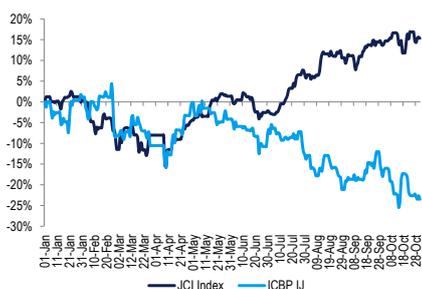


Stock Data

Target price	Rp12,600
Prior TP	Rp12,600
Current price	Rp8,700
Upside/downside	+44.8%
Shares outstanding (mn)	11,662
Market cap (Rp bn)	102,625
Free float	19%
Avg. 6m daily T/O (Rp bn)	67

Price Performance

	3M	6M	12M
Absolute	-11.2%	-23.3%	-28.1%
Relative to JCI	-20.3%	-44.0%	-36.9%
52w low/high (Rp)	8,475 – 12,600		



Major Shareholders

Indofood SM	80.5%
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Soft 3Q25 earnings amid weak sales growth despite margin improvement

- 9M25 core profit of Rp7.7tr (-4.2% yoy) was above our/consensus estimates, primarily due to strong 1H25 performance.
- Soft 3Q25 sales growth of +0.8% yoy was weighed down by muted noodle sales growth of +0.1% yoy.
- Maintain BUY with an unchanged TP of Rp12,600/sh, given an attractive valuation of 10.3x FY25F PE.

9M25 core profit was above our/consensus estimates

ICBP recorded 9M25 core profit of Rp7.7tr (-4.2% yoy) and this was above our/consensus estimates at 78/81% (vs. 5yr avg of 72%). The beat was driven by a stronger 1H25 result, which contributed 55/57% of our/consensus estimates (vs. 5yr avg of 47%), while 3Q25 contributed 24% (vs. 5yr avg of 25%). 9M25 GPM declined to 35.4% (-184bps yoy), while opex-to-sales improved to 14.1% (-70bps yoy), leading to EBIT margin of 21.2% (-113bps yoy). Overall, 9M25 revenue growth of +1.4% yoy was below the company's FY25F guidance of +7-9% yoy, though 9M25 EBIT margin was in-line with FY25F company guidance of 20-22%.

Soft 3Q25 result amid sluggish sales

3Q25 revenue stood at Rp18.7tr (+0.8% yoy), supported by domestic sales growth of +1.6% yoy (vs. overseas sales' -0.9% yoy). 3Q25 GPM improved to 36.3% (+38bps yoy) as a to 3-4% ASP hike has fully offset the higher CPO price of +6.9% yoy. 3Q25 opex-to-sales declined to 14.8% (-94bps yoy) amid lower A&P-to-sales of -105bps yoy. Hence, EBIT margin improved to 21.5% (+132bps yoy). Below the operating line, ICBP recorded a forex loss of -Rp1.2tr in 3Q25, on the back of USD appreciation against Rupiah. In sum, 3Q25 core profit declined to Rp2.3tr (-3.7% yoy).

EBIT margin recovery amid ASP hike and lower input costs

3Q25 noodle sales only grew by 0.1% yoy as we estimate domestic noodle sales volume to have declined c.-2% yoy, reflecting the lagging impact of the 3-4% ASP increase implemented in Feb25. Meanwhile, dairy sales grew by +9.0% yoy. In terms of EBIT margin, 3Q25 noodle EBIT margin improved to 25.0% (+187bps yoy), as the domestic ASP hike of 3-4% yoy helped to offset higher CPO prices of +6.9% yoy. Dairy EBIT margin also increased to 8.0% (+231bps yoy), supported by lower powder milk price of -4% yoy.

Maintain BUY with unchanged TP of Rp14,700

We maintain our BUY rating with unchanged TP of Rp12,600/sh based on 15.0x FY25F PE (5yr mean). Risk to our call: softer top-line growth and higher raw material costs.

Financial Summary (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	67,910	72,597	75,897	80,409	85,212
EBITDA	15,897	17,919	15,923	17,346	18,888
EBITDA growth	7.1%	12.7%	-11.1%	8.9%	8.9%
Core profit	9,270	10,410	9,823	10,823	12,062
Core profit growth	26.8%	12.3%	-5.6%	10.2%	11.5%
ROE	24.2%	26.0%	23.3%	23.0%	22.9%
PER (x)	10.9	9.7	10.3	9.4	8.4
EV/EBITDA (x)	7.8	6.6	7.7	6.8	5.9
Dividend yield	3.0%	3.7%	3.7%	4.6%	5.1%
Forecast change			0%	0%	0%
IPS vs. consensus			103%	102%	103%

Source: Company, Indo Premier

Share price closing as of: 31 Oct 2025

Fig. 1: ICBP 3Q25 Results

(Rp bn)	3Q25	3Q24	% YoY	2Q25	% QoQ	9M25	9M24	% YoY	IPS FY25F	% of IPS	Cons FY25F	% of Cons	5yr avg
Net sales	18,666	18,525	0.8%	17,415	7.2%	56,267	55,486	1.4%	75,897	74%	76,548	74%	75%
COGS	(11,884)	(11,864)	0.2%	(11,587)	2.6%	(36,362)	(34,842)	4.4%					
Gross profit	6,782	6,661	1.8%	5,828	16.4%	19,905	20,644	-3.6%					
Operating Cost	(2,769)	(2,923)	-5.3%	(2,370)	16.8%	(7,962)	(8,238)	-3.4%					
EBIT	4,013	3,738	7.3%	3,458	16.0%	11,943	12,405	-3.7%	15,789	76%	16,662	72%	73%
Finance expense	(1,716)	2,306	-174.4%	383	-548.1%	(3,011)	(1,542)	95.2%					
Interest income	179	962	-81.4%	235	-24.0%	593	1,401	-57.7%					
PBT	2,789	6,426	-56.6%	4,012	-30.5%	10,531	11,958	-11.9%					
Tax	(805)	(1,429)	-43.7%	(841)	-4.3%	(2,342)	(2,585)	-9.4%					
Minorities	(411)	(385)	6.7%	(292)	41.0%	(1,081)	(1,224)	-11.7%					
Net profit	1,572	4,612	-65.9%	2,879	-45.4%	7,108	8,149	-12.8%					
Core profit	2,320	2,410	-3.7%	2,294	1.1%	7,690	8,030	-4.2%	9,823	78%	9,498	81%	72%
Margin (%)													
Gross margin	36.3%	36.0%	0.38%	33.5%	2.87%	35.4%	37.2%	-1.83%					
EBIT margin	21.5%	20.2%	1.32%	19.9%	1.64%	21.2%	22.4%	-1.13%					
Net profit margin	8.4%	24.9%	-16.47%	16.5%	-8.11%	12.6%	14.7%	-2.05%					
Core profit margin	12.4%	13.0%	-0.58%	13.2%	-0.74%	13.7%	14.5%	-0.81%					
	-14.8%	-15.8%	0.94%	-13.6%	-1.22%	-14.1%	-14.8%	0.70%					
Information segment													
Revenue													
Noodles	14,039	14,029	0.1%	13,073	7.4%	42,022	41,322	1.7%					
Dairy	2,406	2,207	9.0%	2,173	10.7%	7,298	7,243	0.8%					
Snack Foods	1,184	1,203	-1.5%	1,131	4.8%	3,523	3,467	1.6%					
Seasonings	1,067	1,032	3.3%	1,046	2.0%	3,485	3,303	5.5%					
Nutrition and Special Foods	308	377	-18.3%	284	8.5%	953	1,025	-7.0%					
Beverages	358	427	-16.3%	370	-3.2%	1,099	1,271	-13.5%					
Elimination	(695)	(751)		(661)		(2,113)	(2,145)						
EBIT													
Noodles	3,514	3,248	8.2%	3,045	15.4%	10,410	10,675	-2.5%					
Dairy	192	125	53.4%	69	179.3%	552	693	-20.3%					
Snack Foods	62	142	-56.3%	76	-17.9%	182	352	-48.4%					
Food Seasonings	159	118	35.0%	192	-17.3%	547	396	38.3%					
Nutrition and Special Foods	35	37	-4.3%	23	55.2%	96	90	6.3%					
Beverages	48	66	-26.8%	50	-4.5%	149	194	-23.1%					
Elimination	2	2		3		6	5						
EBIT Margin													
Noodles	25.0%	23.2%	1.87%	23.3%	1.74%	24.8%	25.8%	-1.06%					
Dairy	8.0%	5.7%	2.31%	3.2%	4.81%	7.6%	9.6%	-2.00%					
Snack Foods	5.3%	11.8%	-6.58%	6.7%	-1.45%	5.2%	10.2%	-5.00%					
Food Seasonings	14.9%	11.4%	3.50%	18.4%	-3.47%	15.7%	12.0%	3.72%					
Nutrition and Special Foods	11.5%	9.8%	1.68%	8.0%	3.46%	10.1%	8.8%	1.26%					
Beverages	13.5%	15.4%	-1.95%	13.7%	-0.19%	13.6%	15.3%	-1.70%					
Domestic sales	12,454	12,258	1.6%	11,926	4.4%	39,035	38,726	0.8%					
Overseas sales	6,212	6,267	-0.9%	5,489	13.2%	17,232	16,760	2.8%					

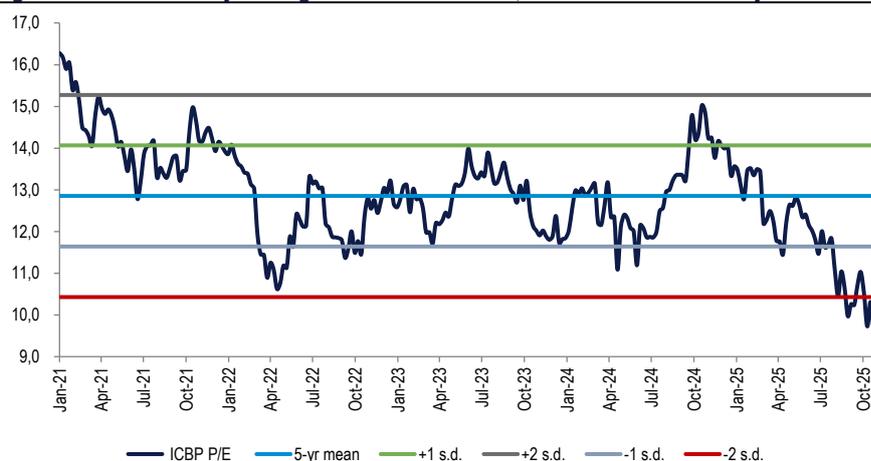
Source: Company, Indo Premier

Fig. 2: ICBP FY25F Guidance

FY25F Guidance	
Revenue growth	7-9%
EBIT Margin	20-22%
Capex	c. Rp5.5tr (including for noodle and snack segments)

Source: Company, Indo Premier

Fig. 3: ICBP is currently trading at 9.5x 12M fwd. P/E, or c.1.4 s.d. below its 5yr mean



Source: Bloomberg, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	67,910	72,597	75,897	80,409	85,212
Cost of sales	(42,784)	(45,704)	(49,007)	(51,476)	(53,952)
Gross profit	25,126	26,893	26,890	28,932	31,260
SG&A Expenses	(10,352)	(10,702)	(11,101)	(11,719)	(12,505)
Operating profit	14,775	16,191	15,789	17,213	18,755
Net interest	(626)	(3,432)	(2,106)	(2,156)	(1,956)
Others	(2,703)	(1,260)	0	0	0
Pre-tax income	11,445	11,499	13,684	15,057	16,799
Income tax	(2,980)	(2,686)	(3,010)	(3,312)	(3,696)
Minority interest	(1,475)	(1,734)	(1,848)	(1,992)	(2,144)
Net income	6,991	7,079	8,825	9,752	10,959
Core profit	9,270	10,410	9,823	10,823	12,062

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	21,687	27,710	25,114	31,437	38,632
Receivable	7,524	8,792	8,529	9,036	9,576
Inventory	6,329	7,060	7,178	7,540	7,903
Other current assets	1,232	1,106	1,222	1,295	1,372
Total current assets	36,773	44,668	42,043	49,308	57,483
Fixed assets	14,711	15,266	20,871	22,371	23,871
Other non-current assets	54,006	54,006	54,006	54,006	54,006
Total non-current assets	82,494	81,373	86,845	88,211	89,578
Total assets	119,267	126,041	128,888	137,519	147,061
ST loans	113	185	825	825	825
Payable	4,952	5,167	5,425	5,698	5,973
Other payables	2,956	3,245	3,324	3,492	3,660
Current portion of LT loans	456	352	0	0	0
Total current liab.	10,464	10,925	11,597	12,140	12,684
Long term loans	43,184	44,874	45,802	46,823	47,886
Other LT liab.	3,400	3,070	3,070	3,070	3,070
Total liabilities	57,163	58,997	60,597	62,161	63,768
Equity	6,569	583	583	583	583
Retained earnings	34,111	38,961	44,034	49,108	54,899
Minority interest	21,354	21,827	23,674	25,667	27,811
Total SHE + minority int.	62,104	67,044	68,291	75,358	83,293
Total liabilities & equity	119,267	126,041	128,888	137,519	147,061

Source: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
EBIT	14,388	16,321	15,789	17,213	18,755
Depr. & Amortization	1,510	1,598	133	133	133
Changes in Working Capital	0	0	489	(399)	(436)
Others	(3,482)	(5,464)	(5,116)	(5,469)	(5,652)
Cash Flow From Operating	12,415	12,455	11,296	11,479	12,801
Capital Expenditure	(1,824)	(2,162)	(5,604)	(1,500)	(1,500)
Others	(2,164)	(90)	0	0	0
Cash Flow From Investing	(3,988)	(2,253)	(5,604)	(1,500)	(1,500)
Loans	(873)	(510)	1,215	1,021	1,063
Equity	0	0	0	0	0
Dividends	(3,065)	(3,705)	(3,752)	(4,677)	(5,168)
Others	(682)	(93)	(5,750)	0	0
Cash Flow From Financing	(4,620)	(4,308)	(8,287)	(3,656)	(4,106)
Changes in Cash	3,612	5,939	(2,596)	6,323	7,195

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross Margin	37.0%	37.0%	35.4%	36.0%	36.7%
Operating Margin	21.8%	22.3%	20.8%	21.4%	22.0%
Pre-Tax Margin	16.9%	15.8%	18.0%	18.7%	19.7%
Net Margin	10.3%	9.8%	11.6%	12.1%	12.9%
ROA	6.0%	5.8%	6.9%	7.3%	7.7%
ROE	24.2%	26.0%	23.3%	23.0%	22.9%
Acct. Receivables TO (days)	40	41	41	41	41
Inventory TO (days)	57	53	53	53	53
Payable TO (days)	41	40	40	40	40
Debt to Equity	70.5%	67.7%	68.3%	63.2%	58.5%
Interest Coverage Ratio (x)	7.1	3.8	5.0	5.2	5.6
Net Gearing	35.5%	26.4%	31.5%	21.5%	12.1%

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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