

Kalbe Farma

BUY (unchanged)

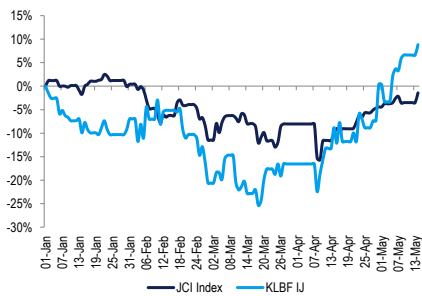
Company Update / Consumer Staples / KLBF IJ / 28 August 2025

Stock Data

Target price	Rp1,780
Prior TP	Rp1,780
Current price	Rp1,270
Upside/downside	+40.2%
Shares outstanding (mn)	46,813
Marketcap (Rpbn)	60,389
Free float	38%
Avg. 6m daily T/O (Rpbn)	62

Price Performance

	3M	6M	12M
Absolute	-14.9%	8.9%	-21.8%
Relative to JCI	-25.4%	-11.3%	-25.3%
52w low/high (Rp)	1,015 – 1,750		



Major Shareholders

PT Ladang Ira Panen	10.5%
PT Gira Sole Prima	10.3%
PT Santa Seha Sanadi	10.1%
PT Diptanala Bahana	9.5%
PT Lucasta Murni Cemerlang	9.5%
PT Bina Arta Charisma	8.2%

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Pharma sales improvement to support FY25F sales

- 3Q25F indicative sales of mid-single digit shall be driven by pharma segment from hospital' traffic recovery.
- Given favorable raw material price, we expect consensus needs to upgrade its FY25F earnings by 5%.
- Maintain BUY rating with unchanged TP of Rp1,780/sh.

3Q25F sales to be driven by pharma segment

Based on our discussion with the company, it indicated Jul25's consolidated sales was similar like Jun25's, suggesting its Jul25 sales to grow by mid-single digit yoy. This implies 3Q25F run-rate is estimated to be in-line with FY25F guidance of +6-8% yoy (Fig. 1). In addition, listed hospital indicated Jul25 traffic recovered to mid-high single digit yoy (vs. 1H25's -4% yoy); thus, we expect 2H25F pharma sales to grow by 13.0% yoy (vs. 1H25's +9.4% yoy). Moreover, the company has undertaken brand rejuvenation on its consumer segment since 4Q24 and we expect 2H25F consumer health sales to be maintained at mid-single digit yoy.

Mild recovery on Nutritional segment from new product launch

It also shared that Nutritional segment outlook remains challenging as evidenced by 1H25's KLBF nutritional sales decline of -3.3% yoy amid soft purchasing power. To address the slower sales growth in Nutritional segment, company to launch more affordable products which may improve Nutritional sales by 1-2% yoy. As such, we estimate FY25F Nutritional sales growth to be flat yoy, implying 2H25's sales growth of +3% yoy.

We expect consensus to upgrade its FY25F earnings by 5%

Based on our conversation with company, they indicated the current raw material remain stable, suggesting the 1H25 GPM of 41.1% could be maintained until 2H25F. Given a relatively stable USDIDR and stable raw material, we view consensus FY25F GPM of 39.9% was too low (vs. 1H25's 41.1%). In sum, we expect consensus to upgrade its FY25F earnings by 5%, implying FY25F earnings growth of +15.2% yoy which may exceed FY25F company guidance of +6-8% yoy.

Maintain BUY with unchanged TP of Rp1,780/sh

We view recent share price correction of -15% mom as a result of soft 2Q25 topline growth of +4.1% yoy. With pharma sales recovery, we expect KLBF to deliver FY25F top-line growth of +7% yoy, in-line with company guidance. In terms of margin, compared to others staples names that got impacted by recent higher input costs (link to [note](#)), we view KLBF to fare better given its ability to maintain 2H25F margin. In sum, we maintain our BUY rating with TP of Rp1,780/sh, based on 22.5x FY25F PE (-0.5s.d. from its 7yr avg).

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	30,449	32,628	35,262	38,141	41,330
EBITDA	4,350	4,844	5,520	5,938	6,396
Net profit	2,767	3,241	3,732	4,023	4,334
Net profit growth	-18.2%	17.1%	15.2%	7.8%	7.7%
ROE	12.2%	13.6%	14.4%	14.4%	14.7%
PER (x)	21.2	17.6	15.5	14.4	13.4
EV/EBITDA (x)	13.1	11.4	9.9	9.2	8.5
Dividend yield	3.1%	3.1%	3.8%	4.3%	4.6%
Forecast change			0%	0%	0%
IPS vs. consensus			105%	104%	103%

Source: Company, IndoPremier

Share price closing as of: 28 August 2025

Fig. 1: KLBF FY25F guidance

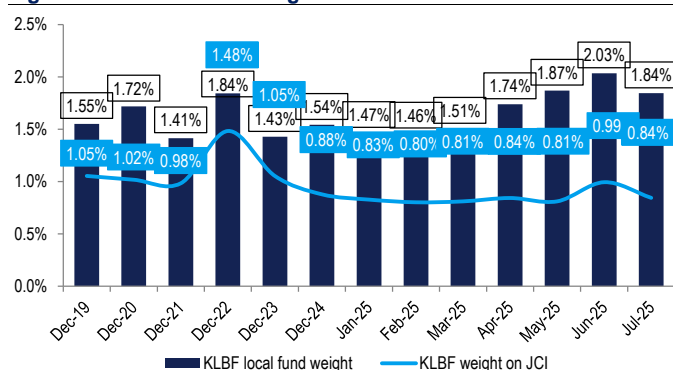
	FY25F Guidance	
	New Guidance	Old Guidance
Revenue growth	6-8%	8-10%
Capex	Rp 1tr	Rp 1tr
Net Profit Growth	6-8%	8-10%
DPR	45-55%	45-55%

Segmental revenue growth

Pharmaceutical	9-11%	Low teens
Consumer Health	High single digit	8-10%
Nutritionals	1-3%	Mid single digit
Distribution and Logistics	High single digit	9-12%

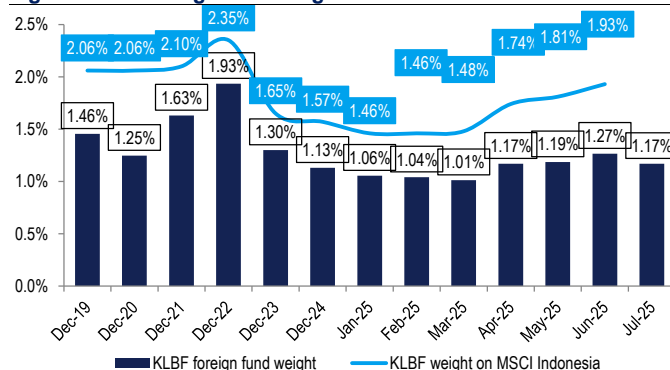
Source: Company, Indo Premier

Fig. 2: KLBF' local fund weight vs. JCI



Source: KSEI, Indo Premier

Fig. 3: KLBF' foreign fund weight vs. MSCI



Source: KSEI, MSCI, Indo Premier

Fig. 4: KLBF is currently trading at 16.2x 12M forward P/E, or around 1.2 s.d. below its historical 5-year mean



Source: Bloomberg, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net Revenue	30,449	32,628	35,262	38,141	41,330
Cost of Sales	(18,626)	(19,671)	(21,074)	(22,811)	(24,772)
Gross Profit	11,823	12,957	14,188	15,329	16,558
SG&A Expenses	(8,130)	(8,787)	(9,432)	(10,210)	(11,035)
Operating Profit	3,694	4,170	4,756	5,119	5,523
Net Interest	(7)	110	73	88	89
Forex Gain (Loss)	0	0	0	0	0
Others-Net	(108)	(89)	0	0	0
Pre-Tax Income	3,606	4,219	4,858	5,235	5,640
Income Tax	(828)	(972)	(1,119)	(1,206)	(1,300)
Minorities	(12)	(6)	(6)	(6)	(6)
Net Income	2,767	3,241	3,732	4,023	4,334

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & Equivalent	3,232	4,723	5,329	5,391	5,540
Receivable	4,652	4,865	5,142	5,562	6,027
Inventory	6,792	6,502	7,121	7,708	8,371
Other Current Assets	1,241	1,098	1,140	1,185	1,234
Total Current Assets	15,918	17,188	18,733	19,846	21,172
Fixed Assets - Net	7,978	8,269	8,506	8,695	8,837
Goodwill	0	0	0	0	0
Non-Current Assets	11,140	12,242	12,933	13,673	14,358
Total Assets	27,058	29,430	31,666	33,519	35,530

ST Loans	121	269	269	269	269
Payable	1,691	1,892	1,919	2,077	2,256
Other Payables	369	600	519	562	610
Current Portion of LT Loans	179	70	0	0	0
Total Current Liab.	3,243	4,186	3,906	4,206	4,545
Long Term Loans	298	65	0	0	0
Other LT Liab.	396	588	588	588	588
Total Liabilities	3,938	4,839	4,494	4,794	5,133

Equity	469	469	469	469	469
Retained Earnings	21,507	23,313	24,896	26,443	28,109
Minority Interest	1,701	1,802	1,807	1,813	1,819
Total SHE + Minority Int.	23,120	24,590	27,172	28,725	30,397
Total Liabilities & Equity	27,058	29,430	31,666	33,519	35,530

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
EBIT	3,694	4,170	4,756	5,119	5,523
Depr. & Amortization	(289)	(439)	764	819	874
Changes in Working Capital	(557)	1,124	(1,149)	(751)	(838)
Others	(915)	(923)	(1,018)	(1,091)	(1,183)
Cash Flow From Operating	1,932	3,932	3,353	4,096	4,375
Capital Expenditure	(678)	(966)	(956)	(956)	(956)
Others	(386)	(886)	(499)	(603)	(603)
Cash Flow From Investing	(1,064)	(1,852)	(1,455)	(1,559)	(1,559)
Loans	(545)	(193)	(136)	0	0
Equity	0	0	0	0	0
Dividends	(1,950)	(1,840)	(2,150)	(2,475)	(2,668)
Others	(5)	(245)	993	0	0
Cash Flow From Financing	(2,500)	(2,278)	(1,292)	(2,475)	(2,668)
Changes in Cash	(1,631)	(199)	606	62	149

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross Margin	38.8%	39.7%	40.2%	40.2%	40.1%
Operating Margin	12.1%	12.8%	13.5%	13.4%	13.4%
Pre-Tax Margin	11.8%	12.9%	13.8%	13.7%	13.6%
Net Margin	9.1%	9.9%	10.6%	10.5%	10.5%
ROA	10.2%	11.5%	12.2%	12.3%	12.6%
ROE	12.2%	13.6%	14.4%	14.4%	14.7%
Acct. Receivables TO (days)	55.5	53.2	53.2	53.2	53.2
Inventory TO (days)	135.4	123.3	123.3	123.3	123.3
Payable TO (days)	42.8	33.2	33.2	33.2	33.2
Debt to Equity	2.6%	1.6%	1.0%	0.9%	0.9%
Interest Coverage Ratio (x)	38.8	60.2	223.4	269.7	291.0
Net Gearing	-11.4%	-17.6%	-18.6%	-17.8%	-17.3%

Source: Company, Indo Premier

INVESTMENT RATINGS

BUY	: Expected total return of 10% or more within a 12-month period
HOLD	: Expected total return between -10% and 10% within a 12-month period
SELL	: Expected total return of -10% or worse within a 12-month period

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