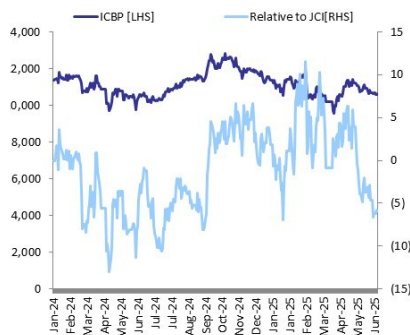


Buy

(Maintained)

Last Price (Rp)	10,450
Target Price (Rp)	14,000
Previous Target Price (Rp)	14,000
Upside/Downside	+34.0%
No. of Shares (mn)	11,662
Mkt Cap (Rpbn/US\$mn)	121,867/7,433
Avg, Daily T/O (Rpbn/US\$mn)	46.2/2.8
Free Float (%)	80.5
Major Shareholder (%)	
Indofood Sukses Makmur Tbk	80.5
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	870.0 1,032.4 1,154.9
Consensus	865.2 975.9 1,108.1
BRIDS/Cons (%)	0.6 5.8 4.2

ICBP relative to JCI Index



Source: Bloomberg

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Indofood CBP Sukses Makmur (ICBP II) 5M25 Indicative Performance on Track

- ICBP's indicative 5M25 performance is on track to meet expectations; we maintain our FY25F +8% revenue and +2.5% yoy core profit growth.
- Relatively benign key input prices, i.e. CPO and wheat should limit near-term cost pressure.
- Reiterate Buy rating and DCF-based TP Rp14,000; ICBP remains our top pick in the Consumer space.

5M25 performance is still on track with the guidance

Our recent discussion with the management indicated ICBP's noodles volume saw improvement in Apr25 and May25 and remains on track to meet their FY25F guidance. Besides the sales volume, the recent 3-4% ASP adjustment in Feb25 will also help to support revenue growth in 2Q25. Following the relatively benign wheat price (-0.5% ytd, -11.3% yoy) and a drop in CPO price (-17% ytd, -1% yoy), we see limited pressure for ICBP's margin in the near term.

A resilient FY25F outlook is intact

We believe ICBP shall remain on track to achieve its FY25F target of 7-9% yoy topline growth with the support of both volume and ASP growth of 4.5% and 3.6%, respectively. We maintain our EBIT margin forecast at 22.2% in FY25F (vs. 22.3% in FY24) given the relatively benign key raw input price as well as some opex savings from freight and handling. Factoring in a conservative assumption of lower forex loss and the absence of impairment loss of investments in associates, we expect a +2.5% yoy core profit.

Driving innovation in the Dairy segment

ICBP has recently introduced a new low-sugar kids' yoghurt product line. While the new launching aligns with the company's strategy to capitalize on its strong position in the kids' market, we think it will also support the Dairy division as it has been dealing with intense competition and downtrading in recent years. Our on the ground check on yoghurt pouch products suggests Indomilk's kids yoghurt was the second most competitive in terms of price after Biokul. So far, there are only two brands of yoghurt pouch that are intended for kids.

Reiterate our Buy rating TP Rp14,000!

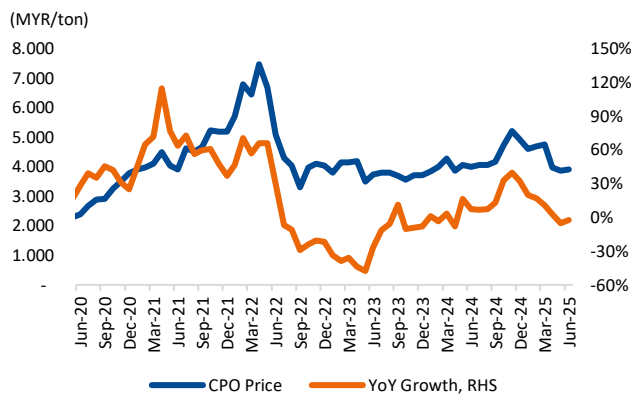
We maintain ICBP as our top pick in the consumer space on the back of its defensive nature amid the weak purchasing power environment. ICBP is currently trading attractively at 12.2x PE FY25F (-2SD to 5-year mean) given its resilient earnings outlook. We reiterate Buy rating with our DCF-based TP of Rp14,000 implying 16.1x PE FY25F. Key risks include weaker-than-expected purchasing power which may potentially affect sales volume, and higher volatility on key raw material prices pressuring the overall margins.

Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	67,910	72,597	78,508	85,483	92,909
EBITDA (Rpbn)	16,151	17,656	18,983	20,680	22,442
EBITDA Growth (%)	17.5	9.3	7.5	8.9	8.5
Net Profit (Rpbn)	6,991	7,079	10,146	12,040	13,469
EPS (Rp)	599.4	607.1	870.0	1,032.4	1,154.9
EPS Growth (%)	52.4	1.3	43.3	18.7	11.9
BVPS (Rp)	3,494.2	3,877.4	4,423.2	5,005.9	5,613.6
DPS (Rp)	276.6	317.7	321.7	461.1	547.2
PER (x)	17.7	17.5	12.2	10.3	9.2
PBV (x)	3.0	2.7	2.4	2.1	1.9
Dividend yield (%)	2.6	3.0	3.0	4.3	5.1
EV/EBITDA	9.2	8.2	7.4	6.5	5.7

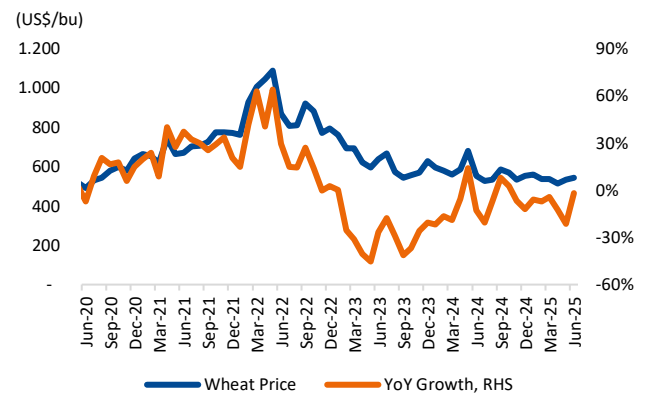
Source: ICBP, BRIDS Estimates

Exhibit 1. Monthly CPO Price



Source: Bloomberg

Exhibit 2. Monthly Wheat Price



Source: Bloomberg

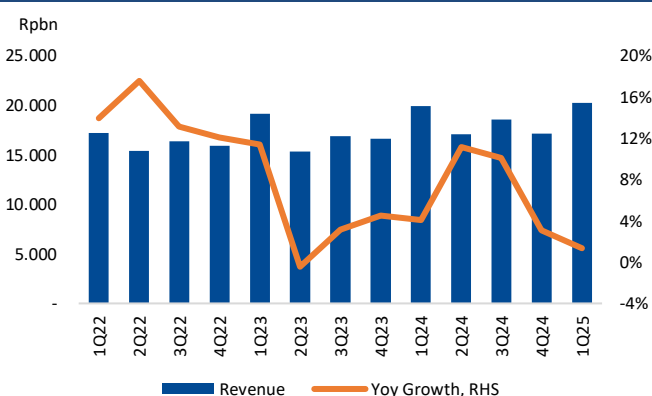
Exhibit 3. ICBP's Yoghurt Product vs Peers



Product	Indomilk Yoghurt Kids - Original	Cimory Squeeze Yoghurt - Original	Greenfields Kids Yoghurt - Original	Biokul Yogurt To Go - Plain	Kin Yoghurt Slurp XL - Strawberry
Price (Rp)	6,500	12,200	9,990	6,200	8,300
Size (ml/g)	70	120	80	80	80
Price Per ml (Rp)	93	102	125	78	104

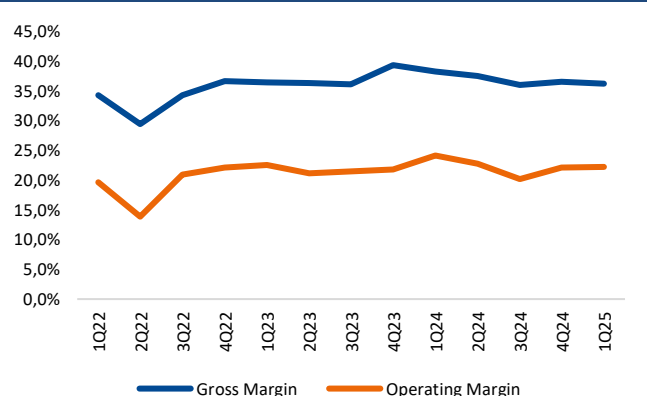
Source: E-commerce

Exhibit 4. Quarterly Revenue and YoY Growth, 1Q22 – 1Q25



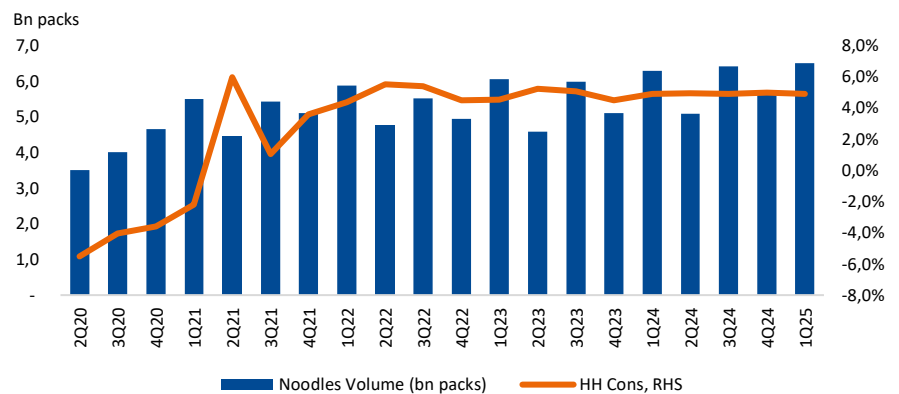
Source: Company, BRIDS

Exhibit 5. Quarterly Gross and Operating Margin, 1Q22 – 1Q25



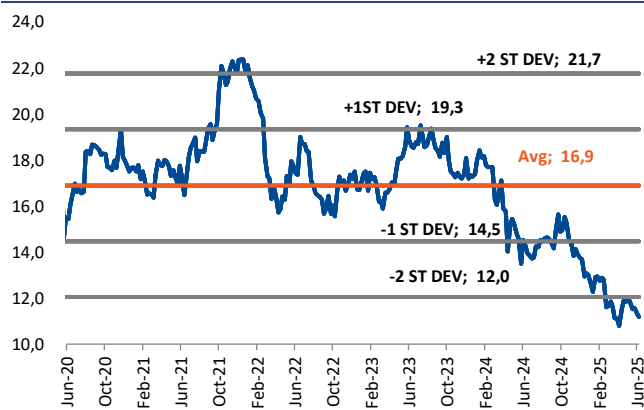
Source: Company, BRIDS

Exhibit 6. Quarterly Noodle Sales Volume and HH Consumption Growth



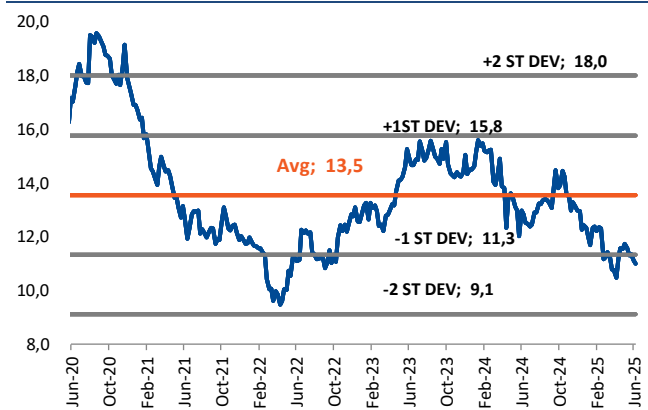
Source: Company, BPS, BRIDS

Exhibit 7. PE Band – Net Profit



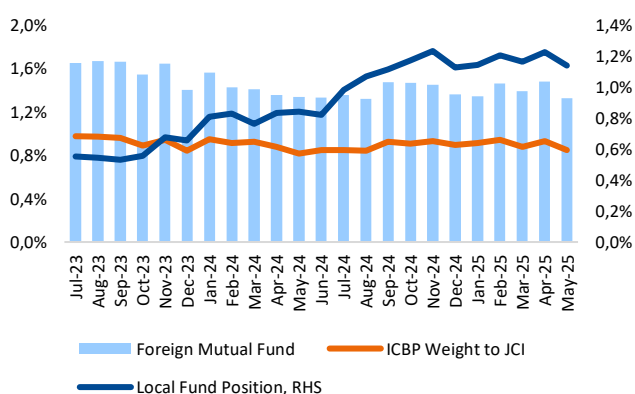
Source: Bloomberg, BRIDS Estimates

Exhibit 8. PE Band – Core Profit



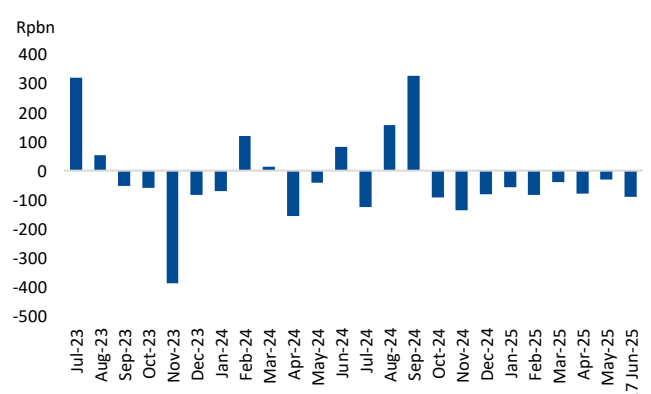
Source: Bloomberg, BRIDS Estimates

Exhibit 9. ICBP's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 10. ICBP's Historical Foreign Flows



Source: IDX, BRIDS

Exhibit 11. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	67,910	72,597	78,508	85,483	92,909
COGS	(42,784)	(45,704)	(49,615)	(53,894)	(58,547)
Gross profit	25,126	26,893	28,893	31,589	34,362
EBITDA	16,151	17,656	18,983	20,680	22,442
Oper. profit	14,775	16,191	17,448	19,145	20,922
Interest income	523	824	1,182	1,406	1,675
Interest expense	(2,025)	(2,142)	(2,381)	(2,399)	(2,390)
Forex Gain/(Loss)	875	(2,113)	(738)	0	0
Income From Assoc. Co's	(2,316)	(1,390)	155	168	183
Other Income (Expenses)	(387)	130	18	53	79
Pre-tax profit	11,445	11,499	15,685	18,373	20,469
Income tax	(2,980)	(2,686)	(3,664)	(4,292)	(4,781)
Minority interest	(1,475)	(1,734)	(1,875)	(2,042)	(2,219)
Net profit	6,991	7,079	10,146	12,040	13,469
Core Net Profit	9,307	10,457	10,711	11,819	13,206

Exhibit 12. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	19,353	25,293	29,493	35,679	41,969
Receivables	7,524	8,792	9,508	10,352	11,252
Inventory	6,329	7,060	7,664	8,325	9,043
Other Curr. Asset	1,232	1,106	1,196	1,303	1,416
Fixed assets - Net	14,949	15,504	17,081	18,239	19,381
Other non-curr.asset	67,544	65,870	65,508	65,214	65,043
Total asset	119,267	126,041	132,866	141,529	150,521
ST Debt	113	185	185	185	185
Payables	4,952	5,167	5,609	6,093	6,619
Other Curr. Liabilities	4,511	4,646	5,025	5,471	5,946
Long Term Debt	43,878	45,439	45,763	45,904	45,973
Other LT. Liabilities	3,712	3,559	3,860	4,195	4,558
Total Liabilities	57,164	58,997	60,442	61,848	63,281
Shareholder's Funds	40,749	45,217	51,583	58,378	65,465
Minority interests	21,354	21,827	20,842	21,303	21,775
Total Equity & Liabilities	119,267	126,041	132,866	141,529	150,521

Exhibit 13. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	6,991	7,079	10,146	12,040	13,469
Depreciation and Amort.	1,377	1,465	1,535	1,535	1,521
Change in Working Capital	1,191	(1,493)	(614)	(710)	(760)
Other Oper. Cash Flow	764	730	1,726	1,211	1,132
Operating Cash Flow	10,321	7,781	12,793	14,076	15,361
Capex	(1,413)	(1,802)	(3,140)	(2,561)	(2,663)
Others Inv. Cash Flow	1,258	2,825	1,342	1,845	1,821
Investing Cash Flow	(155)	1,023	(1,799)	(715)	(841)
Net change in debt	(2,016)	1,634	323	140	69
New Capital	713	(43)	(985)	461	472
Dividend payment	(3,226)	(3,705)	(3,752)	(5,377)	(6,381)
Other Fin. Cash Flow	(2,025)	(2,142)	(2,381)	(2,399)	(2,390)
Financing Cash Flow	(6,554)	(4,256)	(6,794)	(7,175)	(8,231)
Net Change in Cash	3,613	4,549	4,201	6,186	6,289
Cash - begin of the year	15,741	19,353	25,293	29,493	35,679
Cash - end of the year	19,353	25,293	29,493	35,679	41,969

Exhibit 14. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	4.8	6.9	8.1	8.9	8.7
EBITDA	17.5	9.3	7.5	8.9	8.5
Operating profit	19.0	9.6	7.8	9.7	9.3
Net profit	52.4	1.3	43.3	18.7	11.9
Core profit growth	7.9	12.3	2.5	10.3	11.7
Profitability (%)					
Gross margin	37.0	37.0	36.8	37.0	37.0
EBITDA margin	23.8	24.3	24.2	24.2	24.2
Operating margin	21.8	22.3	22.2	22.4	22.5
Net margin	10.3	9.8	12.9	14.1	14.5
ROAA	6.0	5.8	7.8	8.8	9.2
ROAE	18.1	16.5	21.0	21.9	21.8
Leverage					
Net Gearing (x)	0.4	0.3	0.2	0.1	0.0
Interest Coverage (x)	7.3	7.6	7.3	8.0	8.8

Source: ICBP, BRIDS Estimates

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INVESTMENT RATING

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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