INDOPREMIER

Japfa Comfeed Indonesia

BUY *(unchanged)*

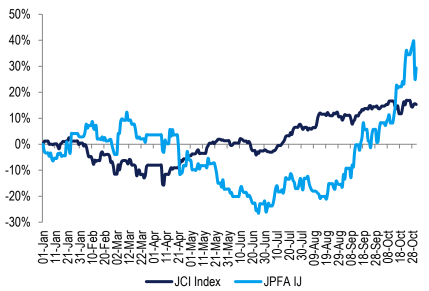
Company Update | Poultry | JPFA IJ | 31 October 2025

Stock Data

Target price	**Rp2,750**
Prior TP	Rp2,750
Current price	Rp2,510
Upside/downside	*9.6%*
Shares outstanding (mn)	11,727
Market cap (Rp bn)	29,434
Free float	43%
Avg. 6m daily T/O (Rp bn)	71

Price Performance

	3M	6M	12M
Absolute	56.9%	37.9%	43.4%
vs. JCI	47.8%	17.3%	34.7%
52w low/high (Rp)		1,425 – 2,710	



Major Shareholders

Japfa Ltd	55.4%

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3Q25 result: strong results amid broiler and DOC prices recovery

- 9M25 net profit of Rp2.4tr (+15.1% yoy) was above our/consensus estimates at 75% vs. 5yr average of 68%. 9M25 revenue was in-line.
- Robust 3Q25 net profit of Rp1.2tr (+90.6% yoy) was supported by a strong recovery of broiler and DOC prices.
- Maintain BUY call with an unchanged TP of Rp2,750/sh.

9M25 net profit was above ours/consensus FY25F estimates

JPFA booked 9M25 net profit of Rp2.4tr (+15.1% yoy), above our/consensus estimates at 75% (vs. 5yr avg of 68%). 9M25 net revenue rose to Rp43.1tr (+4.4% yoy), in-line with ours/consensus estimates at 73% (vs. 5yr avg of 72%). 9M25 GPM improved to 13.2% (+80bps yoy), while opex-to-sales increased to 7.3% (+55bps yoy), resulting in a higher EBIT margin of 6.0% (+26bps yoy).

Robust 3Q25 net profit amid strong recovery in broiler and DOC prices

3Q25 net profit surged by 111% qoq to Rp1.2tr (+90.6% yoy), driven by the sharp recovery in broiler and DOC prices. By segment, 3Q25 feed EBIT margin dropped to 8.6% (-104bps qoq), as lower SBM prices (-5.5% qoq) partially offset higher corn costs (+11.9% qoq). 3Q25 DOC segment recorded EBIT of Rp436bn (vs. EBIT loss of -Rp13bn) following an increase in DOC prices of (+46.2% qoq). Similarly, 3Q25 broiler EBIT improved to Rp406bn (+39% qoq) on the back of strong recovery in broiler prices of (+22.1% qoq).

Strong earnings momentum expected to continue into 4Q25F

We expect earnings momentum to remain solid through 4Q25F, supported by ongoing voluntary culling activities and the impact of lower FY24 GPS import quota (-16% yoy). In addition, there is upside potential risk from higher feed margin as the government recently lowered fertilizer subsidy prices by 20% (link to news), which should help reduce corn costs. In sum, we expect the robust earnings performance to be sustained into 4Q25F.

Maintain BUY rating with unchanged TP of Rp2,750/sh

We are reviewing our forecasts pending management's guidance. For now, we maintain our BUY call with an unchanged TP of Rp2,750/sh, based on 10.0x FY25F PE (5yr mean). Downside risks are: soft broiler price, higher input costs, and US$ appreciation.

Financial Summary (Rp bn)	2023A	2024A	2025F	2026F	2027F
Revenue	51,176	55,801	59,616	63,214	66,865
EBITDA	3,240	6,096	6,451	6,867	7,359
EBITDA growth	-15%	88%	6%	6%	7%
Net profit	930	3,019	3,229	3,447	3,659
EPS (Rp)	79	257	275	294	312
EPS growth	-34.5%	224.7%	7.0%	6.8%	6.2%
ROE	7.0%	19.5%	19.8%	19.0%	18.3%
PER (x)	31.7	9.7	9.1	8.5	8.0
EV/EBITDA (x)	12.6	6.4	5.9	5.5	4.8
Dividend yield	2.4%	2.4%	5.1%	5.5%	5.9%
Forecast change			0%	0%	0%
IPS vs. consensus			100%	97%	93%

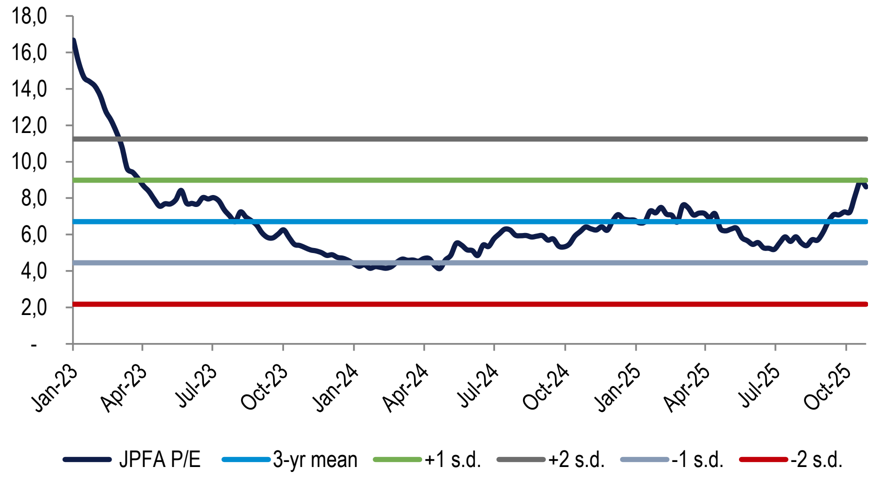
Sources: Company, Indo Premier *Share price closing as of: 31 October 2025*

Fig. 1: JPFA's 3Q25 results

(Rp bn)	3Q25	3Q24	% YoY	2Q25	% QoQ	9M25	9M24	% YoY	IPS FY25F	% IPS	Cons FY25F	% Cons	5yr avg
Gross sales	**23,418**	**20,963**	**11.7%**	**20,230**	**15.8%**	**65,846**	**63,898**	**3.0%**					
Net sales	**15,623**	**13,631**	**14.6%**	**13,149**	**18.8%**	**43,104**	**41,280**	**4.4%**	**58,672**	**73%**	**58,763**	**73%**	**72%**
COGS	(12,186)	(11,044)	10.3%	(10,566)	15.3%	(34,389)	(33,336)	3.2%					
Gross profit	**3,437**	**2,587**	**32.9%**	**2,583**	**33.0%**	**8,715**	**7,944**	**9.7%**					
Operating expenses	(1,647)	(1,540)	6.9%	(1,588)	3.7%	(4,791)	(4,300)	11.4%					
EBIT	**1,790**	**1,047**	**71.0%**	**996**	**79.8%**	**3,924**	**3,644**	**7.7%**	**5,335**	**74%**	**5,331**	**74%**	**70%**
Net finance income/(cost)	(190)	(197)	-3.6%	(192)	-1.0%	(544)	(618)	-12.0%					
PBT	**1,600**	**850**	**88.3%**	**804**	**99.1%**	**3,380**	**3,026**	**11.7%**					
Tax	(328)	(194)	69.3%	(196)	67.9%	(747)	(780)	-4.3%					
Minority	(96)	(39)	**146.6%**	(52)	84.0%	(222)	(149)	48.7%					
Net profit	**1,175**	**617**	**90.6%**	**556**	**111.4%**	**2,411**	**2,096**	**15.1%**	**3,229**	**75%**	**3,216**	**75%**	**68%**
Margin (%) - based on gross sales													
Gross margin	14.7%	12.3%	2.3%	12.8%	1.9%	13.2%	12.4%						
EBIT margin	7.6%	5.0%	2.6%	4.9%	2.7%	6.0%	5.7%						
Net margin	5.0%	2.9%	2.1%	2.7%	2.3%	3.7%	3.3%						
Segment information													
Revenue													
Animal Feed	8,815	8,268	6.6%	7,922	11.3%	25,417	25,406	0.0%					
Poultry Breeding (DOC)	2,115	1,850	14.4%	1,632	29.6%	5,735	5,962	-3.8%					
Commercial Farm	7,396	6,490	14.0%	6,238	18.6%	20,433	19,974	2.3%					
Poultry processing and consumer products	2,661	2,175	22.3%	2,354	13.1%	7,489	6,285	19.2%					
Aquaculture	1,344	1,228	9.4%	1,160	15.9%	3,667	3,503	4.7%					
EBIT													
Animal Feed	758	650	16.5%	763	-0.7%	2,152	2,076	3.6%					
Poultry Breeding (DOC)	436	377	15.6%	(13)	-3470.1%	625	1,073	-41.7%					
Commercial Farm	406	(16)	-2628.6%	292	39.0%	954	673	N/A					
Poultry processing and consumer products	204	65	215.8%	79	159.0%	381	249	53.1%					
Aquaculture	158	128	24.1%	126	25.6%	394	281	40.4%					
EBIT Margin													
Animal Feed	8.6%	7.9%		9.6%		8.5%	8.2%						
Poultry Breeding (DOC)	20.6%	20.4%		-0.8%		10.9%	18.0%						
Commercial Farm	5.5%	-0.2%		4.7%		4.7%	3.4%						
Poultry processing and consumer products	7.7%	3.0%		3.3%		5.1%	4.0%						
Aquaculture	11.8%	10.4%		10.9%		10.7%	8.0%						

Sources: Company, Bloomberg, Indo Premier

Fig. 2: JPFA is traded at 8.6x fwd. 12M P/E (0.8 s.d. from its 5-year mean)



Sources: Bloomberg, Indo Premier

Income Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
Net revenue	51,176	55,801	58,672	61,926	65,220
Cost of sales	(43,665)	(44,583)	(47,418)	(50,145)	(52,804)
Gross profit	**7,511**	**11,218**	**11,254**	**11,781**	**12,416**
SG&A Expenses	(5,305)	(6,156)	(5,919)	(6,121)	(6,314)
Operating profit	**2,206**	**5,062**	**5,335**	**5,660**	**6,102**
Net interest	(944)	(820)	(798)	(817)	(961)
Others	(1)	(1)	(1)	(1)	(1)
Pre-tax income	**1,261**	**4,241**	**4,536**	**4,843**	**5,141**
Income tax	(315)	(1,029)	(1,101)	(1,175)	(1,247)
Minority interest	(16)	(193)	(207)	(221)	(234)
Net income	**930**	**3,019**	**3,229**	**3,447**	**3,659**

Balance Sheet (Rp bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent	1,503	1,503	1,737	2,257	2,607
Receivable	2,586	2,761	3,003	3,074	3,243
Inventory	9,684	9,311	9,659	10,240	11,022
Other current assets	3,446	3,595	3,595	3,595	3,595
Total current assets	**17,218**	**17,169**	**17,993**	**19,165**	**20,467**
Fixed assets	13,395	13,754	14,230	14,637	14,972
Goodwill	3,496	3,743	3,743	3,743	3,743
Total non-current assets	**16,891**	**17,497**	**17,974**	**18,380**	**18,715**
Total assets	**34,109**	**34,666**	**35,967**	**37,545**	**39,182**
ST loans	4,078	2,076	2,776	3,286	3,286
Payable	4,891	4,636	4,905	4,971	5,276
Other payables	773	1,137	983	602	2,108
Current portion of LT loans	942	1,447	1,447	1,447	1,447
Total current liab.	**10,684**	**9,296**	**10,110**	**10,306**	**12,116**
Long term loans	7,915	7,382	6,149	5,698	3,591
Other LT liab.	1,343	1,416	1,416	1,416	1,416
Total liabilities	**19,942**	**18,094**	**17,675**	**17,421**	**17,122**
Equity	3,061	3,099	3,099	3,099	3,099
Retained earnings	10,166	12,377	14,097	15,929	17,865
Minority interest	941	1,096	1,096	1,096	1,096
Total SHE + minority int.	**14,167**	**16,573**	**18,292**	**20,124**	**22,060**
Total liabilities & equity	**34,109**	**34,666**	**35,967**	**37,545**	**39,182**

Sources: Company, Indo Premier

Cash Flow Statement (Rp bn)	2023A	2024A	2025F	2026F	2027F
EBIT	2,206	5,062	5,335	5,660	6,102
Depr. & amortization	1,008	1,061	1,116	1,186	1,257
Changes in working capital	255	(57)	(321)	(586)	(648)
Others	(1,239)	(1,863)	(2,106)	(2,214)	(2,443)
Cash flow from operating	**2,231**	**4,202**	**4,024**	**4,047**	**4,268**
Capital expenditure	(1,954)	(1,592)	(1,592)	(1,592)	(1,592)
Others	(167)	(61)	0	0	0
Cash flow from investing	**(2,122)**	**(1,654)**	**(1,592)**	**(1,592)**	**(1,592)**
Loans	(220)	(2,171)	(688)	(321)	(602)
Equity	373	267	0	0	0
Dividends	(645)	(807)	(1,509)	(1,614)	(1,723)
Others	0	0	0	0	0
Cash flow from financing	**(492)**	**(2,712)**	**(2,197)**	**(1,935)**	**(2,326)**
Changes in cash	**(383)**	**(163)**	**234**	**520**	**350**

Key Ratios	2023A	2024A	2025F	2026F	2027F
Gross margin	9.3%	13.1%	12.2%	12.0%	12.0%
Operating margin	2.7%	5.9%	5.8%	5.8%	5.9%
Pre-tax margin	1.6%	5.0%	4.9%	4.9%	5.0%
Net margin	1.2%	3.5%	3.5%	3.5%	3.6%
ROA	2.7%	8.7%	9.1%	9.4%	9.5%
ROE	7.0%	19.5%	19.8%	19.0%	18.3%
Acct. receivables TO (days)	18.1	17.5	18.7	18.1	18.2
Inventory TO (days)	79.2	77.8	74.3	74.5	76.2
Payable TO (days)	37.7	39.0	37.8	36.2	36.5
Debt to equity	65.7%	55.0%	41.5%	33.1%	27.2%
Interest coverage ratio (x)	-2.2	-5.8	-6.5	-6.9	-6.4
Net gearing	54.3%	45.3%	31.4%	21.3%	14.7%

Sources: 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

ANALYSTS CERTIFICATION

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