

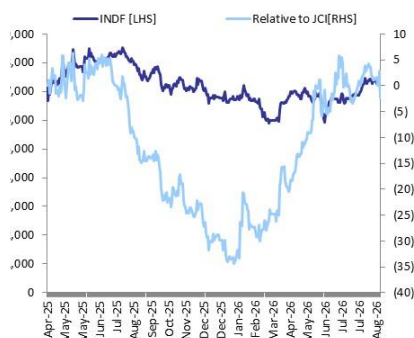
Buy

(Maintained)

Tactical (3M): N

Last Price (Rp)	7,175
Target Price (Rp)	9,200
Previous TP (Rp)	9,000
Upside/Downside	+28.2%
No. of Shares (mn)	8,780
Mkt Cap (Rpbn/US\$mn)	63,000/3,547
Avg, Daily T/O (Rpbn/US\$mn)	70.6/4.0
Free Float (%)	49.9
Major Shareholder (%)	
FIRST PACIFIC COMPANY LIMITED	50.1
EPS Consensus (Rp)	
	2026F 2027F 2028F
BRIDS	1,288.6 1,404.8 1,495.0
Consensus	1,321.7 1,472.0 1,624.5
BRIDS/Cons (%)	(2.5) (4.6) (8.0)

INDF relative to JCI Index



Source: Bloomberg

BRI Danareksa Sekuritas Analysts

Christy Halim

(62-21) 5091 4100 ext. 3512
 christy.halim@brids.co.id

Sabela Nur Amalina

(62-21) 5091 4100 ext. 4202
 sabela.amalina@brids.co.id

Indofood Sukses Makmur (INDF IJ)

ICBP-Led Growth, with CPO Tailwinds Ahead

- El Nino tailwinds could keep CPO prices elevated despite the seasonal overlap, supporting INDF's agribusiness earnings into FY26-end.
- Bogasari's recent price increases helped offset IDR pressures, keeping margins ahead of guidance.
- We adjust FY26/27F net profit estimates by +2.1/4.0% post 1H26 results. We reiterate our Buy rating with higher TP of Rp9,200.

Strong contender for an El Nino play

Although INDF's agribusiness division growth moderated in 2Q26 (revenue growth of -1.0% yoy), with only modest EBIT margin expansion of 10bps qoq (despite higher CPO price), we see the segment as a potential beneficiary of the upcoming El Nino cycle. With El Nino expected to peak in Oct-Dec26, we expect CPO prices to remain supported through year-end, although its impact on Indonesia's wet season could be milder given the seasonal overlap. While INDF's CPO ASP is lagging the global price trend, we expect pricing to remain favorable, as global CPO price remains elevated at MYR4,600/ton (+13.9% ytd, +3.5% yoy). Our CPO price assumptions are MYR4,395/ton in FY26F (+1.9% yoy) and MYR4,422/ton in FY27F (+0.6% yoy).

Bogasari raised prices, with margins ahead of guidance

Despite higher CPO and wheat prices, alongside increased production costs from fertilizer, Bogasari's EBIT margin improved slightly to 9.6% in 2Q26 (from 9.2% in 1Q26). The improvement was partly supported by a ~2% flour ASP increase in May26, followed by another ~1-2% increase in Jul26 to help offset IDR depreciation. As a result, 1H26 EBIT margin reached 9.4%, ahead of the mgmt. guidance. We forecast Bogasari's rev to grow 2.5% in FY26F, driven primarily by volume, while EBIT margin is expected to remain resilient at 9.3%.

Slight estimates revisions

We revised our FY26/27F earnings estimates by +2.1/4.0%, reflecting stronger-than-expected ICBP performance, partly offset by softer Bogasari vol growth and our updated CPO price assumptions. ICBP remains the key growth driver for INDF, with FY26F rev growth of 7.8%, followed by Agribusiness (+5.7%), Bogasari (+2.5%), and Distribution (+2.1%).

Reiterate Buy with slightly higher TP of Rp9,200

Overall, we remain positive on INDF, supported by its diversified earnings base, although earnings remain sensitive to input cost movements and IDR volatility. We continue to see INDF as undervalued, currently trading at 5.5x FY26F PE, representing a 36.3% discount to ICBP. Our new TP is now at Rp9,200, based on 7.1x FY26F PE (+2sd of the 3yr mean), which we think is conservative enough given INDF's growth outlook. Key risks include weaker-than-expected purchasing power, higher input cost volatility, and further IDR depreciation.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	115,787	123,493	131,069	139,364	148,318
EBITDA (Rpbn)	26,304	26,960	28,261	30,086	31,855
EBITDA Growth (%)	14.1	2.5	4.8	6.5	5.9
Net Profit (Rpbn)	8,642	10,685	11,314	12,334	13,127
EPS (Rp)	984.2	1,216.9	1,288.6	1,404.8	1,495.0
EPS Growth (%)	6.1	23.6	5.9	9.0	6.4
BVPS (Rp)	7,415.8	8,330.7	9,277.8	10,320.8	11,421.1
DPS (Rp)	267.0	280.0	346.2	366.6	399.7
PER (x)	7.3	5.9	5.6	5.1	4.8
PBV (x)	1.0	0.9	0.8	0.7	0.6
Dividend yield (%)	3.7	3.9	4.8	5.1	5.6
EV/EBITDA	3.6	3.4	3.0	2.6	2.3

Source: INDF, BRIDS Estimates

Exhibit 1. INDF Earnings Estimate Revision

INDF IJ (Rpbn)	Previous			New			Changes		
	2026F	2027F	2028F	2026F	2027F	2028F	2026F	2027F	2028F
Revenue	129,628	136,378	144,965	131,069	139,364	148,318	1.1%	2.2%	2.3%
Gross profit	43,225	45,737	49,036	43,396	46,299	49,943	0.4%	1.2%	1.9%
Operating profit	24,315	26,116	27,744	24,403	26,104	27,623	0.4%	0.0%	-0.4%
Net profit	11,085	11,857	12,765	11,314	12,334	13,127	2.1%	4.0%	2.8%
Core profit	11,085	11,857	12,765	11,314	12,334	13,127	2.1%	4.0%	2.8%
Gross margin	33.3%	33.5%	33.8%	33.1%	33.2%	33.7%			
Operating margin	18.8%	19.1%	19.1%	18.6%	18.7%	18.6%			
Net margin	8.6%	8.7%	8.8%	8.6%	8.9%	8.9%			
Assumption									
Revenue growth									
ICBP	4.4%	6.1%	6.5%	7.8%	8.1%	7.6%			
Bogasari	5.0%	6.6%	7.1%	2.5%	3.5%	5.1%			
Plantation	9.1%	0.6%	6.1%	5.7%	4.5%	5.2%			
Distribution	1.3%	2.4%	1.9%	2.1%	0.8%	0.8%			
EBIT margin									
ICBP	20.6%	20.3%	20.7%	20.4%	20.7%	20.9%			
Bogasari	7.6%	9.6%	8.4%	9.3%	8.4%	8.7%			
Plantation	20.6%	19.6%	19.1%	19.6%	19.8%	19.4%			
Distribution	12.9%	15.8%	19.3%	8.5%	8.6%	8.8%			

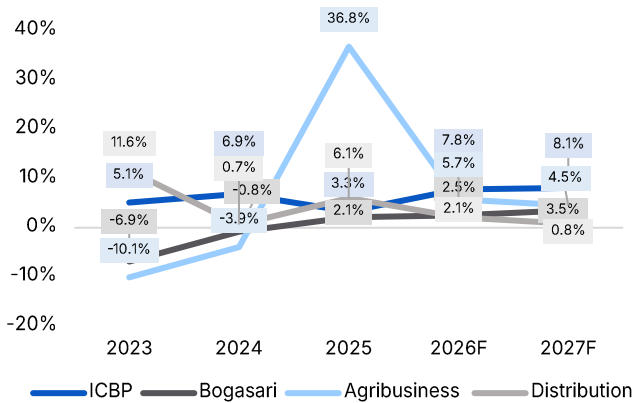
Source: BRIDS Estimates

Exhibit 2. INDF 2Q26/1H26 Earnings Summary

ICBP IJ (Rpbn)	1H25	1H26	YoY	2Q25	1Q26	2Q26	YoY	QoQ	FY26F	A/F	A/C
Revenue	37,601	41,863	11.3%	17,415	21,716	20,148	15.7%	-7.2%	81,251	52%	53%
COGS	24,478	27,496	12.3%	11,587	14,166	13,330	15.0%	-5.9%	53,409		
Gross profit	13,123	14,367	9.5%	5,828	7,549	6,818	17.0%	-9.7%	27,842	52%	51%
Opex	5,193	6,085	17.2%	2,370	3,035	3,050	28.7%	0.5%	11,194		
Operating profit	7,930	8,282	4.4%	3,458	4,514	3,768	9.0%	-16.5%	16,647	50%	52%
Pretax profit	7,742	5,644	-27.1%	4,012	3,757	1,887	-53.0%	-49.8%	14,825		
Net profit	5,536	3,703	-33.1%	2,879	2,574	1,129	-60.8%	-56.1%	9,882	37%	40%
Core profit	5,070	5,600	10.4%	1,992	2,969	2,630	32.0%	-11.4%	10,023	56%	63%
Gross margin	34.9%	34.3%		33.5%	34.8%	33.8%			34.3%		
Opex to revenue	13.8%	14.5%		13.6%	14.0%	15.1%			13.8%		
Operating margin	21.1%	19.8%		19.9%	20.8%	18.7%			20.5%		
Pretax margin	20.6%	13.5%		23.0%	17.3%	9.4%			18.2%		
Net margin	14.7%	8.8%		16.5%	11.9%	5.6%			12.2%		
Core margin	13.5%	13.4%		11.4%	13.7%	13.1%			12.3%		
ICBP - Revenue by Divisions											
	1H25	1H26	YoY	2Q25	1Q26	2Q26	YoY	QoQ	FY26F		
Noodles	27,258	30,315	11.2%	12,737	15,720	14,594	14.6%	-7.2%	59,100		
Dairy	4,806	5,571	15.9%	2,132	2,858	2,713	27.3%	-5.1%	11,226		
Snack food	2,239	2,423	8.2%	1,076	1,241	1,182	9.8%	-4.8%	4,741		
Beverage	742	743	0.2%	370	361	382	3.4%	5.9%	1,478		
Nutrition & special food	645	750	16.4%	284	377	373	31.4%	-1.1%	1,490		
Food Seasoning	1,911	2,062	7.9%	817	1,158	904	10.6%	-22.0%	3,216		
EBIT Margin											
	1H25	1H26		2Q25	1Q26	2Q26					
Noodles	25.3%	23.5%		23.9%	24.5%	22.4%					
Dairy	7.5%	9.9%		3.2%	10.3%	9.4%					
Snack food	5.3%	3.4%		7.0%	4.5%	2.3%					
Beverage	13.6%	12.4%		13.6%	13.3%	11.5%					
Nutrition & special food	9.4%	8.4%		8.0%	10.8%	6.1%					
Food Seasoning	20.3%	17.7%		23.5%	18.4%	16.8%					

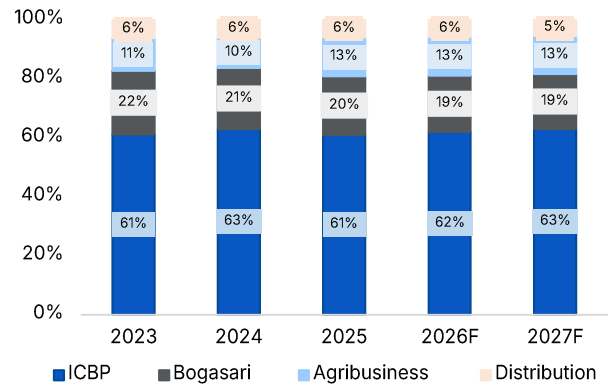
Source: Company, BRIDS Estimates, Bloomberg

Exhibit 3. Revenue Growth by Division, 2023-27F



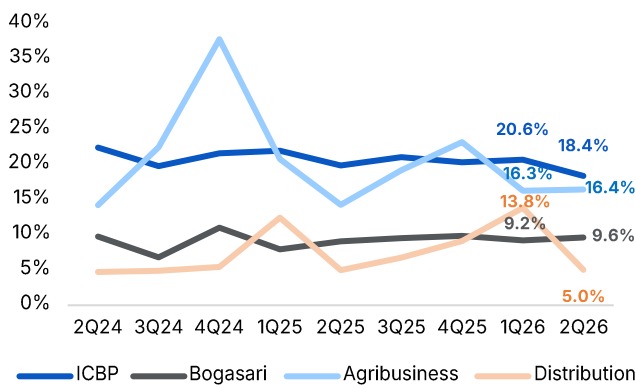
Source: Company, BRIDS Estimates

Exhibit 4. Revenue Contribution by Division, 2023-27F



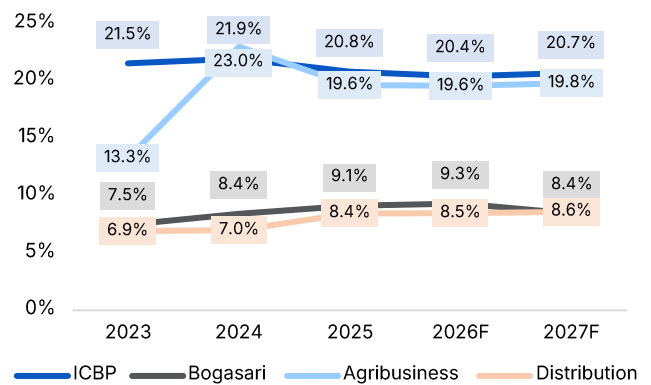
Source: Company, BRIDS Estimates

Exhibit 5. Quarterly EBIT Margin by Division, 2Q24-2Q26



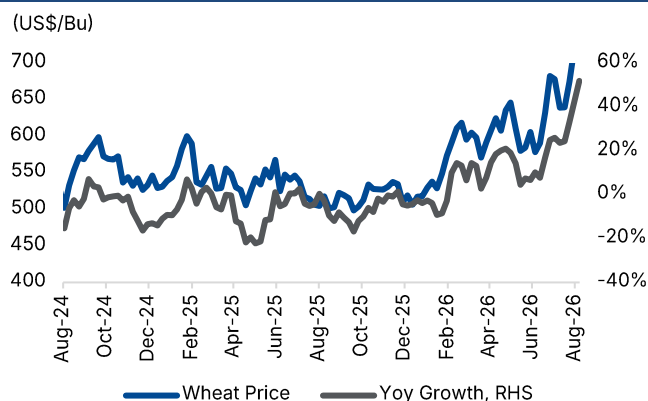
Source: Company, BRIDS

Exhibit 6. Yearly EBIT Margin by Division, 2023-27F



Source: Company, BRIDS Estimates

Exhibit 7. Weekly Wheat Price



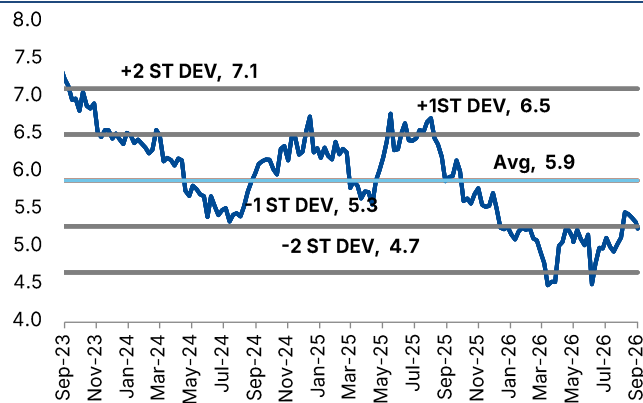
Source: Bloomberg

Exhibit 8. Weekly CPO Price



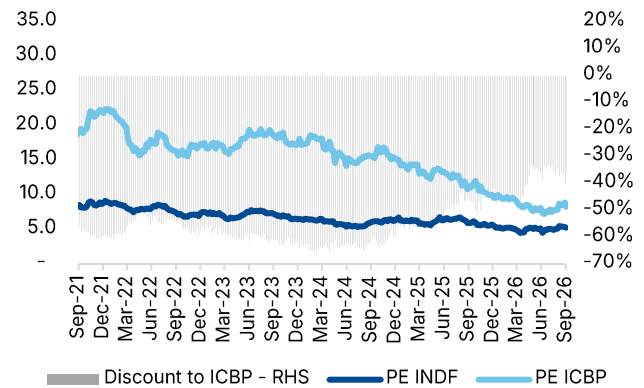
Source: Bloomberg

Exhibit 9. INDF PE Band



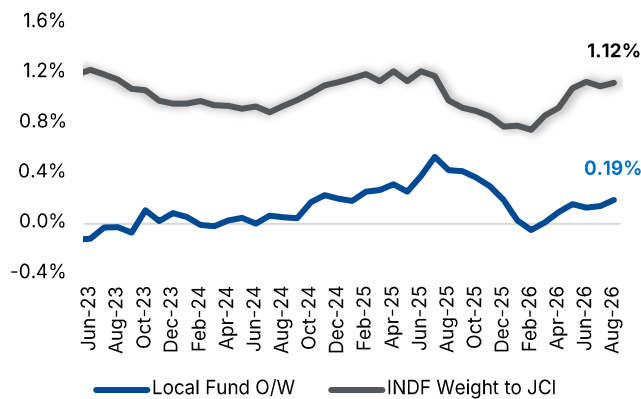
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 10. INDF vs ICBP Valuation Discount



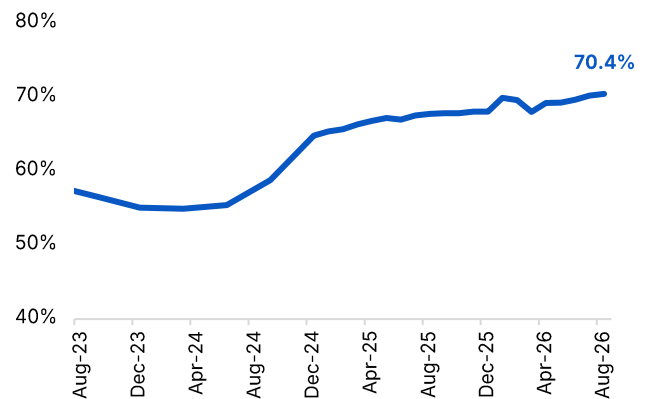
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 11. INDF's Weighting and Local Fund Position



Source: KSEI, BRIDS

Exhibit 12. INDF's Foreign Ownership (Ex-Corporate)



Source: KSEI, BRIDS

Exhibit 13. Consumer Peers Comparison

Ticker	Rec	Target Price	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend Yield (%)	Sales Growth (%)		Core Profit Growth (%)	
		(Rp)		2026F	2027F	2026F	2027F			2026F	2027F	2026F	2027F
ICBP IJ	Buy	10,600	86,006.6	9.5	8.1	1.6	1.4	17.0	6.4	8.6	8.1	6.6	8.2
UNVR IJ	Buy	2,500	64,855.0	14.9	13.8	37.0	42.7	139.9	11.4	5.8	5.5	23.2	7.7
INDF IJ	Buy	9,200	62,999.6	5.6	5.1	0.8	0.7	14.6	4.8	6.1	6.3	(10.1)	9.0
MYOR IJ	Buy	2,500	34,767.8	10.6	9.4	1.7	1.5	17.1	3.9	5.1	7.9	11.3	21.2
Sector - weighted				10.0	9.0	10.6	12.0	48.5	6.9	6.7	7.0	7.4	10.1

Source: Bloomberg, BRIDS Estimates

Exhibit 14. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	115,787	123,493	131,069	139,364	148,318
COGS	(75,650)	(82,301)	(87,673)	(93,065)	(98,375)
Gross profit	40,137	41,192	43,396	46,299	49,943
EBITDA	26,304	26,960	28,261	30,086	31,855
Oper. profit	22,830	23,356	24,403	26,104	27,623
Interest income	1,505	1,415	1,216	1,303	1,464
Interest expense	(3,804)	(4,044)	(4,317)	(4,069)	(4,413)
Forex Gain/(Loss)	(2,389)	(1,930)	0	0	0
Income From Assoc. Co's	(1,362)	27	0	0	0
Other Income (Expenses)	258	1,213	337	170	(51)
Pre-tax profit	17,040	20,038	21,639	23,507	24,621
Income tax	(3,962)	(4,481)	(5,410)	(5,877)	(6,155)
Minority interest	(4,436)	(4,872)	(4,915)	(5,296)	(5,339)
Net profit	8,642	10,685	11,314	12,334	13,127
Core Net Profit	12,392	12,587	11,314	12,334	13,127

Exhibit 15. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	38,710	47,471	47,823	54,239	60,430
Receivables	10,017	11,439	10,849	11,601	12,457
Inventory	17,954	18,692	20,350	21,366	22,709
Other Curr. Asset	3,569	2,952	3,297	3,358	3,539
Fixed assets - Net	47,814	49,794	51,178	52,771	54,471
Other non-curr.asset	74,134	77,797	78,454	79,109	79,711
Total asset	201,713	217,982	221,789	232,282	243,154
ST Debt	21,573	25,324	21,303	21,303	21,303
Payables	7,412	8,025	8,359	9,019	9,500
Other Curr. Liabilities	8,109	9,050	8,468	9,172	9,963
Long Term Debt	49,373	49,386	49,178	49,178	49,178
Other LT. Liabilities	6,255	5,961	5,928	5,901	5,841
Total Liabilities	92,722	97,747	93,237	94,573	95,784
Shareholder's Funds	65,114	73,147	81,463	90,621	100,282
Minority interests	43,878	47,088	47,088	47,088	47,088
Total Equity & Liabilities	201,713	217,982	221,789	232,282	243,154

Exhibit 16. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	8,642	10,685	11,314	12,334	13,127
Depreciation and Amort.	3,205	3,356	3,859	3,982	4,232
Change in Working Capital	(4,199)	(438)	(1,081)	(833)	(1,384)
Other Oper. Cash Flow	2,242	3,079	2,520	3,132	3,227
Operating Cash Flow	9,889	16,681	16,613	18,616	19,202
Capex	(3,724)	(5,336)	(5,243)	(5,575)	(5,933)
Others Inv. Cash Flow	2,161	(2,612)	558	648	862
Investing Cash Flow	(1,563)	(7,948)	(4,684)	(4,926)	(5,071)
Net change in debt	6,373	3,765	(4,229)	0	0
New Capital	2,229	3,018	41	42	43
Dividend payment	(2,344)	(2,459)	(3,040)	(3,219)	(3,509)
Other Fin. Cash Flow	(4,450)	(4,296)	(4,349)	(4,096)	(4,474)
Financing Cash Flow	1,807	28	(11,576)	(7,273)	(7,940)
Net Change in Cash	10,134	8,761	352	6,417	6,191
Cash - begin of the year	28,576	38,710	47,471	47,823	54,239
Cash - end of the year	38,710	47,471	47,823	54,239	60,430

Exhibit 17. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	3.7	6.7	6.1	6.3	6.4
EBITDA	14.1	2.5	4.8	6.5	5.9
Operating profit	16.0	2.3	4.5	7.0	5.8
Net profit	6.1	23.6	5.9	9.0	6.4
Core profit	14.1	14.4	(10.3)	9.0	6.4
Profitability (%)					
Gross margin	34.7	33.4	33.1	33.2	33.7
EBITDA margin	22.7	21.8	21.6	21.6	21.5
Operating margin	19.7	18.9	18.6	18.7	18.6
Net margin	7.5	8.7	8.6	8.9	8.9
ROAA	4.5	5.1	5.1	5.4	5.5
ROAE	13.9	15.5	14.6	14.3	13.8
Leverage					
Net Gearing (x)	0.3	0.2	0.2	0.1	0.1
Interest Coverage (x)	6.0	5.8	5.7	6.4	6.3

Source: INDF, BRIDS Estimates

Equity Research – Company Update

Thursday, 03 September 2026

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Coal	erindra.krisnawan@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Christy Halim	Consumer, Retailers	christy.halim@brids.co.id
Andhika Audrey Eko Nugroho	Metal Mining, Oil & Gas	andhika.nugroho@brids.co.id
Kafi Ananta Azhari	Telco, Technology	kafi.azhari@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id
Nataniella Eva Kezia	Research Associate	nataniella.kezia@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Relindya Yuriswari S.	Economist	relindya.salehaningtyas@brids.co.id
Ebenezer Mesotuh Harefa	Junior Economist	ebenezer.harefa@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrlicheh Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

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

Disclaimer

The information contained in this report has been taken from sources which we deem reliable. However, none of PT BRI Danareksa Sekuritas and/or its affiliated and/or their respective employees and/or agents makes any representation or warrant (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of PT BRI Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitations for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as results of acting in reliance upon the whole or any part of the contents of this report and neither PT BRI Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or mis-statements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in the report is not to be taken as any recommendation made by PT BRI Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regards to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.