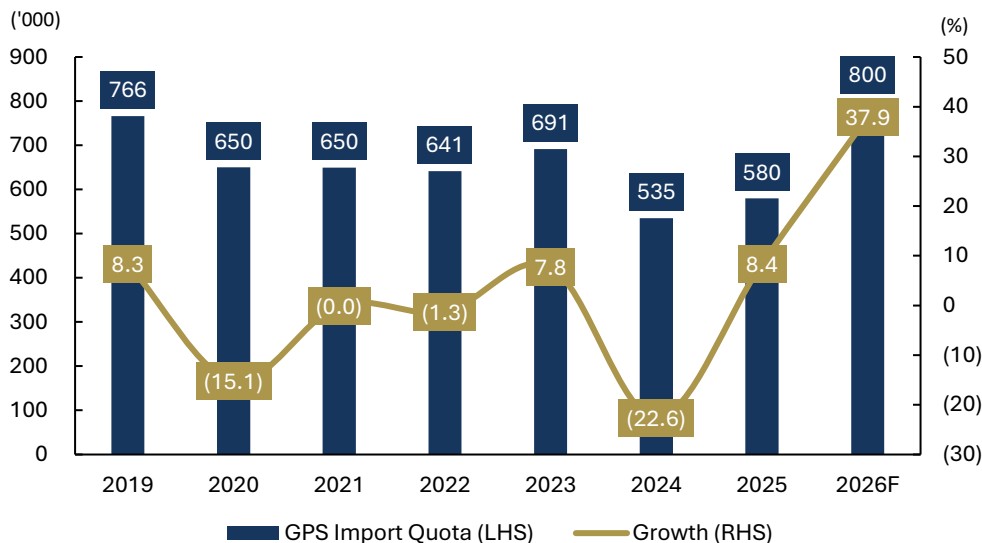
Lower GPS imports tighten supply, supporting favorable poultry cycle

Figure 6. Indonesia Broiler Supply-Demand Forecast Model

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2018-24 CAGR (%)	2025-28F CAGR (%)
Supply													
GPS Import Quota (birds)	707	766	650	650	641	691	535	580	800	NA	NA	-	-
Live Bird Population (mn)	3,138	3,170	2,920	2,889	3,168	3,189	3,205	3,323	2,622	2,871	3,960	0.36	6.02
Avg. Weight per Live Bird (kg)	1.1	1.1	1.1	1.1	1.2	1.3	1.2	1.2	1.2	1.3	1.3	1.93	0.75
Broiler Supply (mt)	3.4	3.5	3.2	3.2	3.8	4.0	3.9	4.1	3.2	3.6	5.0	2.29	6.82
Broiler Supply Growth (%)	-	2.5	(7.9)	(1.0)	18.2	6.2	(2.3)	4.0	(21.1)	12.0	37.9	-	-
Demand													
GDP Constant (IDR tn)	10,426	10,949	10,722	11,120	11,710	12,301	12,921	13,580	14,273	15,000	15,781	3.64	5.13
GDP Growth (%)	-	5.0	-2.1	3.7	5.3	5.0	5.0	5.1	5.1	5.1	5.2	-	-
Actual GDP (IDR tn)	14,837	15,833	15,443	16,977	19,588	20,892	22,139	23,821	25,036	26,313	27,681	6.90	5.13
GDP / Chicken Demand (IDR tn)	5	5	5	6	6	6	6	6	6	6	7	3.42	3.19
Broiler Demand (mt)	3.1	3.3	3.2	3.0	3.2	3.5	3.7	3.9	4.0	4.1	4.1	3.36	1.88
Broiler Demand Growth (%)	-	6.6	(2.3)	(6.9)	8.0	10.7	5.2	5.4	1.8	1.9	2.0	-	-

Sources: MoA, Central Bureau of Statistics, SSI Research

Figure 7. Indonesia GPS Import Quota, 2018-26F



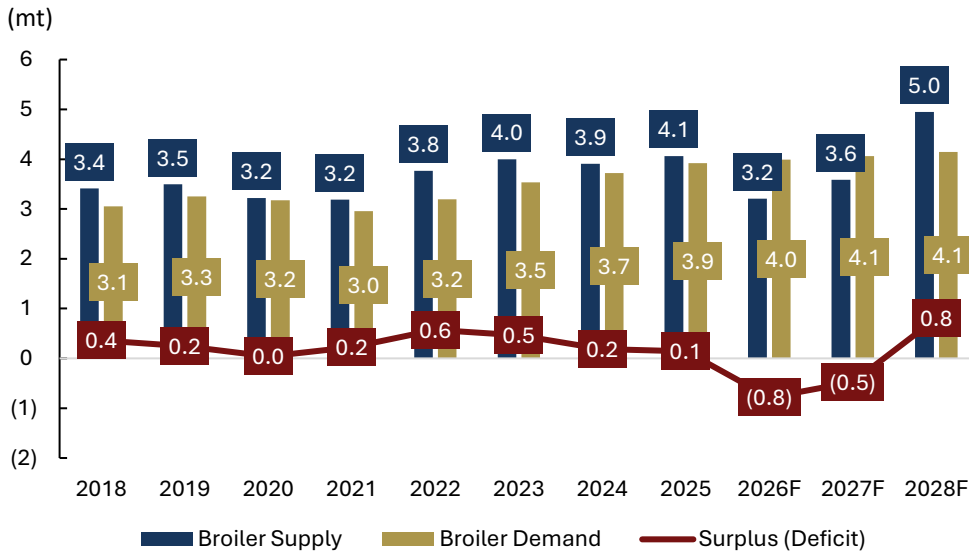
Sources: GPPU, MoA, SSI Research

To control supply of broiler chickens, Indonesia GPS import quota fell to 535k birds in 2024, lowest level since 2019

Tightening supply-demand balance to support poultry margins. Combining lower supply and solid demand dynamics suggests that Indonesia could shift into a temporary supply deficit during 2026–2027. Without policy intervention, our projections indicate the broiler market could face a deficit of around 0.8mt in 2026F and 0.5mt in 2027F. Historically, however, Indonesia’s broiler industry has never recorded an annual deficit within the timeframe of our research, implying that supply adjustments or policy responses typically emerge to rebalance the market. Nevertheless, this tightening balance should support higher broiler prices and improved margins for integrated poultry producers, particularly those with strong breeding and feed capabilities. We may also see lower culling activity going forward. Reduced culling improves poultry margins primarily through stronger breeder farm productivity and higher hatchery utilization. With fewer day-old chicks destroyed, fixed production costs such as breeder feed, farm overhead, and hatchery expenses can be spread across a larger number of sellable chicks, lowering unit production costs and supporting gross margins.

Tight supply and solid demand of broiler chickens may lift profitability margins,...

Figure 8. Indonesia Broiler Supply-Demand, 2018-28F



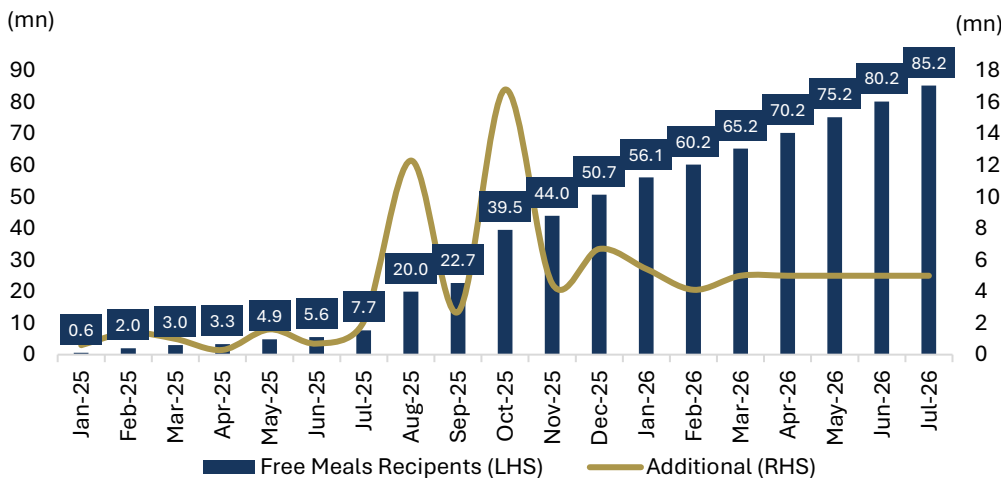
... as Indonesia shifts into deficit during 2026–27F, assuming similar multipliers and no government interventions

Sources: MoA, SSI Research

Free-meals program to further increase 14% poultry demand. Indonesia’s free-meals program had reached 60.2 million recipients as of Feb-26. Based on the pace of expansion over the past three months and using a conservative assumption, we believe the government could reach its target of 82.9 million recipients before Jul-26. Our channel checks with SPPGs indicate that each meal includes roughly 78 grams of chicken meat (including bones), served approximately twice per week. Based on this consumption pattern, the program could add around 0.67mt of annual chicken demand, equivalent to about 14% of our projected 2026F demand. As a result, the additional demand could deepen the projected supply gap, bringing the potential deficit to around 1.5mt in 2026F and about 1.1mt in 2027F.

Free-meals program may add around 0.67mt/annum or equal to 14% chicken demand in 2026F

Figure 9. Free-Meals Program Recipients, Jan-25 – Jul-26



Assuming similar developments in the last three months, we believe Indonesia free-meals program will reach 82.9mn recipients before Jul-26, earlier than their FY26 target

Sources: MoF, SSI Research

Figure 10. Free-Meals Program Budget Breakdown

Variable (IDR/box)	Cost
Rice	3,000
Vegetables	2,000
Protein (Chicken/Fish/Egg/Etc)	3,500
Others	1,500
Total Food Budget Allocation	10,000
Operational Expense	3,000
Building Rental	2,000
Total Free-Meals Program Cost per Box	15,000
Total Rough Budget for Free-Meals Program per Annum (IDR tn)*	129

*assuming 82.9mn recipients with and 104x frequency per annum

Sources: BGN, SSI Research

It is estimated that the government allocates around 23% of its per-box budget to protein sources such as chicken, fish, eggs, and other similar items

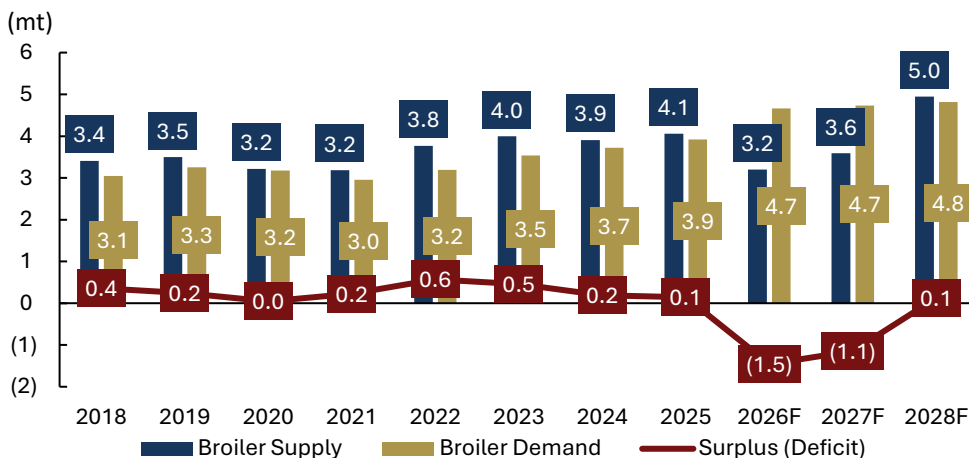
Figure 11. Free-Meals Program Estimates

	Worst	Base	Best
Target recipients in 2026 (mn people)	82.9	82.9	82.9
Free-meals food budget (IDR/box)	10,000	10,000	10,000
Carcass price per 1,300 gram (IDR)	33,000	33,000	33,000
Chicken price per gram (IDR)	25.4	25.4	25.4
Chicken weight per box (gram)	50.0	78.0	100.0
Chicken meat cost per box (IDR)	1,269	1,980	2,538
Chicken meat cost per box (%)	12.7	19.8	25.4
Frequency in a week (x)	1.0	2.0	3.0
Frequency in a year (x)	52.0	104.0	156.0
Chicken needed a year per person (kg)	2.6	8.1	15.6
Chicken needed per annum (tons)	215,540	672,485	1,293,240
Size to Indonesia 2026F demand (%)	4.6	14.4	27.7
Chicken budget needed in a year (IDR tn)	5.5	17.1	32.8
Chicken cost per IDR 295tn free-meals budget (%)	1.9	5.8	11.1

Sources: BGN, MoF, SSI Research

Free-meals program will add chicken demand amounting to 0.67mt, which...

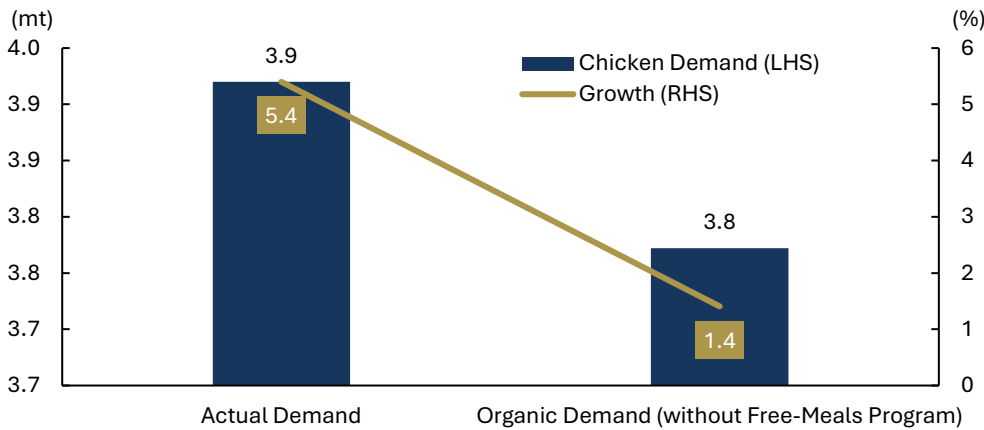
Figure 12. Indonesia Broiler Supply-Demand +Free Meals Program, 2018-28F



Sources: MoA, SSI Research

...will lead to further deficit of 1.5mt in 2026F

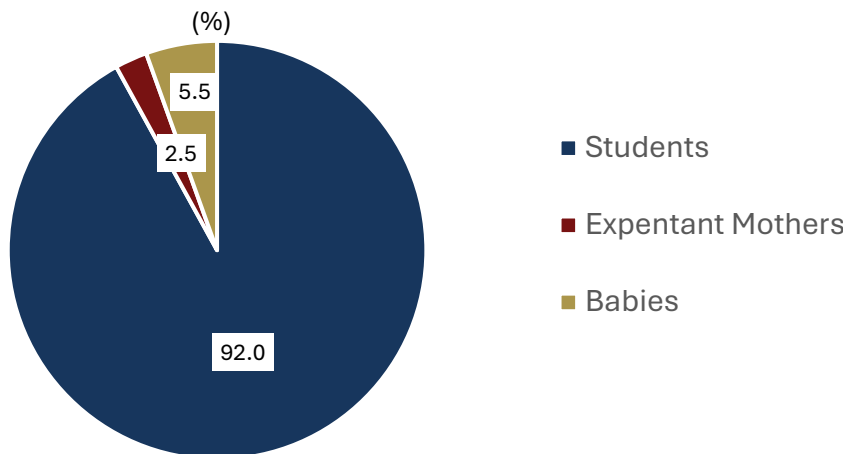
Figure 13. Chicken Demand with & without Free-Meals Program, 2025



Sources: SSI Research

Our research indicates that the demand for organic chicken in Indonesia grew just +1.4% YoY, which we attribute to the soft economic environment due to layoffs and IDR depreciation

Figure 14. Free Meals Program Recipients Breakdown, 2025



Sources: BGN, SSI Research

The additional demand for poultry in Indonesia is primarily driven by student recipients, which accounted for 92% of beneficiaries as of Dec-25

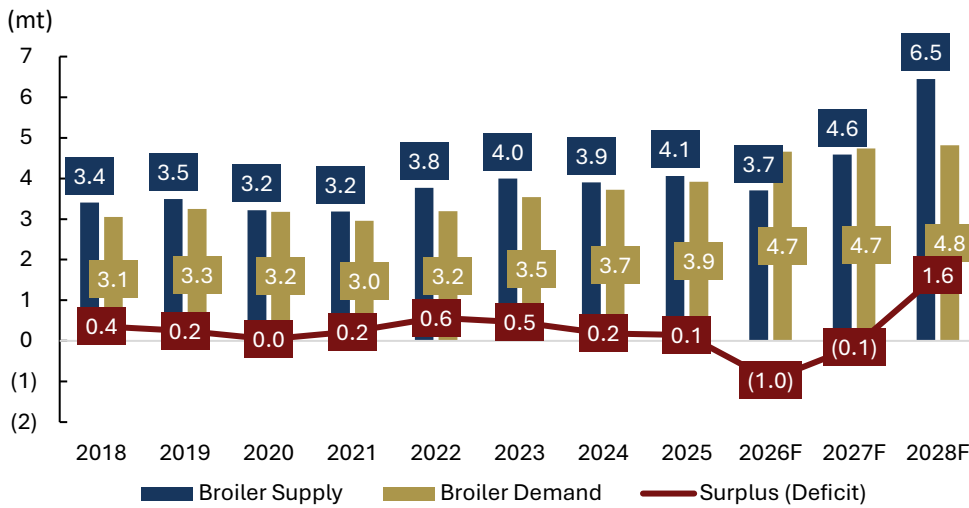
Danantara to expand integrated poultry infrastructure... The government-backed investment platform Danantara has announced plans to develop vertically integrated poultry farming operations, covering feed production through broiler farming, with a total investment value of around IDR 20tn. The government estimates that the program could add approximately 1.5mt of chicken meat production and one million tons of eggs annually. In the initial phase, development will take place across six locations: Malang in East Java, Bone in South Sulawesi, North Gorontalo in Gorontalo, Paser in East Kalimantan, Sumbawa in West Nusa Tenggara, and South Lampung in Lampung. Over the longer term, the program is planned to expand to around 30 locations nationwide.

Danantara plans IDR 20tn investment to expand integrated poultry production, which...

...to support regional price stability rather than immediate supply surge. While this initiative could partially offset the anticipated supply shortage, its impact on national supply is likely to remain limited in the near term. Much of the planned expansion is expected to take place outside Java, where poultry prices are structurally higher due to logistical constraints and less developed supply chains. For example, broiler reference prices in East Nusa Tenggara reach around IDR 28.6/kg, significantly above prices in major production regions, particularly in Java. As a result, these investments are likely aimed more at improving regional price stability and strengthening food security rather than materially increasing nationwide broiler supply, in our view. Accordingly, we estimate the supply deficit could narrow to around 1.0mt in 2026F and 0.1mt in 2027F, before the market potentially shifts into a surplus of around 1.6mt in 2028F.

... are largely located outside Java to help create more stable environment for the poultry sector in our view

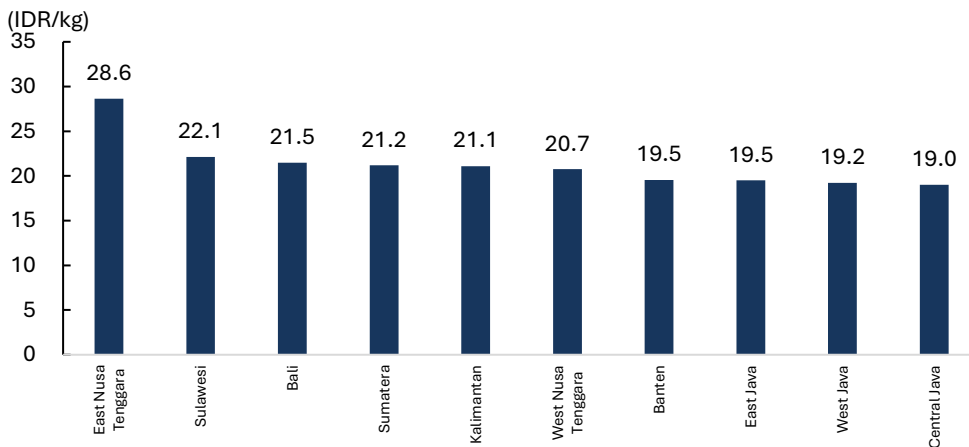
Figure 15. Broiler Supply-Demand +Free-Meals Program +Danantara Integration Farms, 2018-28F



Danantara's poultry integration infrastructure will help cushion supply deficit, based on our estimates

Sources: MoA, SSI Research

Figure 16. Broiler Reference Price by Province, 2025



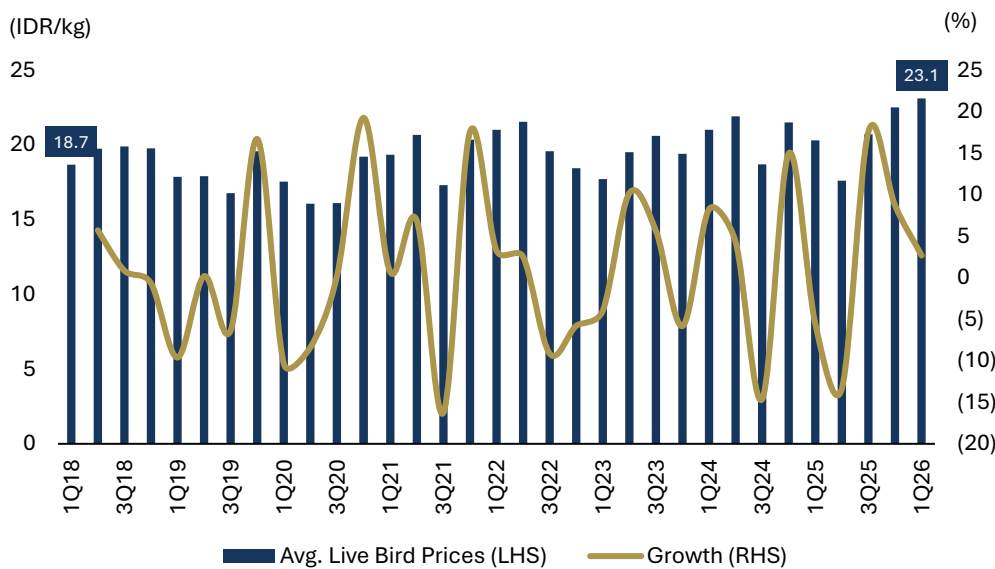
Broiler prices outside Java are typically higher than in Java; for example, prices in NTB are about 50% higher than the Java average

Sources: Arboge, Pinsar, SSI Research

Strong poultry prices to persist on tight supply and rising demand. We believe live bird and DOC prices are likely to remain elevated for longer, supported by a favorable supply–demand balance. The lower GPS import quota in 2024 has tightened supply conditions, while demand continues to strengthen alongside the rapid rollout of the free-meals program. The recent expansion of the program has been a key driver behind the strong recovery in poultry prices. Live bird prices recorded a new quarterly high, averaging IDR 23.1/kg in 1Q26. Meanwhile, DOC prices have remained strong for more than 12 months. After falling to around IDR 2,000 per chick in 1Q25 amid weak purchasing power early in the year, DOC prices have since rebounded and stayed above IDR 7,000 per chick for more than seven months.

Recent strong broiler and DOC prices are poised to continue on tight supply and rising demand

Figure 17. Avg. Live Bird Prices, 1Q18-26



Compared to the last eight years, live bird prices are already +23.5% higher, suggesting more favorable supply-demand cycle

Sources: Arboge, Pinsar, SSI Research

Figure 18. Monthly DOC Prices, 2020-26YTD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Des
2020	5,770	5,775	5,840	2,883	2,722	6,715	5,249	3,230	3,667	5,554	7,009	7,764
2021	7,383	7,256	7,709	7,998	7,098	6,459	5,306	5,793	6,749	6,451	6,065	7,511
2022	7,435	6,944	7,010	4,360	4,611	4,484	5,669	6,322	5,148	3,903	5,338	6,575
2023	3,031	2,171	3,647	3,198	6,166	7,249	7,471	7,423	5,707	4,928	6,481	7,000
2024	4,070	5,445	5,726	6,480	7,855	8,769	8,108	7,530	5,155	5,591	7,058	6,137
2025	5,797	6,411	4,827	2,517	4,524	5,942	5,569	6,234	7,158	7,448	7,318	7,487
2026	7,250	7,271	7,350	NA	NA	NA	NA	NA	NA	NA	NA	NA

Sources: Pinsar, SSI Research

Indonesia resilient broiler demand despite fuel price hike. We recognize that escalating Middle East tensions involving the United States, Israel, and Iran, which have triggered an energy crisis, may soften Indonesia’s consumer environment. In response, the Indonesian government is likely to raise retail fuel prices to contain fiscal deficits, which could weaken consumer purchasing power. However, increases in fuel prices are not unprecedented. A similar situation occurred in 2022 under President Joko Widodo, when the government raised several fuel prices following a surge in Brent crude oil to USD 100–120 per barrel. Peralite (RON 90) increased to IDR 10,000 per liter (+31% YoY), Solar (CN 48) rose to IDR 6,800 per liter (+32% YoY), and Pertamina (RON 92) climbed to IDR 14,500 per liter (+61% YoY). Despite these fuel price hikes, broiler demand remained resilient, growing by 8% YoY in 2022 and continuing to expand by 11% YoY in 2023.

Although higher fuel prices may pressure consumers, past trends show that broiler demand in Indonesia remains relatively resilient,...

Figure 19. Indonesia Protein Intake per Day per Capita, 2017-2025

Variable	Dec-21	Dec-22	Dec-23	Remark
Peralite (IDR/liter)	7,650	10,000	10,000	The RON 90 subsidized fuel segment, primarily consumed by Indonesia’s middle-to-low income, grew 31% YoY in 2022 before stabilizing at IDR 10,000 per liter as of March 2026.
Solar (IDR/liter)	5,150	6,800	6,800	Subsidized diesel (CN 48), mainly used by trucks and logistics fleets, public transportation, and small industries, increased by 32% YoY in 2022.
Pertamax (IDR/liter)	9,000	14,500	13,200	The non-subsidized RON 92 fuel segment, typically used by the middle-to-upper income group, surged 61% YoY in 2022.
Broiler Demand (mt)	3.0	3.2	3.5	Despite government fuel price increases, broiler demand remained resilient, growing 8% YoY in 2022 and continuing to rise by 11% YoY in 2023.

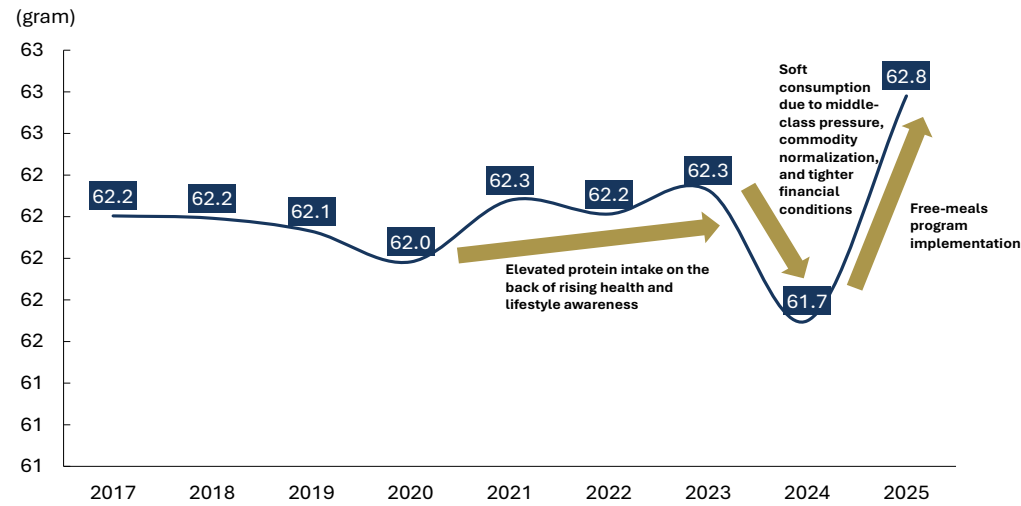
...reaching 3.2mt (+8% YoY) in 2022 and 3.5mt (+11% YoY) in 2023, although we saw declines in extreme pandemic periods back in 2020-21

Sources: Pertamina, MoA, SSI Research

Rising health awareness and protein trends should drive poultry demand in Indonesia. We believe that the ongoing shift toward healthier lifestyles—particularly rising protein awareness—will be a key driver of poultry demand in Indonesia. Post-COVID, Indonesian consumers have become increasingly conscious of nutrition, diet, and physical well-being. Protein plays a central role in this trend, as it is widely associated with fitness, weight management, and overall health outcomes. Numerous studies have shown a strong link between adequate protein intake and indicators such as BMI and obesity, reinforcing its importance in daily diets. Additionally, a survey conducted by NielsenIQ and Grab, covering more than 13,000 respondents, found that approximately 70% of Indonesians aim to consume healthy food regularly.

Growing post-pandemic health consciousness and strong consumer interest in protein-rich diets are expected to significantly boost poultry demand in Indonesia

Figure 20. Indonesia Protein Intake per Day per Capita, 2017-2025



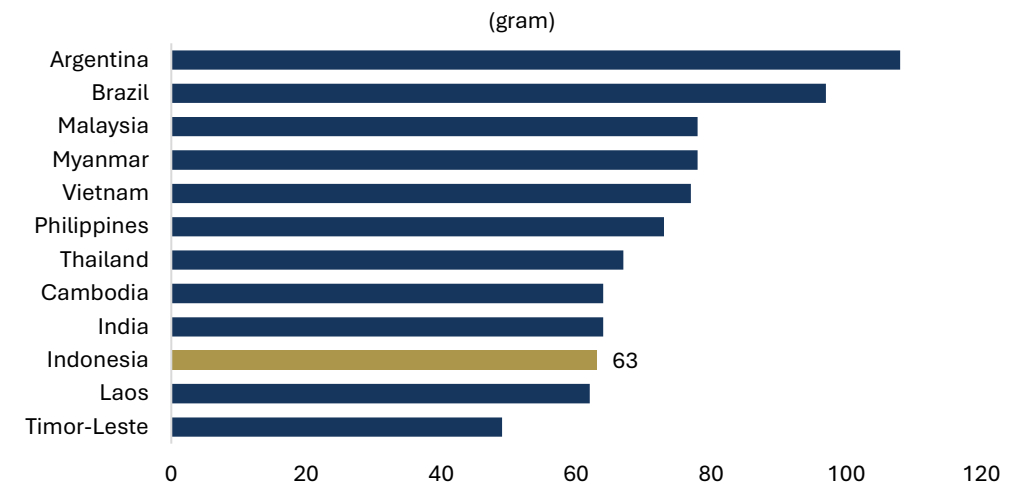
Sources: Central Bureau of Statistics, SSI Research

Indonesia’s protein consumption growth favors poultry demand. Indonesia’s current intake stands at around 63 grams per capita per day, exceeding the government’s recommended level of 57 grams. However, this remains significantly below more developed protein-consuming markets such as Argentina and Brazil (c.100 grams), and still lags several Southeast Asian peers. This gap indicates continued headroom for protein consumption growth over the medium to long term. Within this context, poultry—particularly chicken—stands out as the primary beneficiary. Chicken is the most widely consumed protein source in Indonesia due to its affordability and accessibility. On a per-protein basis, it is structurally the most cost-efficient option, making it the default choice for mass consumption. Compared to other protein sources, chicken is significantly cheaper: beef is approximately five times more expensive per unit of protein and remains a premium option, while fish occupies a mid-range position. Eggs, while affordable on a per-unit basis, have lower protein density and are roughly 1.8x more expensive than chicken when measured per gram of protein. That said, demand for broilers should be more resilient going ahead.

Post-COVID-19 pandemic, Indonesia’s per capita protein intake per day rose to nearly 63 grams

Chicken’s position as the most affordable protein source supports resilient broiler demand

Figure 21. World Protein Intake Comparison



Sources: FAOSTAT, Central Bureau of Statistics, SSI Research

Indonesia’s protein intake still trails global and regional peers, leaving room for growth

Figure 22. Indonesia Protein Source Comparison

Protein Source	Price (IDR/kg)	Price (IDR per 100g)	Protein Size per 100g (gram)	Price per 1g Protein (IDR)
Chicken	35,000	3,500	27	130
Fish	45,000	4,500	23	196
Eggs	30,000	3,000	13	231
Beef	140,000	14,000	22	636

Sources: Various Sources, SSI Research

Chicken is the cheapest protein source: beef is ~5x more expensive, with eggs at c.1.8x, and fish at 1.5x

Financial Figures

Figure 23. 4Q25 Results

4Q25 Results (IDR bn)	4Q24	3Q25	4Q25	QoQ (%)	YoY (%)	12M24	12M25	YoY (%)
Revenues	14,521	15,623	17,611	12.7	21.3	55,801	60,716	8.8
Gross Profit	3,274	3,437	4,476	30.2	36.7	11,218	13,191	17.6
EBIT	1,430	1,782	2,267	27.2	58.5	5,213	6,150	18.0
EBITDA	1,793	2,242	2,704	20.6	50.8	6,274	7,290	16.2
Net Profit	923	1,175	1,593	35.5	72.5	3,019	4,004	32.6

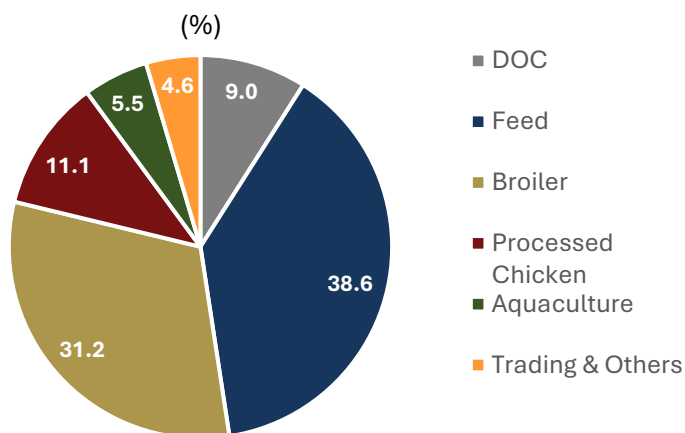
Key Ratios	4Q24	3Q25	4Q25	QoQ (%)	YoY (%)	12M24	12M25	YoY (%)
GPM (%)	22.5	22.0	25.4	-	-	20.1	21.7	-
OPM (%)	9.8	11.4	12.9	-	-	9.3	10.1	-
EBITDA Margin (%)	12.3	14.3	15.4	-	-	11.2	12.0	-
NPM (%)	6.4	7.5	9.0	-	-	5.4	6.6	-

Sales Breakdown

	4Q24	3Q25	4Q25	QoQ (%)	YoY (%)	12M24	12M25	YoY (%)
DOC	2,043	2,115	2,630	24.3	28.7	8,005	8,366	4.5
Feed	8,086	8,815	10,409	18.1	28.7	33,492	35,826	7.0
Broiler	6,938	7,396	8,541	15.5	23.1	26,913	28,973	7.7
Processed Chicken	2,434	2,661	2,845	6.9	16.9	8,719	10,334	18.5
Aquaculture	1,268	1,344	1,446	7.6	14.1	4,771	5,113	7.2
Trading & Others	975	1,086	1,157	6.5	18.6	3,742	4,261	13.9
Elimination Revenue	(7,223)	(7,796)	(9,416)	20.8	30.4	(29,841)	(32,158)	7.8

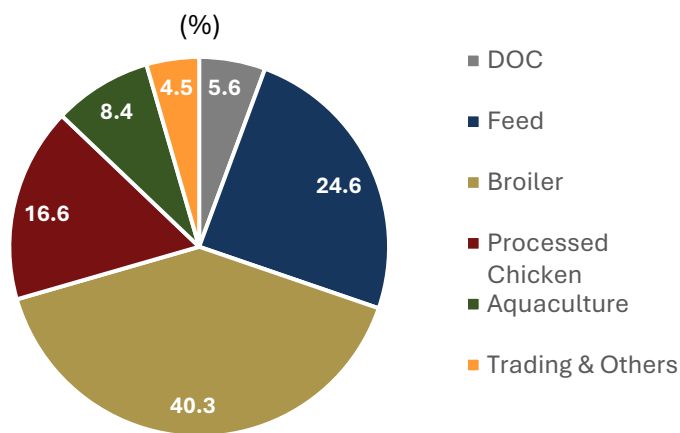
Sources: Bloomberg, Company, SSI Research

Figure 24. Gross Revenues Breakdown, 2025



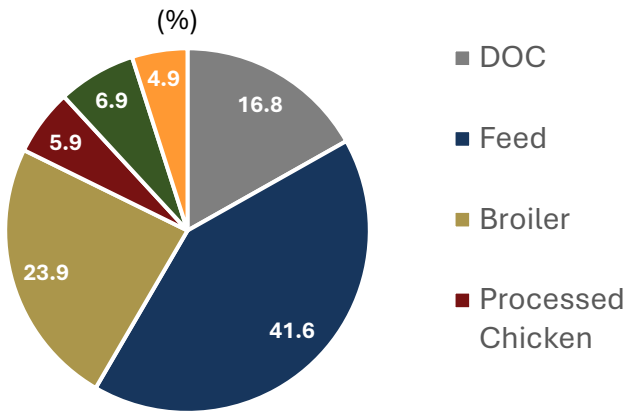
Sources: Company, SSI Research

Figure 25. Net Revenues Breakdown, 2025



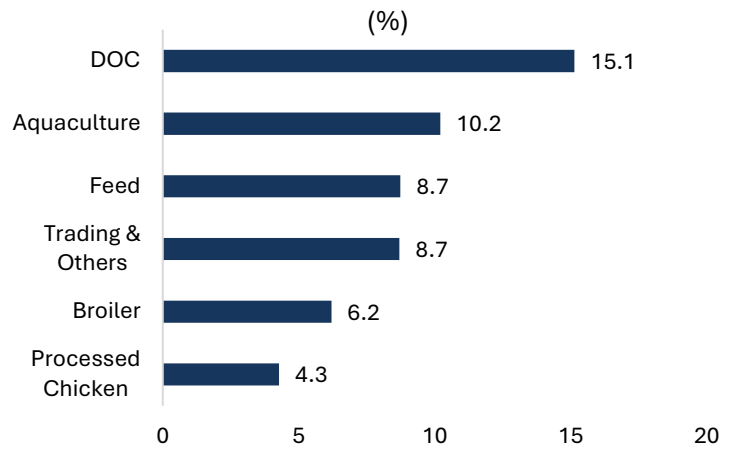
Sources: Company, SSI Research

Figure 26. EBIT Contribution by Segment, 2025



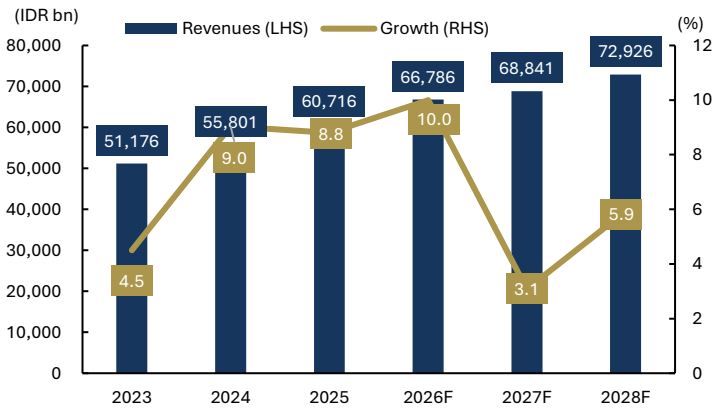
Sources: Company, SSI Research

Figure 27. EBIT Margins by Segment, 2025



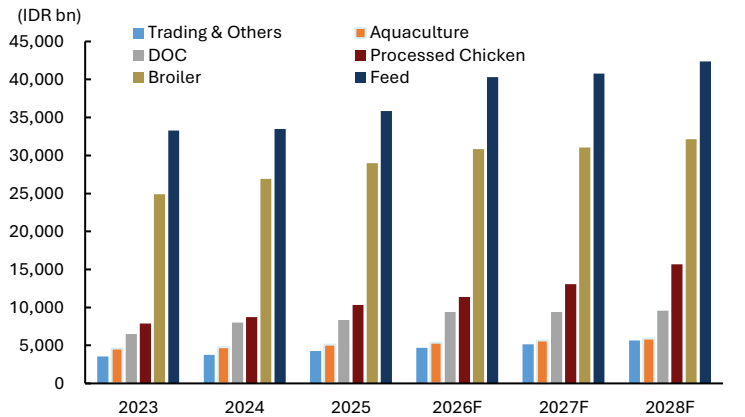
Sources: Company, SSI Research

Figure 28. Revenues, 2023-28F



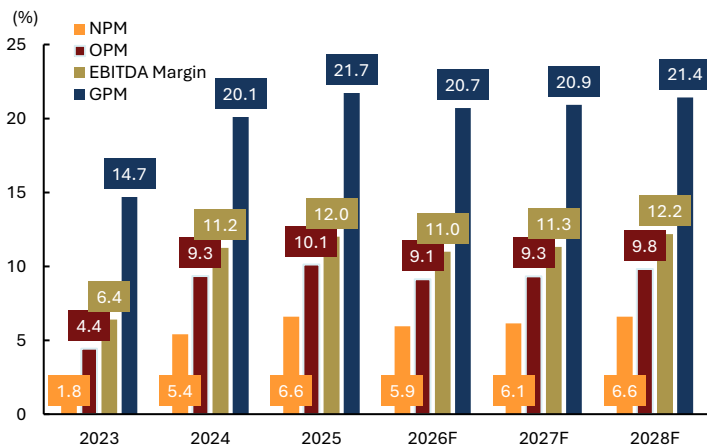
Sources: Company, SSI Research

Figure 29. Revenues Breakdown by Segment, 2023-28F



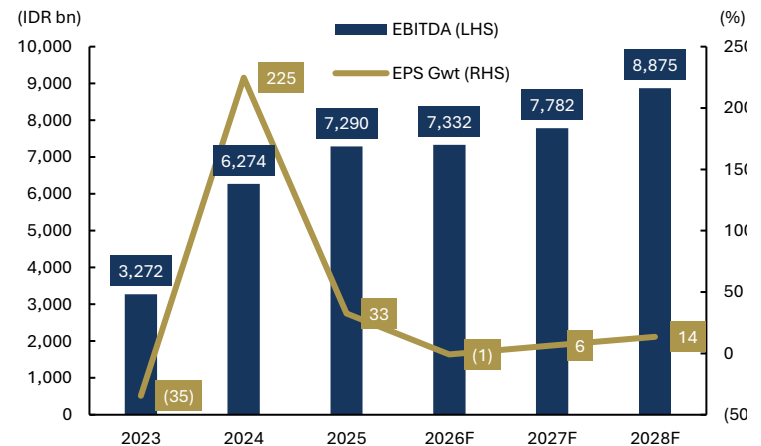
Sources: Company, SSI Research

Figure 30. Profitability Margins by Segment, 2023-28F



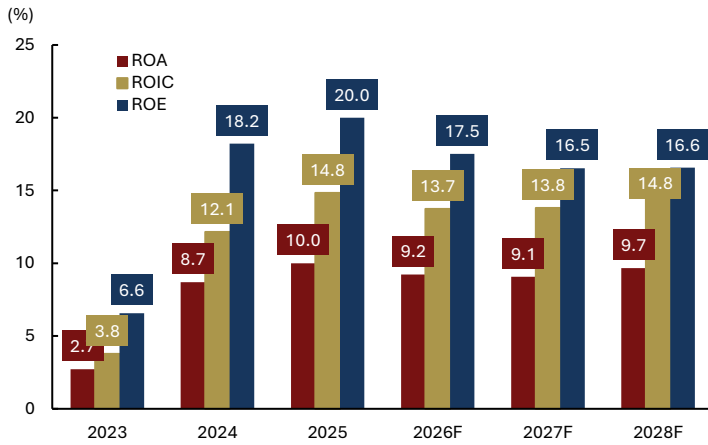
Sources: Company, SSI Research

Figure 31. EBITDA & EPS Growth, 2023-28F



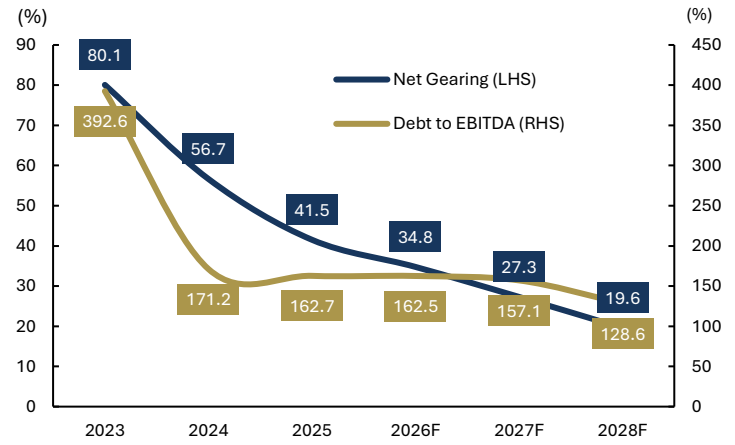
Sources: Company, SSI Research

Figure 32. Profitability Metrics, 2023-28F



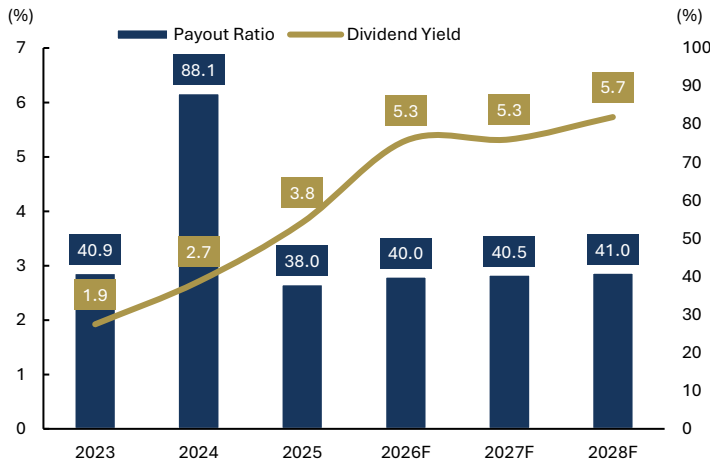
Sources: Company, SSI Research

Figure 33. Leverage Metrics, 2023-28F



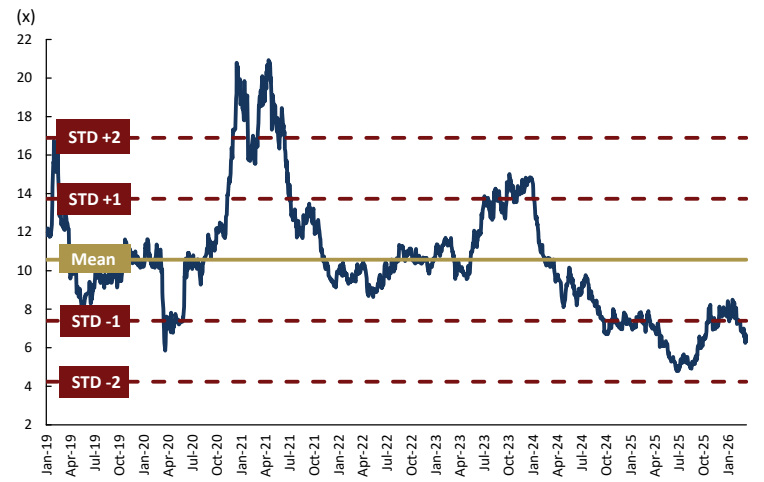
Sources: Company, SSI Research

Figure 34. Dividend Yield & Payout Ratio, 2023-28F



Sources: Company, SSI Research

Figure 35. Forward PE Band, 2019-26 YTD



Sources: Bloomberg, SSI Research

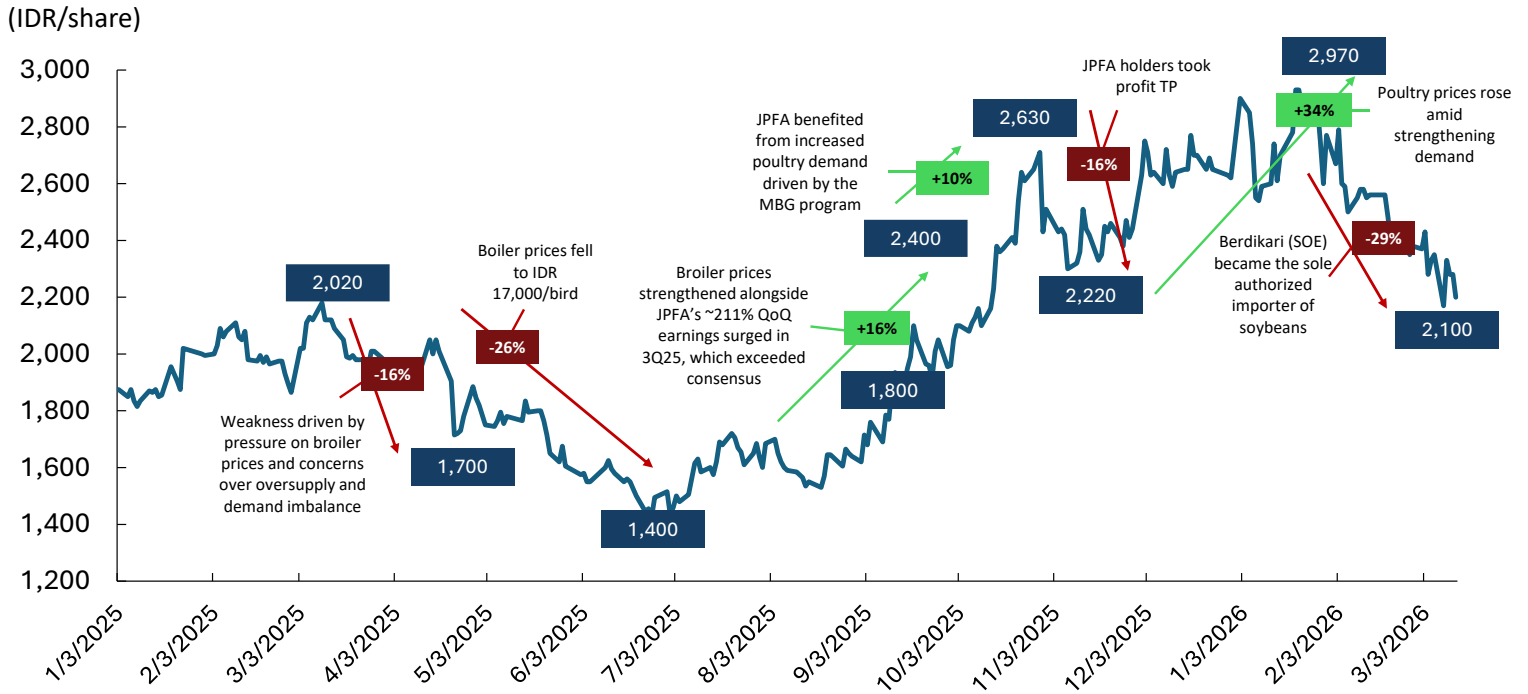
Figure 36. Peer Comparables

Company	Company	Mkt. Cap	EV	EPS Gwt 26F	P/E 26F	EV/EBITDA 26F	ROE 26F	Net Gearing	Div. Yield 26F	GPM	EBITDA Margin	BETA
Ticker	Name	USD mn	USD mn	(%)	(x)	(x)	(%)	(%)	(%)	(%)	(%)	
CPIN IJ	Charoen Pokphand Indonesia Tbk PT	4,187	4,319	11.0	13.8	8.5	14.4	NC	3.5	16.6	13.7	0.7
002299 CH	Fujian Sunner Development Co Ltd	3,476	4,603	26.9	17.8	11.8	11.1	61.4	2.3	13.3	12.5	0.8
LHIB MK	Leong Hup International Bhd	645	1,136	4.3	5.4	3.8	17.1	0.7	3.5	23.2	13.7	1.0
ING AU	Inghams Group Ltd	530	1,411	39.9	13.0	7.1	20.5	447.0	5.5	23.1	12.4	0.7
MAIN IJ	Malindo Feedmill Tbk PT	131	176	(1.6)	5.2	3.4	12.1	7.9	NA	9.9	6.7	1.1
CABC MK	CAB Cakaran Corp Bhd	90	204	13.3	3.4	3.4	12.0	NC	2.0	12.0	8.8	0.8
Global Sector		9,058	11,850	18.1	14.5	9.2	13.6	49.9	3.1	16.1	13.0	0.8
JPFA IJ	Japfa Comfeed Indonesia Tbk PT	1,773	2,339	(0.8)	7.6	0.3	17.5	34.8	5.3	20.7	11.0	0.8

Note: All forecasts come from Consensus other than JPFA

Sources: Bloomberg, SSI Research

Figure 37. What Drives JPFA's Share Price, 2025-YTD26



Sources: Bloomberg, Various Sources, SSI Research

Financial Highlights

Figure 38. Profit and Loss

Profit and Loss						
Y/E Dec (IDR bn)	23A	24A	25A	26F	27F	28F
Revenue	51,176	55,801	60,716	66,786	68,841	72,926
Cost of Goods Sold	(43,665)	(44,583)	(47,524)	(52,952)	(54,434)	(57,302)
Gross Profit	7,511	11,218	13,191	13,834	14,407	15,623
Operating Expenses	(5,247)	(6,005)	(7,042)	(7,746)	(7,984)	(8,458)
Operating Profit	2,264	5,213	6,150	6,088	6,423	7,166
EBITDA	3,272	6,274	7,290	7,332	7,782	8,875
Net Interest Income	(944)	(820)	(738)	(729)	(718)	(677)
Other Incomes (Expenses)	(59)	(152)	72	79	82	86
Pre-tax Profit	1,261	4,241	5,484	5,438	5,787	6,575
Income Tax	(315)	(1,029)	(1,202)	(1,192)	(1,269)	(1,442)
Profit for Period	946	3,212	4,281	4,246	4,518	5,133
Minority Interest	(16)	(193)	(277)	(275)	(293)	(333)
Net Profit	930	3,019	4,004	3,971	4,225	4,801

Sources: Company, SSI Research

Despite resilient top line, we project muted earnings growth on the back of higher raw materials costs due to global energy crisis

Figure 39. Balance Sheet

Balance Sheet						
Y/E Dec (IDR bn)	23A	24A	25A	26F	27F	28F
Cash & Equivalents	1,503	1,354	3,550	4,038	5,242	5,737
Receivables	2,456	1,677	3,198	3,294	3,414	3,636
Inventories	11,321	11,120	11,726	12,314	12,659	13,326
Other Current Assets	1,939	3,018	2,902	3,193	3,512	3,863
Total Current Assets	17,218	17,169	21,376	22,838	24,827	26,562
Fixed Assets	13,395	13,754	14,995	16,372	17,714	18,866
Other Non-Current Assets	3,496	3,743	3,689	3,838	4,045	4,271
Total Assets	34,109	34,666	40,060	43,049	46,586	49,700
ST. Debts	4,919	3,273	9,772	4,142	5,460	5,612
Payables	4,118	3,658	4,752	4,987	5,253	5,718
Other Current Liabilities	1,647	2,364	1,994	2,047	2,103	2,161
Total Current Liabilities	10,684	9,296	16,517	11,176	12,816	13,491
LT. Debts	7,927	7,471	2,090	7,776	6,764	5,801
Other LT Liabilities	1,332	1,327	1,434	1,434	1,434	1,434
Total Liabilities	19,942	18,094	20,041	20,386	21,013	20,726
Minority Interest	941	1,096	1,355	1,630	1,923	2,255
Total Equity	14,167	16,573	20,019	22,663	25,573	28,974

Sources: Company, SSI Research

We may see refinancing in 2026F, with total debt expected to stand at IDR 11.9tn

Figure 40. Cash Flow

Cash Flow						
Y/E Dec (IDR bn)	23A	24A	25A	26F	27F	28F
Net Profit	930	3,019	4,004	3,971	4,225	4,801
D&A	846	883	924	1,244	1,359	1,709
Changes in Working Capital	263	158	(1,288)	(686)	(463)	(717)
Operating Cash Flow	2,039	4,060	3,640	4,529	5,121	5,792
Capital Expenditure	(1,744)	(1,243)	(2,165)	(2,620)	(2,701)	(2,861)
Other Investments	(304)	(246)	54	(150)	(207)	(226)
Investing Cash Flow	(2,047)	(1,489)	(2,111)	(2,771)	(2,907)	(3,087)
Net Borrowing	(21)	(2,102)	1,118	56	306	(810)
Dividend Paid	(581)	(819)	(1,146)	(1,602)	(1,608)	(1,732)
Other Financing	302	201	695	275	293	333
Financing Cash Flow	(300)	(2,720)	667	(1,271)	(1,010)	(2,210)
Net Cash Flow	(308)	(149)	2,196	488	1,204	495
Cash at Beginning	1,811	1,503	1,354	3,550	4,038	5,242
Cash at Ending	1,503	1,354	3,550	4,038	5,242	5,737

Sources: Company, SSI Research

Robust operating cash flow will support strong cash levels

Figure 41. Key Ratios

Key Ratios						
Y/E Dec	23A	24A	25A	26F	27F	28F
Gross Profit Margin (%)	14.7	20.1	21.7	20.7	20.9	21.4
Operating Margin (%)	4.4	9.3	10.1	9.1	9.3	9.8
EBITDA Margin (%)	6.4	11.2	12.0	11.0	11.3	12.2
Pre-Tax Margin (%)	2.5	7.6	9.0	8.1	8.4	9.0
Net Profit Margin (%)	1.8	5.4	6.6	5.9	6.1	6.6
Debt to Equity (%)	97.1	69.4	63.6	56.7	51.7	42.7
Net Gearing (%)	80.1	56.7	41.5	34.8	27.3	19.6
Debt to EBITDA (%)	392.6	171.2	162.7	162.5	157.1	128.6

Sources: Company, SSI Research

Lower margins driven by higher raw material costs and IDR depreciation in 2026F

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