

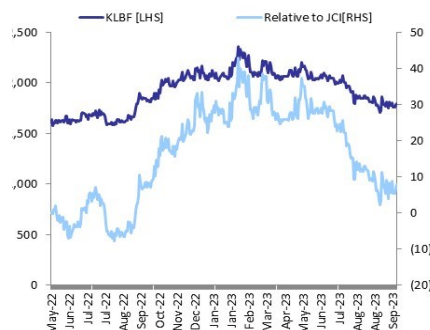
Buy

(Maintained)

Tactical (3M): **OW**

Last Price (Rp)	3,970
Target Price (Rp)	5,900
Previous TP (Rp)	▼ 5,600
Upside/Downside	+48.6%
No. of Shares (mn)	16,398
Mkt Cap (Rpbn/US\$m)	65,100/3,833
Avg, Daily T/O (Rpbn/US\$m)	38.8/2.3
Free Float (%)	44.5
Major Shareholder (%)	
PT Charoen Pokphand Indonesia Group	55.5
EPS Consensus (Rp)	
	2026F 2027F 2028F
BRIDS	381.9 409.4 228.9
Consensus	299.4 343.9 n/a
BRIDS/Cons (%)	27.6 19.0 n/a

CPIN relative to JCI Index



Source: Bloomberg

Charoen Pokphand Indonesia (CPIN IJ) FY25 Earnings Beat on Robust Margin and Gearing Up for Robust 1Q26 Earnings

- CPIN booked NP of Rp2.3tr in 4Q25 (+56% qoq, +72% yoy), bringing FY25 NP to Rp5.6tr (+52% yoy), above our and cons est.
- NP was driven by higher qoq OPM across segments (except feed), normalized tax rate, and lower gearing despite inventory build-up
- Maintain BUY with a TP of Rp5,900 as we revise FY26F EBITDA up by 11%, with robust 1Q26 earnings as a near-term catalyst.

Beating estimates on strong revenues and margins

CPIN delivered a record-high quarterly net profit of Rp2.3tr in 4Q25 (+56% qoq, +72% yoy), bringing FY25 earnings to an all-time high of Rp5.6tr (+52% yoy), above our estimate (111%) and significantly ahead of consensus (126%). Gross revenue grew to Rp33.4tr (+14% qoq, +9% yoy), supported by broad-based growth across all segments, driven by both higher ASP and volume. Gross operating margin expanded to 10.8% (+315bps qoq, +351bps yoy), mainly supported by stronger poultry prices, although partly offset by higher opex (+16% qoq, +4% yoy). The effective tax rate normalized to 25% in 4Q25 (3Q25/4Q24: 34%/40%).

Quarter on quarter margin expansion across segments except feed

Feed revenue grew double-digit, but margins declined to 7.0% (from 7.3%) due to higher corn and SBM costs, while DOC, broiler, and processed food segments recorded strong margin expansion. Notably, the broiler segment delivered a record OPM of 15.8%, generating Rp1.7tr operating profit in 4Q25. Meanwhile, processed food margin rose to 9.8% (+176bps qoq), bringing FY25 margin to 7.9%, a turnaround from -0.7% in FY24.

Revised FY26/27F earnings by +17%/+3%

We revised our earnings assumptions to reflect potentially better margins in the feed division and lower financing costs. We note that CPIN's feed inventory (goods in transit) rose by Rp1.4tr (doubled qoq), which we believe reflects stockpiling of corn substitute products that could support feed margins in 1Q26. Despite the inventory build-up, strong cash flow enabled CPIN to reduce net debt to Rp1.8tr, bringing net gearing to 5%.

Maintain BUY with a higher TP of Rp5,900

We maintain our BUY rating with a higher TP of Rp5,900 (from Rp5,600 previously), based on revised FY26F EBITDA and an EV/EBITDA multiple of 10.2x (-1SD of the 5-year avg.), implying 15x FY26F PE. Risks to our view include foreign outflows, higher raw material costs, and MBG discontinuation. **Tactical (3M) view: OW.** Despite potential LB price weakness post-Lebaran, we expect supply-demand dynamics to remain favorable, with strong 1Q26 earnings providing a near-term catalyst.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	67,478	70,705	76,409	85,472	108,581
EBITDA (Rpbn)	7,186	8,868	9,538	9,953	6,230
EBITDA Growth (%)	39.2	23.4	7.6	4.4	(37.4)
Net Profit (Rpbn)	3,713	5,644	6,263	6,713	3,753
EPS (Rp)	226.4	344.2	381.9	409.4	228.9
EPS Growth (%)	60.1	52.0	11.0	7.2	(44.1)
BVPS (Rp)	1,846.2	2,081.8	2,299.5	2,526.7	2,560.3
DPS (Rp)	30.0	108.0	164.2	182.2	195.3
PER (x)	17.5	11.5	10.4	9.7	17.3
PBV (x)	2.2	1.9	1.7	1.6	1.6
Dividen yield (%)	0.8	2.7	4.1	4.6	4.9
EV/EBITDA	9.6	7.5	6.9	6.6	10.9

Source: CPIN, BRIDS Estimates

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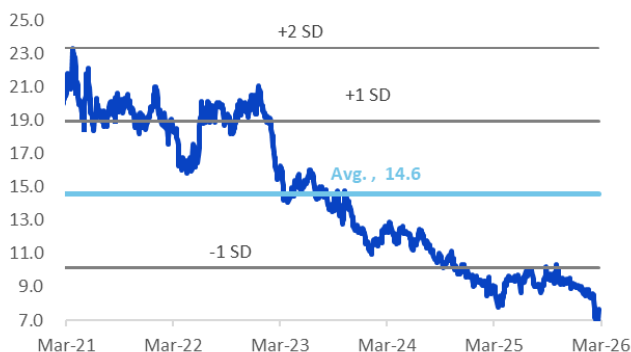
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Exhibit 1. CPIN 4Q25 Result Summary

CPIN (Rp bn)	4Q24	3Q25	4Q25	y-o-y	q-o-q	FY24	FY25	y-o-y	FY25F	FY25C
Consolidated										
Net Revenue	17,759	17,543	20,100	13%	15%	67,478	70,705	5%	62,442	69,507
COGS	(14,315)	(14,195)	(15,751)	10%	11%	(57,058)	(58,285)	2%	(50,630)	(58,738)
Gross Profit	3,445	3,348	4,350	26%	30%	10,420	12,420	19%	11,812	10,769
Total Opex	(1,349)	(1,218)	(1,407)	4%	16%	(4,630)	(4,846)	5%	(4,676)	(4,209)
Operating Profit	2,095	2,130	2,943	40%	38%	5,790	7,574	31%	7,137	6,560
Pretax profit	2,201	2,206	3,046	38%	38%	5,256	7,713	47%	6,921	5,273
Net profit	1,326	1,465	2,279	72%	56%	3,713	5,644	52%	5,092	4,496
Core profit	997	1,299	2,023	103%	56%	3,462	5,152	49%	4,912	
Gross margin	19.4%	19.1%	21.6%	224 bp	256 bp	15.4%	17.6%	212 bp	18.9%	15.5%
Opex to revenue	7.6%	6.9%	7.0%	(60)bp	6 bp	6.9%	6.9%	(1)bp	7.5%	6.1%
Operating margin	11.8%	12.1%	14.6%	284 bp	250 bp	8.6%	10.7%	213 bp	11.4%	9.4%
Tax rate	39.8%	33.6%	25.3%	(1,451)bp	(834)bp	29.4%	26.8%	(256)bp	26.4%	14.7%
Net margin	7.5%	8.3%	11.3%	387 bp	299 bp	5.5%	8.0%	248 bp	8.2%	6.5%
Segment breakdown										
Feed revenue	12,400	12,483	14,287	15%	14%	50,639	52,150	3%		
DOC revenue	2,519	2,328	3,026	20%	30%	9,420	9,522	1%		
Live birds revenue	11,054	9,828	11,059	0%	13%	41,674	40,501	-3%		
Processed food revenue	2,923	2,482	2,897	-1%	17%	11,945	10,935	-8%		
Total gross revenue	30,710	29,364	33,364	9%	14%	120,959	121,451	0%		
Feed OP	901	914	1,005	12%	10%	3,979	3,838	-4%		
DOC OP	157	173	591	277%	241%	461	649	41%		
Live birds OP	1,140	987	1,748	53%	77%	2,032	3,350	65%		
Processed food OP	88	200	285	223%	42%	(82)	862	n/a		
Total operating profit	2,234	2,241	3,598	61%	61%	6,273	8,578	37%		
Feed margin	7.3%	7.3%	7.0%	(23)bp	(29)bp	7.9%	7.4%	(50)bp		
DOC margin	6.2%	7.4%	19.5%	1,329 bp	1,209 bp	4.9%	6.8%	191 bp		
Live birds margin	10.3%	10.0%	15.8%	550 bp	577 bp	4.9%	8.3%	340 bp		
Processed food margin	3.0%	8.1%	9.8%	681 bp	176 bp	-0.7%	7.9%	857 bp		
Total operating margin	7.3%	7.6%	10.8%	351 bp	315 bp	5.2%	7.1%	188 bp		

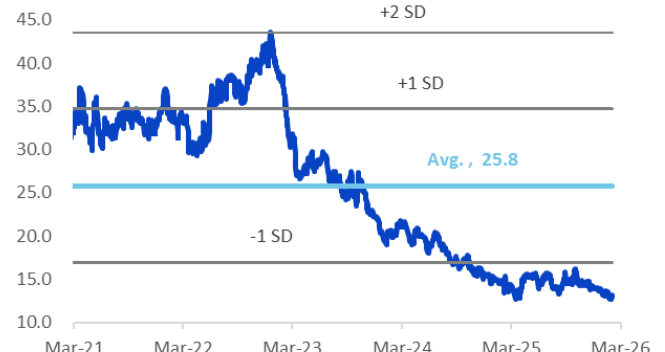
Source: Company, BRIDS Estimates

Exhibit 2. CPIN EV/EBITDA band chart (5-year)



Source: Company, BRIDS Estimates

Exhibit 3. CPIN P/E band chart (5-year)



Source: Company, BRIDS Estimates

Exhibit 4. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	26,261	28,934	30,389	32,154	34,542
COGS	(14,977)	(17,229)	(18,612)	(19,707)	(21,108)
Gross profit	11,284	11,704	11,776	12,447	13,435
EBITDA	4,628	4,869	4,235	4,440	4,797
Oper. profit	4,021	4,231	3,512	3,670	3,971
Interest income	111	82	65	72	108
Interest expense	(57)	(55)	(101)	(101)	(101)
Forex Gain/(Loss)	0	0	11	(20)	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	68	201	(7)	0	0
Pre-tax profit	4,143	4,459	3,480	3,622	3,979
Income tax	(911)	(1,009)	(759)	(819)	(900)
Minority interest	(48)	(68)	(71)	(75)	(81)
Net profit	3,184	3,382	2,650	2,727	2,998
Core Net Profit	3,184	3,382	2,639	2,747	2,998

Exhibit 5. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	6,216	3,950	4,109	4,890	8,549
Receivables	3,543	4,788	4,980	5,270	5,661
Inventory	5,087	7,027	7,175	7,592	5,661
Other Curr. Asset	607	800	840	882	926
Fixed assets - Net	7,994	7,957	8,381	8,804	8,921
Other non-curr.asset	1,960	2,574	2,550	2,527	2,483
Total asset	25,667	27,241	28,181	30,110	32,347
ST Debt	94	856	732	732	732
Payables	2,378	2,680	2,338	2,468	2,644
Other Curr. Liabilities	1,063	895	932	977	1,038
Long Term Debt	533	312	302	302	302
Other LT. Liabilities	333	401	412	423	435
Total Liabilities	4,401	5,144	4,716	4,902	5,151
Shareholder's Funds	19,580	20,385	21,682	23,349	25,256
Minority interests	1,686	1,712	1,783	1,859	1,940
Total Equity & Liabilities	25,667	27,241	28,181	30,110	32,347

Exhibit 6. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	3,184	3,382	2,650	2,727	2,998
Depreciation and Amort.	449	769	836	908	965
Change in Working Capital	(997)	(2,883)	(683)	(576)	1,715
Other Oper. Cash Flow	(1)	(525)	23	21	20
Operating Cash Flow	2,635	743	2,827	3,080	5,698
Capex	(757)	(1,098)	(1,216)	(1,286)	(1,036)
Others Inv. Cash Flow	(86)	159	65	72	108
Investing Cash Flow	(843)	(939)	(1,151)	(1,214)	(928)
Net change in debt	(533)	544	(134)	0	0
New Capital	303	(945)	0	0	0
Dividend payment	1,300	1,273	1,353	1,060	1,091
Other Fin. Cash Flow	758	(29)	(29)	(25)	(20)
Financing Cash Flow	1,828	843	1,189	1,035	1,071
Net Change in Cash	3,621	647	2,865	2,900	5,841
Cash - begin of the year	5,208	6,216	3,950	4,109	4,890
Cash - end of the year	6,216	3,950	4,109	4,890	8,549

Exhibit 7. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	13.6	10.2	5.0	5.8	7.4
EBITDA	12.6	5.2	(13.0)	4.8	8.0
Operating profit	13.1	5.2	(17.0)	4.5	8.2
Net profit	16.5	6.2	(21.7)	2.9	9.9
Profitability (%)					
Gross margin	43.0	40.5	38.8	38.7	38.9
EBITDA margin	17.6	16.8	13.9	13.8	13.9
Operating margin	15.3	14.6	11.6	11.4	11.5
Net margin	12.1	11.7	8.7	8.5	8.7
ROAA	13.2	12.8	9.6	9.4	9.6
ROAE	17.2	16.9	12.6	12.1	12.3
Leverage					
Net Gearing (x)	(0.3)	(0.1)	(0.1)	(0.2)	(0.3)
Interest Coverage (x)	70.1	76.8	34.8	36.4	39.4

Source: CPIN, 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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