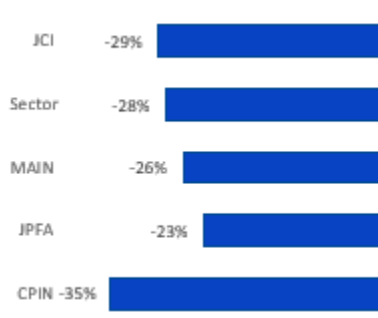


Overweight

(Maintained)

Tactical (3M): **OW**

YTD share performance



Source: Bloomberg

Sector EV/EBITDA band chart



Source: Bloomberg, BRIDS Estimates

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Poultry

Positive 3Q26 Earnings Momentum to Support Re-rating Despite Challenging Macro Conditions

- We expect the recovery in LB and DOC prices to override the impact of rising feed costs, resulting in a higher margin for the integrators.
- From a soft 2Q26, we expect 3Q26 earnings to rebound by 68/67% qoq to Rp1.9tr/ Rp1.1tr for CPIN/JPFA driven by better margin.
- We lift FY26-27 earnings est. by 6-11% and maintain Overweight rating given its earnings momentum. CPIN remains our top pick.

Rebound in chicken prices amid rising feed costs

Despite the sharp correction in 2Q26, livebird (LB) and DOC prices have recovered strongly in 3Q26, with LB prices reaching Rp23.6k/kg in Sep26, bringing the YTD average to Rp21.2k/kg, while DOC prices recovered to Rp7,275/chick in Aug26 after falling to Rp3,488/chick in Jun26, with YTD average at Rp5,992/chick. On a YTD basis, LB and DOC prices remained 8.0% and 6.0% above FY25 levels, respectively. Meanwhile, YTD corn and SBM prices stood at Rp6.5k/kg and US\$319/t, respectively, up 11.6% and 9.4% from FY25 levels.

Adjusting upward our LB, DOC, corn, and SBM price assumptions

While our FY26F thesis of higher chicken prices to offset the higher feed costs remain intact, we adjusted our assumptions as both prices have exceeded our previous estimates. We adjust our LB price by 3.5% to Rp21.7k/kg and DOC by 3.1% to Rp6.0k/kg/chick which are more than enough to offset the 2.4% higher corn cost to Rp6.4k/kg and 3.1% higher SBM cost to US\$316/t. We believe chicken price would stay elevated in 4Q26 supported by our undersupply thesis and government intervention. We also expect local corn to remain high on price intervention and tight supply. On the other hand, SBM price should moderate driven by El Nino, which should boost Argentina's soybean production.

Positive 3Q26 earnings momentum

We expect 3Q26 earnings to rebound from the soft 2Q26 results, supported by a broad-based recovery in poultry selling prices. LB prices strengthened by ~20% qoq in 3Q26, while DOC prices increased by ~33% qoq, providing meaningful support to poultry players' earnings. This improvement in ASP should more than offset the ~3% qoq increase in feed costs, driven by higher corn and SBM prices, which rose by ~2% qoq and ~5% qoq, respectively. Against this backdrop, we expect 3Q26 earnings to recover across the major integrated players from the soft 2Q26 base, with CPIN, JPFA, and MAIN estimated to deliver 3Q26 net profits of Rp1.9tr, Rp1.1tr, and Rp80.8bn, respectively.

Maintain Overweight amid challenging macro environment

We maintain Overweight on the sector with favorable supply-demand outlook and earnings momentum as positive catalysts. At current 4.5x EV/EBITDA (-1.1SD to its 5-year average), the market appears to ignore the earnings recovery prospect in 3Q26. We continue to favor CPIN (Buy, TP Rp4,100) as our top pick due to its share price underperformance, less crowded local position, and potential consensus upgrade. Risks to our view are significant raw material supply disruptions and government intervention in imported feed raw material.

Company	Ticker	Rec	Target Price (Rp)	Market Cap. (RpBn)	P/E (x)		P/BV (x)		ROE (%)
					2026F	2027F	2026F	2027F	
Charoen Pokphand Indonesia	CPIN IJ	BUY	4,100	47,718.2	6.9	6.5	1.3	1.1	18.4
Japfa Comfeed Indonesia	JPFA IJ	BUY	3,200	23,570.4	5.2	5.1	1.1	1.0	20.1
Malindo Feedmill Indonesia	MAIN IJ	BUY	900	1,432.8	5.9	6.9	0.4	0.4	5.8

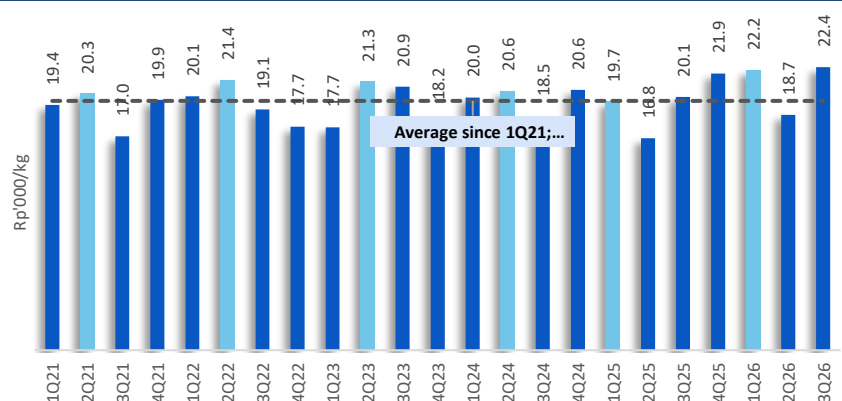
Positive 3Q26 Earnings Momentum to Support Re-rating Despite Challenging Macro Conditions

Strong LB recovery drives 3Q26 prices to historical high

LB prices have remained resilient since 3Q25, despite a temporary disruption in 2Q26. LB prices averaged Rp20.1k/kg in 3Q25 and strengthened to Rp21.9k/kg in 4Q25 and Rp22.2k/kg in 1Q26, supported by relatively favorable supply-demand conditions. However, prices experienced a sharp correction in Jun26 amid the Suro month, school holiday period, and ongoing MBG program audit, dragging the 2Q26 average down to Rp18.7k/kg.

Supply-demand conditions subsequently normalized, supporting a strong recovery from Jul26 onward. LB prices remained weak into early Jul26 before recovering following the government's Joint Commitment, which targeted a minimum farm-gate LB price of Rp19.5k/kg by 15 Jul26. The target was achieved ahead of schedule on 9 Jul26, while the gradual resumption of the MBG program as the school holiday period wound down provided an additional demand boost alongside Suro normalization. LB prices remained resilient thereafter, briefly exceeding Rp25k/kg in mid-August, bringing the 3Q26 average to Rp22.4k/kg, up 20.3% qoq and 11.7% yoy. Notably, this marked the higher quarterly LB price in our historical series, despite 3Q26 lacking the seasonal boost from the Lebaran period.

Exhibit 1. Historical Quarterly LB Price

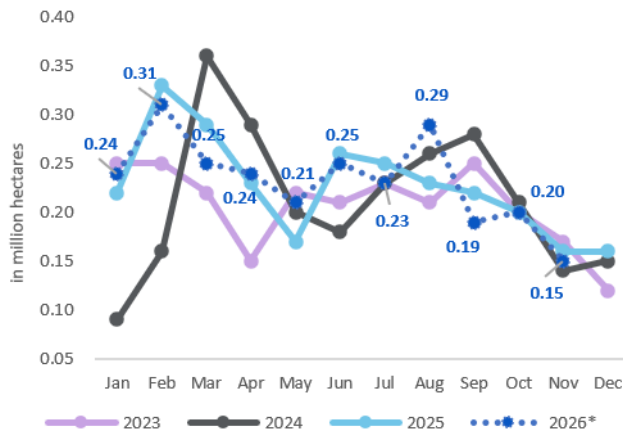


Source: Pinsar, BRIS

Local corn supply outlook turns less favorable

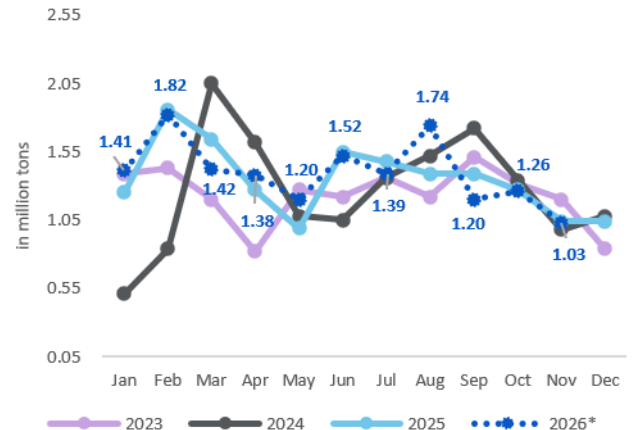
Statistics Indonesia (BPS) data show that dried shelled corn production at 14% moisture (JPK-KA14%) reached 1.74mn tons in Aug26, up 24.8% yoy from 1.39mn tons in Aug25. However, BPS estimates point to a less favorable supply outlook in the coming months, with corn harvested area expected to reach 0.54mn hectares in Sep-Nov26, down 7% yoy from the same period last year. Similarly, JPK-KA14% production is estimated at 3.49mn tons over the same period, down 6% yoy. The expected decline in harvested area and production could point to tighter local corn availability toward 4Q26, potentially adding pressure to feed costs.

Exhibit 2. Indonesia Corn Harvest area



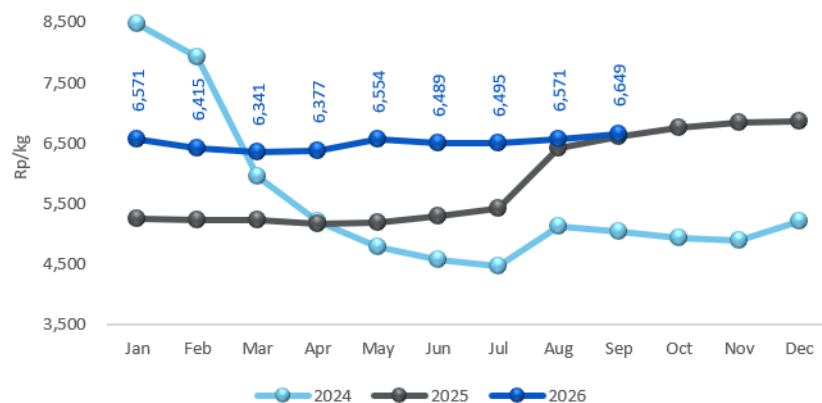
Source: BPS, BRIDS

Exhibit 3. Dried Shelled Corn Production (KA 14%)



Source: BPS, BRIDS

Exhibit 4. Monthly local corn price

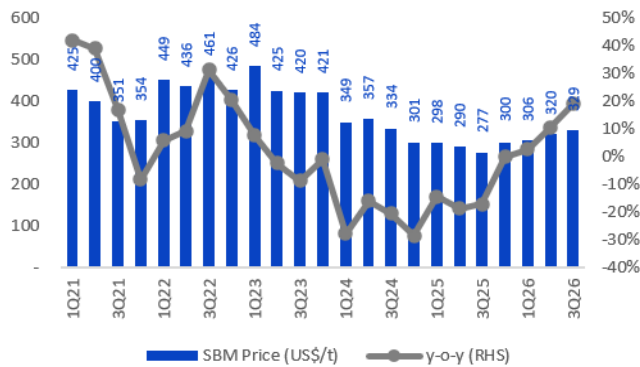


Source: Various sources, BRIDS

Higher SBM costs to weigh on margins

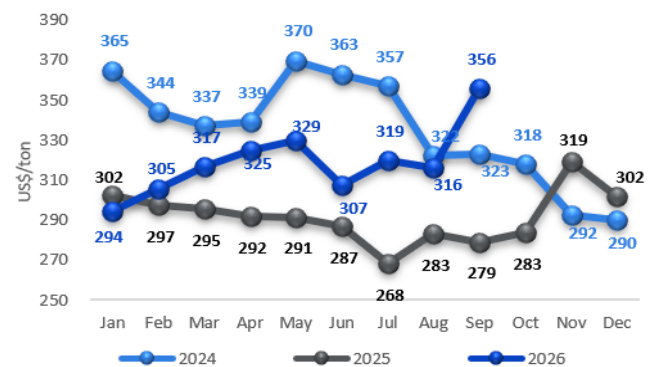
Rising SBM prices are becoming an increasingly important margin headwind for integrated poultry players. SBM prices have been on an upward trend since 4Q25, rising from US\$300/t to ~US\$329/t in 3Q26, representing a 19% yoy increase. Prices also remained elevated toward the end of the quarter, reaching ~US\$356/t in Sep26. We expect pressure on feed margins to become more visible in 3Q26, as lower-cost SBM inventory is gradually consumed and replenishment takes place at higher prevailing prices.

Exhibit 5. Historical Quarterly SBM Price



Source: Bloomberg, BRIDS

Exhibit 6. Monthly SBM Price



Source: Bloomberg, BRIDS

The impact of higher SBM prices could be further amplified by the single-import mechanism. With Berdikari acting as the sole SBM importer, we estimate an additional ~15% markup on SBM costs, which would further increase the effective cost borne by poultry players. Based on our feed cost calculation using the 3Q26 average SBM price, a ~15% markup from Berdikari would translate into ~3.4% higher total feed costs, assuming other input costs remain unchanged. This could add further pressure to feed margins, particularly if the higher cost cannot be fully passed through to ASP.

We estimate the earnings impact would vary across players depending on their respective sensitivity to SBM costs. Based on our sensitivity analysis, MAIN appears to be the most exposed, with every 1% increase in SBM costs reducing its bottom line by ~1.3%, implying a ~19.7% potential downside to our FY26F earnings estimates under a 15% higher SBM cost assumption. The corresponding downside to FY26F earnings for JPFA and CPIN would be ~6.4% and ~0.07%, respectively.

Exhibit 7. Berdikari's margin could add further pressure to feed costs

Initial mechanism

Corn Price (Rp/kg)	6,571	3,286
SBM Price (Rp/kg)	5,901	
SBM cost (Rp/kg)	7,672	1,918
Other cost (Rp/kg)		3,382
Total feed cost (Rp/kg)		8,586

Single-import mechanism

Corn Price (Rp/kg)	6,571	3,286
SBM Price (Rp/kg)	5,901	
SBM cost (Rp/kg)	7,672	
SBM cost (Rp/kg) (Berdikari Impact; margin ~15%)	8,822	2,206
Other cost (Rp/kg)		3,382
Total feed cost (Rp/kg)		8,874

Changes

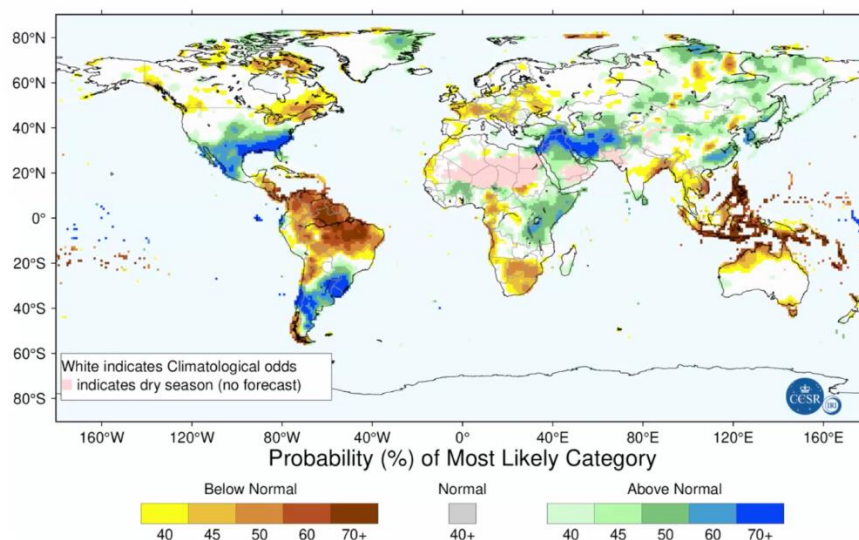
3.4%

Source: BRIDS Estimates

El Nino risks to poultry feed costs

The Super El Nino of 2026–27 presents an asymmetric risk profile for Indonesia's feed and poultry sector. On the corn side, the risk is unambiguously negative as domestic production is declining, import substitution through wheat is accelerating, and policy-driven import restrictions risk amplifying supply tightness precisely when the industry needs flexibility. On the SBM side, however, the global supply picture is more benign than feared: Argentine production recovery under El Nino-favorable rainfall, a broadly supportive US Corn Belt season for soybeans, and near-record global SBM inventories provide a meaningful supply cushion that is keeping import costs manageable. The critical watch point for 2H26 and into 2027 is whether the drought risk in central and northern Brazil materializes. If it does, the SBM supply cushion narrows significantly, and Indonesia's feed industry could face a simultaneous corn and protein supply squeeze at the peak of El Nino's impact window.

Exhibit 8. CCSR/IRI multi-model probability forecast for precipitation for Oct-Dec 2026, issued Jul26



Source: Center for Climate System Research, Columbia University

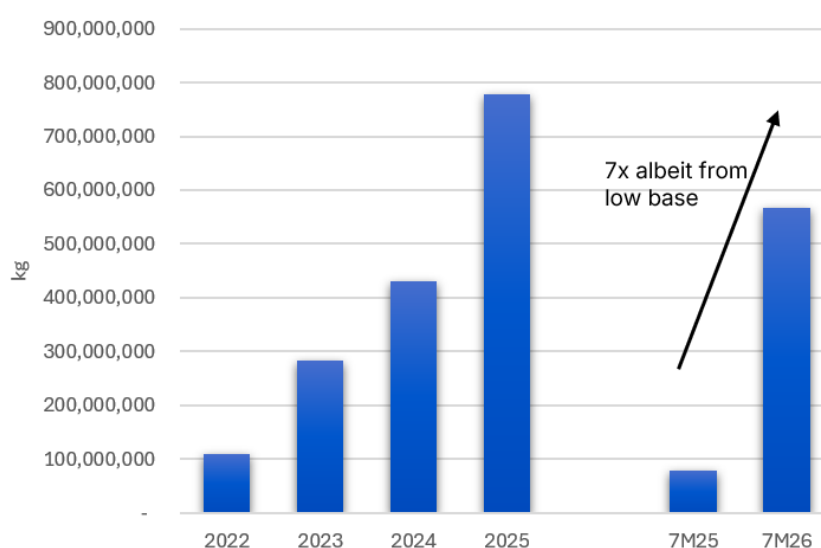
El Nino-driven production decline

Indonesia's poultry feed sector is heavily dependent on domestic corn which constitutes 45–50% of poultry feed formulation, and the poultry feed accounts for around 80% of total poultry costs. This structural demand growth makes the system highly sensitive to any supply disruption on the corn side. USDA predict a Super El Nino from late 2026 to early 2027 that will supercharge global weather systems and trigger severe droughts, with Indonesia potentially facing a seven-month struggle with poor crop yields, serious food shortages, and high wildfire risks.

Feed industry response: substitution cascade

Indonesia's feed sector already faces a convergence of challenges: restricted corn imports, volatile wheat prices, disrupted soybean meal supply, and climate risks. As El Nino intensifies, the resilience of Indonesia's feed sector will be tested. Despite rising feed demand, corn use in feed rations is expected to decline by about 1% to 9.5 million tons due to limited domestic supplies, with feed manufacturers increasingly substituting wheat for corn in feed formulations. This dynamic substitution directly explains the surge in feed wheat imports which surge 7x yoy in 7M26, albeit from a low base in 7M25. The feed wheat arrivals of around 560,000 tons is a significant part of a structural response to anticipated corn supply tightness under El Nino, not merely a price arbitrage play.

Exhibit 9. Indonesia feed wheat import



Source: BPS, BRIDS

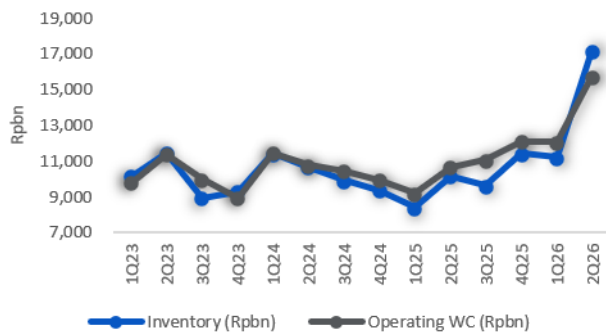
Higher working capital requirements raise funding needs

With feed input costs remaining elevated, poultry players face higher funding requirements to support their inventory positions. Higher input costs increase the value of raw materials held by integrated poultry players, while inventory coverage has also increased for some players. As a result, operating working capital has generally trended higher into 2Q26, potentially increasing reliance on short-term funding.

This trend is visible across the three major integrated players, although the magnitude varies. CPIN's operating working capital increased by 29.8% from 4Q25 to 2Q26, accompanied by a 59.5% increase in ST debt, while MAIN recorded a more moderate 22.5% and 36.8% increase, respectively. JPFA recorded the most notable increase in operating working capital at 32.3%, with ST debt also rising sharply, particularly in 2Q26.

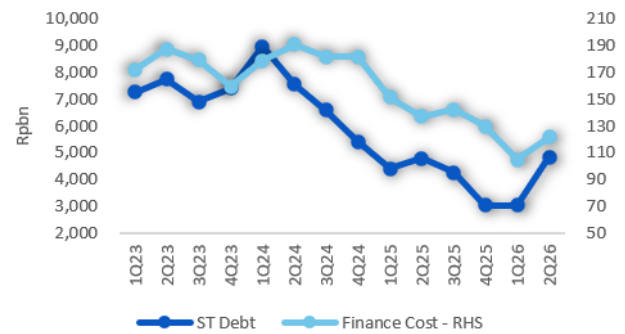
The impact on financing costs, however, has been less uniform across companies. JPFA has already seen higher finance costs alongside the increase in ST borrowings, while CPIN's finance cost increase has been more modest despite a sharper rise in ST debt. Meanwhile, MAIN recorded lower finance costs despite higher short-term borrowings. As higher input costs continue to support elevated working capital requirements, ST borrowings could remain elevated into 3Q26, creating potential additional pressure on financing costs and bottom-line margins.

Exhibit 10. Operating WC & Inventory - CPIN



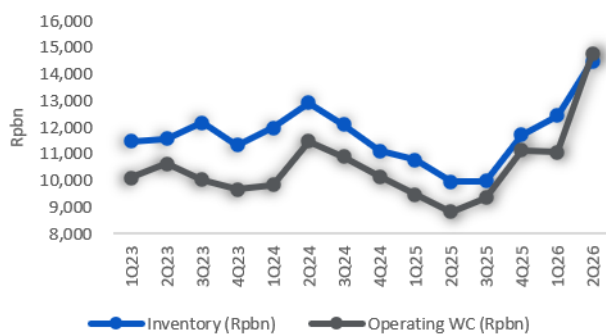
Source: Company, BRIDS

Exhibit 11. Short-term Debt vs. Finance Cost - CPIN



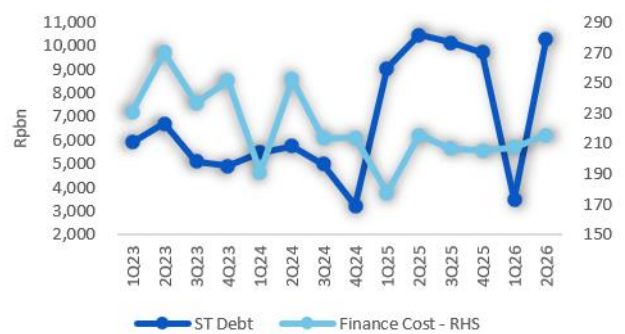
Source: Company, BRIDS

Exhibit 12. Operating WC & Inventory - JPFA



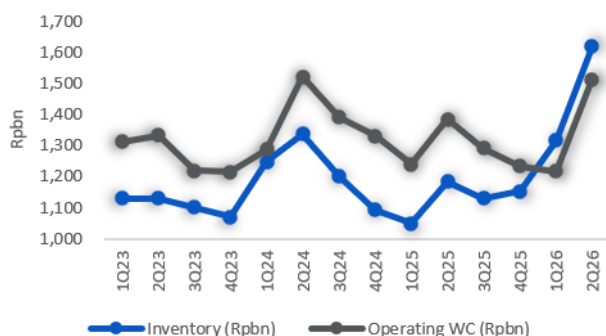
Source: Company, BRIDS

Exhibit 13. Short-term Debt vs. Finance Cost - JPFA



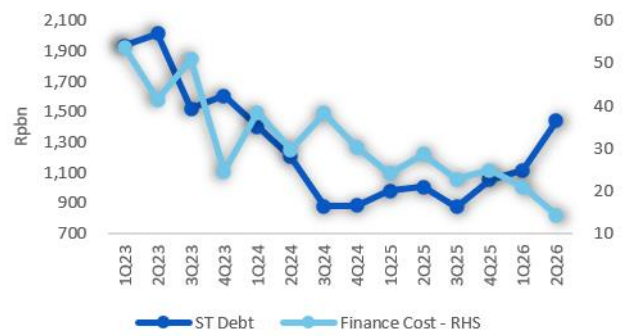
Source: Company, BRIDS

Exhibit 14. Operating WC & Inventory - MAIN



Source: Company, BRIDS

Exhibit 15. Short-term Debt vs. Finance Cost - MAIN



Source: Company, BRIDS

3Q26 earnings preview

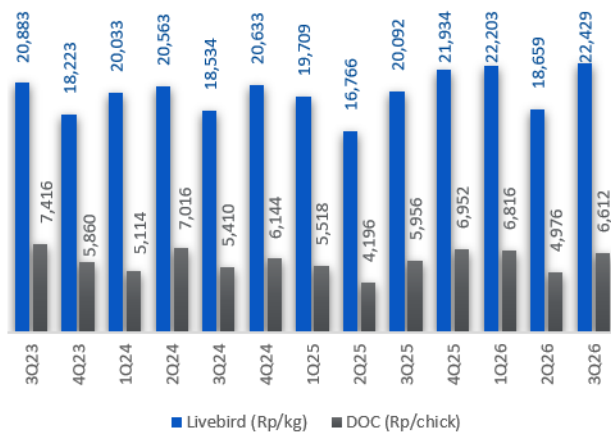
We expect 3Q26 earnings to rebound from the soft 2Q26 results, supported by a broad-based recovery in poultry selling prices. LB prices strengthened by ~20% qoq, while DOC prices increased by ~33% qoq, providing meaningful support to poultry players' earnings. This improvement in ASP should more than offset the ~3% qoq increase in feed costs, driven by higher corn and SBM prices, which rose by ~2% qoq and ~5% qoq, respectively. Against this backdrop, we expect earnings to recover across the major integrated players from the soft 2Q26 base, with CPIN, JPFA, and MAIN estimated to deliver 3Q26 net profits of Rp1.9tr, Rp1.1tr, and Rp80.8bn, respectively.

Exhibit 16. Poultry's 3Q26 Earnings Estimates

Net Profit (Rpbn)	3Q26E			9M26E % to BRIDS			9M26E % to Cons		
CPIN	1,749	-	2,048	78%	-	83%	87%	-	92%
JPFA	1,027	-	1,234	77%	-	82%	62%	-	66%
MAIN	80	-	102	74%	-	83%	n.a	-	n.a

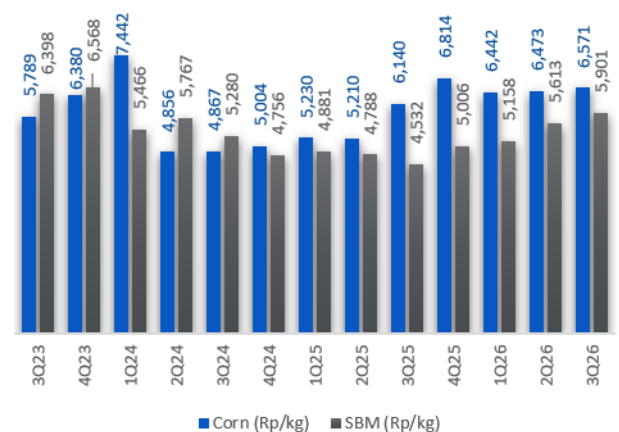
Source: BRIDS Estimates, Bloomberg

Exhibit 17. Quarterly Average LB and DOC Prices



Source: Pinsar, Company, BRIDS

Exhibit 18. Quarterly Average local corn and SBM price



Source: Bloomberg, Various sources, BRIDS

Higher poultry prices drive earnings revisions

While our FY26F thesis of higher chicken prices to offset the higher feed costs remain intact, we adjusted our assumptions as both prices have exceeded our previous estimates. We adjust our LB price by 3.5% to Rp21.7k/kg and DOC by 3.1% to Rp6.0k/kg/chick which are more than enough to offset the 2.4% higher corn cost to Rp6.4k/kg and 3.1% higher SBM cost to US\$316/t. We believe chicken price would stay elevated in 4Q26 supported by our undersupply thesis and government intervention. We also expect local corn to remain high on price intervention and tight supply. On the other hand, SBM price should moderate driven by El Nino, which should boost Argentina's soybean production. Overall, we raise CPIN's FY26/FY27F earnings forecasts by 11.1%/9.8% and JPFA's by 7.3%/6.0%, respectively.

Exhibit 19. CPIN's Changes in forecast

Financial	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Revenue (Rpbn)	76,409	85,472	80,247	90,075	5.0%	5.4%
EBITDA (Rpbn)	9,538	9,953	10,307	10,848	8.1%	9.0%
Net Profit (Rpbn)	6,263	6,713	6,958	7,369	11.1%	9.8%

Price	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Live Bird (Rp/kg live)	21,010	21,361	21,739	22,153	3.5%	3.7%
DOC (Rp/bird)	5,774	5,842	5,952	6,032	3.1%	3.3%
Corn (Rp/kg)	6,309	6,530	6,463	6,689	2.4%	2.4%
Soybean meal (US\$/t)	307	314	316	323	3.1%	3.1%

Source: BRIDS Estimates

Exhibit 20. JPFA's Changes in forecast

Financial	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Revenue (Rpbn)	65,125	71,086	66,873	73,142	2.7%	2.9%
EBITDA (Rpbn)	7,747	8,052	8,125	8,401	4.9%	4.3%
Net Profit (Rpbn)	4,220	4,340	4,527	4,599	7.3%	6.0%

Price	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Live Bird (Rp/kg live)	21,239	21,507	21,961	22,286	3.4%	3.6%
DOC (Rp/bird)	6,767	6,876	7,067	7,191	4.4%	4.6%
Corn (Rp/kg)	6,309	6,530	6,463	6,689	2.4%	2.4%
Soybean meal (US\$/t)	307	314	316	323	3.1%	3.1%

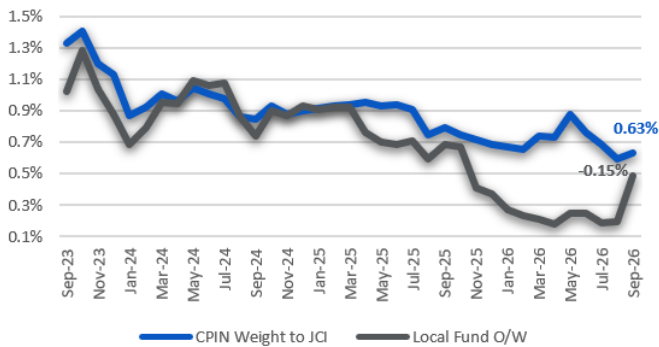
Source: BRIDS Estimates

Maintain Overweight; CPIN remains our Top pick

We maintain Overweight on the sector, supported by resilient poultry prices and attractive valuations. Despite the strong recovery in LB and DOC prices in 3Q26, poultry stocks remain down YTD, with CPIN/JPFA/MAIN declining by 35/23/26%, respectively. The sector currently trades at 4.5x EV/EBITDA, or -1.1 SD below its 5-year average, providing room for further re-rating. We believe current valuations do not yet fully reflect the improved supply-demand dynamics and ongoing earnings recovery.

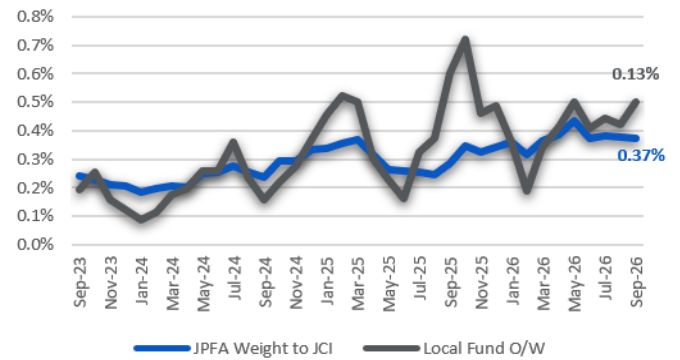
Maintain CPIN as our top pick, given its greater earnings recovery headroom. CPIN's 1H26 earnings reached 59% of current FY26F consensus estimates, while we expect 3Q26 earnings to remain resilient following the strong recovery in poultry prices, leaving room for further earnings upside. Although consensus estimates have already been upgraded, we believe further revisions could lag the underlying earnings recovery, as the full impact of stronger 3Q26 operating conditions has yet to be reflected in current estimates. Meanwhile, CPIN's valuation remains attractive at -1.59SD below its 5-year average, while relatively less crowded domestic fund positioning provides room for further re-rating as earnings momentum improves.

Exhibit 21. CPIN's weighting and local fund position



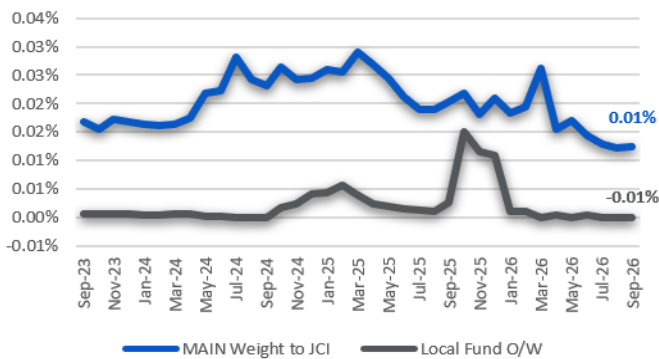
Source: KSEI, BRIDS

Exhibit 22. JPFA's weighting and local fund position



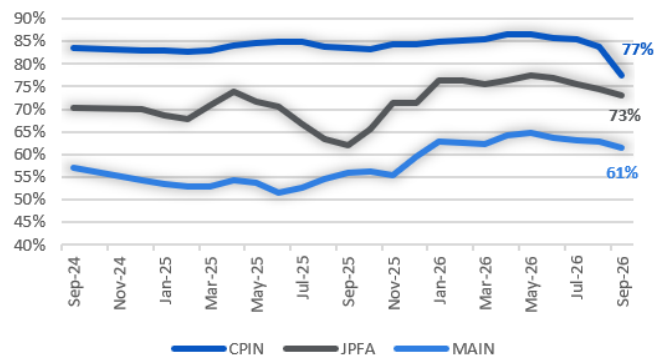
Source: KSEI, BRIDS

Exhibit 23. MAIN's weighting and local fund position



Source: KSEI, BRIDS

Exhibit 24. Foreign ownership (ex. Corporate)



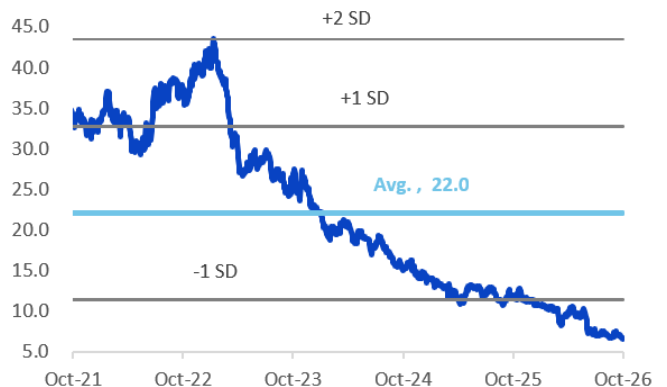
Source: KSEI, BRIDS

Exhibit 25. CPIN EV/EBITDA band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 26. CPIN P/E band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 27. JPFA EV/EBITDA band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 28. JPFA P/E band chart (5-year)



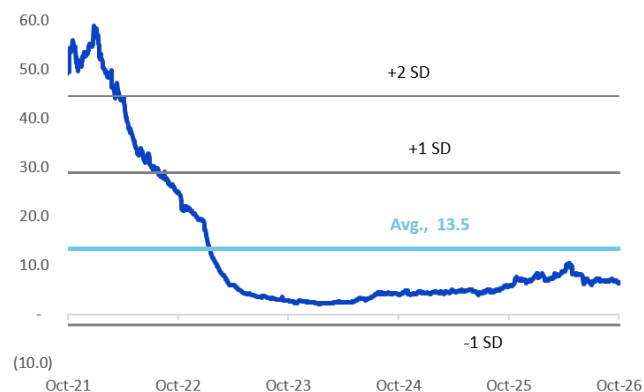
Source: Bloomberg, BRIDS Estimates

Exhibit 29. MAIN EV/EBITDA band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 30. MAIN P/E band chart (5-year)



Source: Bloomberg, BRIDS Estimates

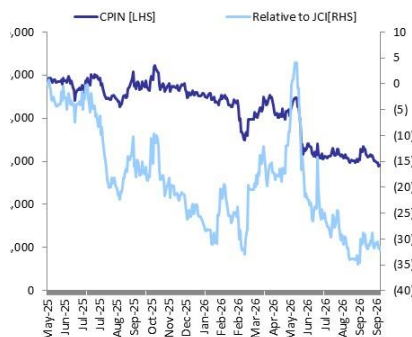
Buy

(Maintained)

Tactical (3M): OW

Last Price (Rp)	2,910
Target Price (Rp)	4,100
Previous TP (Rp)	5,900
Upside/Downside	+40.9%
No. of Shares (mn)	16,398
Mkt Cap (Rpbn/US\$m)	47,718/2,665
Avg, Daily T/O (Rpbn/US\$m)	66.2/3.7
Free Float (%)	44.5
Major Shareholder (%)	
PT Charoen Pokphand Indonesia Group	55.5
EPS Consensus (Rp)	
	2026F 2027F 2028F
BRIDS	424.3 449.4 331.0
Consensus	384.4 407.9 421.4
BRIDS/Cons (%)	10.4 10.2 (21.4)

CPIN relative to JCI Index



Source: Bloomberg

Charoen Pokphand Indonesia (CPIN IJ)

Positive Earnings Momentum to Support Re-rating as Foreign Outflow Subsidies

- Post MSCI exclusion, share price declined by a mere 2.3% as local fund absorbs record high foreign outflow.
- We raise our FY26/27F earnings forecast by 11/10% as we lift our LB, DOC, corn, and SBM assumptions to reflect recent conditions.
- We maintain our Buy rating but with a lower TP of Rp4,100 as we change our valuation to fair value PE of 9.1x FY27F.

Rebound in chicken prices amid rising feed costs

Following a sharp correction in 2Q26, livebird (LB) and DOC prices have recovered strongly in 3Q26 with LB prices reaching Rp23.6k/kg in Sep26, bringing the YTD average to Rp21.2k/kg, while DOC prices recovered to Rp7,275/chick in Aug26 after falling to Rp3,488/chick in Jun26, with YTD average at Rp5,992/chick. On a YTD basis, LB and DOC prices remained 8.0% and 6.0% above FY25 levels, respectively. Meanwhile, YTD corn and SBM prices stood at Rp6.5k/kg and US\$319/t, respectively, up 11.6% and 9.4% from FY25 levels.

FY26/27F earnings estimates revision

We raise our FY26/FY27F earnings forecasts by 11.1%/9.8%, as we lift our FY26F LB price assumption to Rp21.7k/kg from Rp21.0k/kg and our DOC price assumption to Rp5.9k/chick from Rp5.8k/chick. While we also raise our FY26F local corn and SBM price assumptions by 2.4% and 3.1%, respectively, we expect higher feed costs to be more than offset by firmer poultry ASP. We expect positive margins across all segments, with the LB segment margin expanding to 11.0% in FY26F from 8.3% in FY25.

Domestic fund positioning reaches highest level post-MSCI exclusion

Domestic fund positioning in CPIN has started to improve, with the stock's UW position narrowing to -15bps in Sep26 from -40bps in Aug26, marking its highest level YTD. Meanwhile, foreign investors recorded Rp392bn of net outflows YTD, with Sep26 seeing the largest monthly outflow of Rp402bn following CPIN's removal from MSCI effective 1 Sep26. CPIN's share price has declined 35.5% YTD and a further 2.3% since the MSCI exclusion. Partly reflecting the foreign selling pressure, CPIN currently trades at -1.59SD below its 5-year average EV/EBITDA.

Maintain Buy rating amid positive 2H26 outlook

We maintain our Buy rating on CPIN but with a lower TP of Rp4,100 (from Rp5,900 prev.) as we change our valuation method from -1SD of 5-year EV/EBITDA multiple of 10.2x FY26F EBITDA to FY27F fair value PE of 9.1x (assuming $K_e=12.9\%$, $g=7.6\%$, and payout ratio=45.2%) to better reflect the current macro and equity risk premium. The combination of stronger earnings prospects, improving domestic fund positioning, and room for valuation normalization supports our positive view on the stock. Risks to our view are significant raw material supply disruptions and government intervention in imported feed raw material.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	67,478	70,705	80,247	90,075	117,094
EBITDA (Rpbn)	7,186	8,868	10,307	10,848	8,484
EBITDA Growth (%)	39	23	16	5	(22)
Net Profit (Rpbn)	3,713	5,644	6,958	7,369	5,428
EPS (Rp)	226	344	424	449	331
EPS Growth (%)	60	52	23	6	(26)
BVPS (Rp)	1,846	2,082	2,326	2,554	2,650
DPS (Rp)	30	108	180	222	235
PER (x)	12.9	8.5	6.9	6.5	8.8
PBV (x)	1.6	1.4	1.3	1.1	1.1
Dividen yield (%)	1.0	3.7	6.2	7.6	8.1
EV/EBITDA	7.2	5.6	4.7	4.5	5.9

Source: CPIN, BRIDS Estimates

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Exhibit 1. Forecast revision summary

Financial	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Revenue (Rpbn)	76,409	85,472	80,247	90,075	5.0%	5.4%
EBITDA (Rpbn)	9,538	9,953	10,307	10,848	8.1%	9.0%
Net Profit (Rpbn)	6,263	6,713	6,958	7,369	11.1%	9.8%

Price	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Live Bird (Rp/kg live)	21,010	21,361	21,739	22,153	3.5%	3.7%
DOC (Rp/bird)	5,774	5,842	5,952	6,032	3.1%	3.3%
Corn (Rp/kg)	6,309	6,530	6,463	6,689	2.4%	2.4%
Soybean meal (US\$/t)	307	314	316	323	3.1%	3.1%

Source: BRIDS Estimates

Exhibit 2. CPIN's Valuation Summary

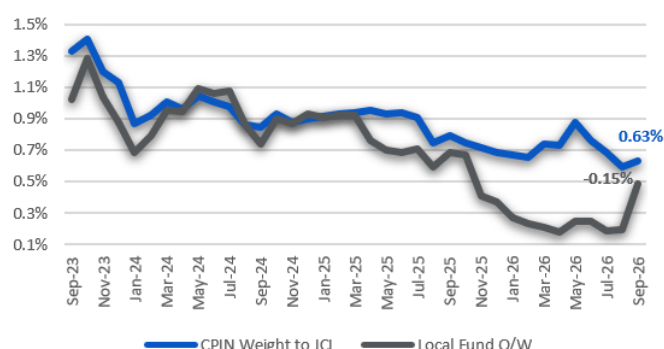
Assumptions

Normalized ROE	13.82%
Normalized payout ratio	45.20%
Normalized retention rate	54.80%
Growth	7.6%
Risk free rate	7.20%
Equity risk premium	7.00%
Levered Beta	0.82
Cost of equity	12.9%

Fair P/E **9.1**

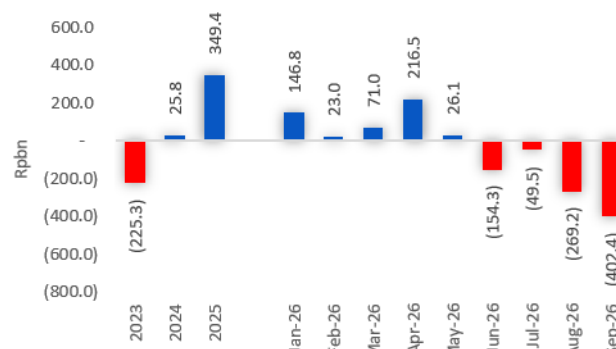
Source: BRIDS Estimates

Exhibit 3. CPIN's Domestic Fund Positioning



Source: KSEI, BRIDS

Exhibit 4. Monthly Foreign Flow



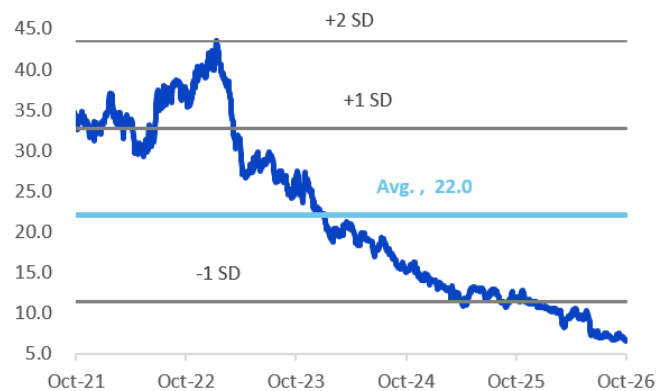
Source: IDX, BRIDS Estimates

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



Source: Bloomberg, BRIDS Estimates

Exhibit 6. CPIN P/E band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 7. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	67,478	70,705	80,247	90,075	117,094
COGS	(57,058)	(58,285)	(65,982)	(74,869)	(103,059)
Gross profit	10,420	12,420	14,265	15,206	14,035
EBITDA	7,186	8,868	10,307	10,848	8,484
Oper. profit	5,790	7,574	8,950	9,403	6,935
Interest income	44	117	142	135	100
Interest expense	(732)	(560)	(504)	(504)	(505)
Forex Gain/(Loss)	(43)	23	(4)	(4)	(4)
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	198	559	452	541	523
Pre-tax profit	5,256	7,713	9,036	9,570	7,050
Income tax	(1,545)	(2,069)	(2,078)	(2,201)	(1,621)
Minority interest	1	0	0	0	0
Net profit	3,713	5,644	6,958	7,369	5,428
Core Net Profit	3,462	5,152	6,468	6,873	4,951

Exhibit 8. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	4,446	4,461	5,645	5,058	4,173
Receivables	2,182	2,791	2,822	3,167	4,117
Inventory	9,375	11,406	12,939	16,150	17,784
Other Curr. Asset	5,337	5,973	6,167	6,432	6,927
Fixed assets - Net	16,928	17,363	18,394	19,414	20,415
Other non-curr.asset	4,523	3,865	3,950	4,038	4,128
Total asset	42,791	45,858	49,917	54,259	57,544
ST Debt	5,400	3,480	3,480	3,480	3,480
Payables	2,420	3,154	3,155	3,579	4,927
Other Curr. Liabilities	770	1,007	934	1,021	1,095
Long Term Debt	2,794	2,824	2,884	2,888	2,893
Other LT. Liabilities	1,119	1,242	1,306	1,403	1,688
Total Liabilities	12,502	11,707	11,759	12,372	14,083
Shareholder's Funds	30,274	34,137	38,143	41,873	43,448
Minority interests	15	15	14	14	14
Total Equity & Liabilities	42,791	45,858	49,917	54,259	57,544

Exhibit 9. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	3,713	5,644	6,958	7,369	5,428
Depreciation and Amort.	1,396	1,294	1,356	1,445	1,549
Change in Working Capital	(1,385)	(2,364)	(1,733)	(3,310)	(1,658)
Other Oper. Cash Flow	582	1,200	(14)	(14)	(14)
Operating Cash Flow	4,306	5,774	6,568	5,490	5,305
Capex	(834)	(1,799)	(2,390)	(2,467)	(2,552)
Others Inv. Cash Flow	326	(89)	(65)	(66)	(67)
Investing Cash Flow	(508)	(1,888)	(2,455)	(2,533)	(2,619)
Net change in debt	(1,044)	(1,871)	(37)	4	4
New Capital	-	-	-	-	-
Dividend payment	(492)	(1,771)	(2,952)	(3,639)	(3,854)
Other Fin. Cash Flow	(75)	(252)	59	91	280
Financing Cash Flow	(1,611)	(3,894)	(2,929)	(3,543)	(3,570)
Net Change in Cash	2,187	(8)	1,184	(587)	(885)
Cash - begin of the year	2,328	4,446	4,461	5,645	5,058
Cash - end of the year	4,446	4,461	5,645	5,058	4,173

Exhibit 10. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	9.5	4.8	13.5	12.2	30.0
EBITDA	39.2	23.4	16.2	5.3	(21.8)
Operating profit	46.8	30.8	18.2	5.1	(26.2)
Net profit	60.1	52.0	23.3	5.9	(26.3)
Profitability (%)					
Gross margin	15.4	17.6	17.8	16.9	12.0
EBITDA margin	10.6	12.5	12.8	12.0	7.2
Operating margin	8.6	10.7	11.2	10.4	5.9
Net margin	5.5	8.0	8.7	8.2	4.6
ROAA	8.9	12.7	14.5	14.1	9.7
ROAE	13.0	17.5	19.3	18.4	12.7
Leverage					
Net Gearing (x)	0.1	0.1	0.0	0.0	0.1
Interest Coverage (x)	7.9	13.5	17.8	18.6	13.7

Source: CPIN, BRIDS Estimates

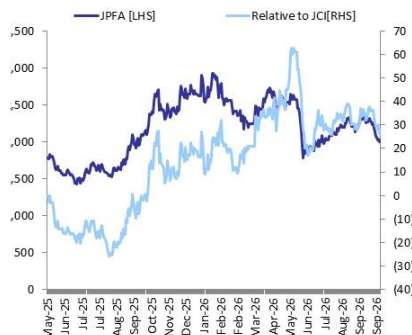
Buy

(Maintained)

Tactical (3M): **OW**

Last Price (Rp)	2,010
Target Price (Rp)	3,200
Previous TP (Rp)	3,300
Upside/Downside	+59.2%
No. of Shares (mn)	11,411
Mkt Cap (Rpbn/US\$mn)	22,935/1,281
Avg, Daily T/O (Rpbn/US\$mn)	35.7/2.0
Free Float (%)	43.2
Major Shareholder (%)	
Japfa Ltd	55.4
EPS Consensus (Rp)	
	2026F 2027F 2028F
BRIDS	386.1 392.2 362.6
Consensus	395.9 420.8 439.1
BRIDS/Cons (%)	(2.5) (6.8) (17.4)

JPFA relative to JCI Index



Source: Bloomberg

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Japfa Comfeed Indonesia (JPFA IJ)

Constructive Earnings Momentum to Support Re-rating Despite Challenging Macro Conditions

- Despite well positioned in domestic fund, we still see room for re-rating on cheap valuations and positive earnings momentum.
- We raise our FY26/27F earnings forecast by 7/6% as we lift our LB, DOC, corn, and SBM assumptions to reflect recent conditions.
- We maintain our BUY call with a lower TP of Rp3,200 as we change our valuation to fair value PE of 8.2x FY27F.

Rebound in chicken prices amid rising feed costs

Despite the sharp correction in 2Q26, livebird (LB) and DOC prices have recovered strongly in 3Q26, with LB prices reaching Rp23.6k/kg in Sep26, bringing the YTD average to Rp21.2k/kg, while DOC prices recovered to Rp7,275/chick in Aug26 after falling to Rp3,488/chick in Jun26, with YTD average at Rp5,992/chick. On a YTD basis, LB and DOC prices remained 8.0% and 6.0% above FY25 levels, respectively. Meanwhile, YTD corn and SBM prices stood at Rp6.5k/kg and US\$319/t, respectively, up 11.6% and 9.4% from FY25 levels.

FY26/27F earnings revision

We lift our FY26F/FY27F LB price assumptions by 3.4%/3.6% to Rp21,961/22,286 per kg and DOC price assumptions by 4.4%/4.6% to Rp7,067/7,191 per chick. This follows the stronger poultry price recovery in 3Q26. We also raise our local corn and SBM price assumptions by 2.4%/2.4% and 3.1%/3.1%, respectively. We expect firmer poultry selling prices to more than offset the higher feed costs. As a result, we raise our FY26F/FY27F EBITDA by 4.9%/4.3% and net profit by 7.3%/6.0%.

Well positioned to capture earnings momentum

Domestic fund positioning in JPFA has turned more constructive, with the stock reaching an OW position of +13bps in Sep26, the highest level YTD. Meanwhile, foreign investors recorded a net inflow of Rp176.3bn YTD, although they have turned negative over the past four months. Despite the higher domestic positioning, JPFA's share price remains down 23.3% YTD. The stock currently trades at -0.6SD below its 5-year average EV/EBITDA.

Maintain Buy rating amid positive 2H26 outlook

We maintain our Buy rating on JPFA but with a lower TP of Rp3,200 (from Rp3,300 prev.) as we change our valuation from 5 year EV/EBITDA multiple of 6.1x FY26F EBITDA to FY27F fair value PE of 8.2x (assuming Ke=15.0%, g=9.4%, and payout ratio=42.5%) to better reflect the current macro and equity risk premium. Despite the overweight position, we believe the cheap valuation and robust earnings prospect could re-rate JPFA's valuation. Risks to our view are significant raw material supply disruptions and government intervention in imported feed raw material.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	55,801	60,716	66,873	73,142	87,179
EBITDA (Rpbn)	6,274	7,290	8,125	8,401	8,043
EBITDA Growth (%)	92	16	11	3	(4)
Net Profit (Rpbn)	3,019	4,004	4,527	4,599	4,253
EPS (Rp)	257	341	386	392	363
EPS Growth (%)	225	33	13	2	(8)
BVPS (Rp)	1,320	1,592	1,838	2,072	2,273
DPS (Rp)	69.4	69.4	140.0	158.3	160.8
PER (x)	7.8	5.9	5.2	5.1	5.5
PBV (x)	1.5	1.3	1.1	1.0	0.9
Dividen yield (%)	3.5	3.5	7.0	7.9	8.0
EV/EBITDA	5.2	4.4	3.7	3.4	3.6

Source: JPFA, BRIDS Estimates

Exhibit 1. Forecast revision summary

Financial	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Revenue (Rpbn)	65,125	71,086	66,873	73,142	2.7%	2.9%
EBITDA (Rpbn)	7,747	8,052	8,125	8,401	4.9%	4.3%
Net Profit (Rpbn)	4,220	4,340	4,527	4,599	7.3%	6.0%

Price	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	2026F	2027F
Live Bird (Rp/kg live)	21,239	21,507	21,961	22,286	3.4%	3.6%
DOC (Rp/bird)	6,767	6,876	7,067	7,191	4.4%	4.6%
Corn (Rp/kg)	6,309	6,530	6,463	6,689	2.4%	2.4%
Soybean meal (US\$/t)	307	314	316	323	3.1%	3.1%

Source: BRIDS Estimates

Exhibit 2. JPFA's Valuation Summary

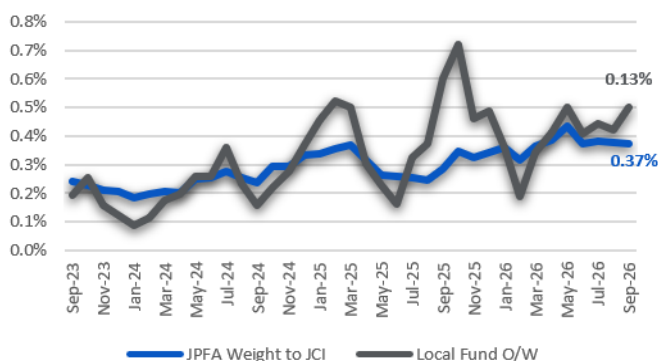
Assumptions

Normalized ROE	16.30%
Normalized payout ratio	42.50%
Normalized retention rate	57.50%
Growth	9.4%
Risk free rate	7.20%
Equity risk premium	7.00%
Levered Beta	1.12
Cost of equity	15.0%

Fair P/E	8.2
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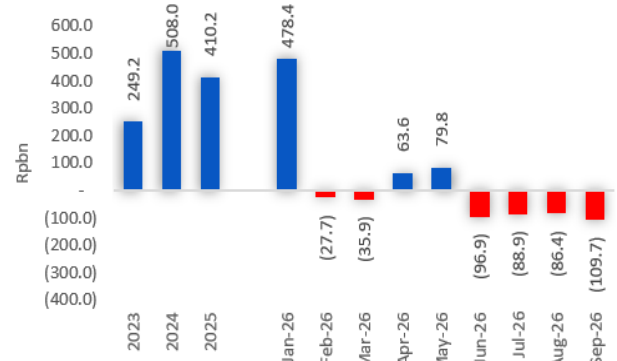
Source: BRIDS Estimates

Exhibit 3. JPFA's Domestic Fund Positioning



Source: KSEI, BRIDS Estimates

Exhibit 4. Monthly Foreign Flow



Source: Company, BRIDS Estimates

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



Source: Bloomberg, BRIDS Estimates

Exhibit 6. JPFA P/E band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 7. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	55,801	60,716	66,873	73,142	87,179
COGS	(44,583)	(47,524)	(52,307)	(57,737)	(72,189)
Gross profit	11,218	13,191	14,566	15,405	14,990
EBITDA	6,274	7,290	8,125	8,401	8,043
Oper. profit	5,213	6,150	6,887	7,069	6,623
Interest income	50	67	61	77	63
Interest expense	(870)	(805)	(866)	(932)	(932)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(152)	72	118	85	70
Pre-tax profit	4,241	5,484	6,200	6,298	5,824
Income tax	(1,029)	(1,202)	(1,359)	(1,381)	(1,277)
Minority interest	(193)	(277)	(314)	(319)	(295)
Net profit	3,019	4,004	4,527	4,599	4,253
Core Net Profit	3,010	4,007	4,486	4,594	4,265

Exhibit 8. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	1,354	3,550	5,463	6,914	6,317
Receivables	2,761	3,198	3,647	3,988	4,754
Inventory	11,120	11,726	12,573	13,878	17,351
Other Curr. Asset	1,934	2,902	2,529	2,748	3,454
Fixed assets - Net	13,754	14,995	15,694	16,158	16,389
Other non-curr.asset	3,743	3,689	4,091	4,158	4,239
Total asset	34,666	40,060	43,997	47,845	52,505
ST Debt	3,213	9,706	9,876	9,877	9,878
Payables	4,636	4,752	5,166	5,703	7,130
Other Curr. Liabilities	1,447	2,059	2,120	2,217	2,380
Long Term Debt	7,382	2,034	2,039	2,039	2,039
Other LT. Liabilities	1,417	1,487	1,578	1,731	2,137
Total Liabilities	18,095	20,039	20,780	21,567	23,565
Shareholder's Funds	15,477	18,664	21,550	24,293	26,660
Minority interests	1,096	1,355	1,669	1,987	2,282
Total Equity & Liabilities	34,667	40,058	43,999	47,847	52,507

Exhibit 9. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	3,019	4,004	4,527	4,599	4,253
Depreciation and Amort.	1,061	1,140	1,238	1,332	1,420
Change in Working Capital	(270)	(859)	(853)	(1,304)	(3,440)
Other Oper. Cash Flow	1,051	727	612	632	623
Operating Cash Flow	4,860	5,012	5,524	5,260	2,857
Capex	(1,592)	(2,382)	(2,224)	(2,098)	(1,968)
Others Inv. Cash Flow	(31)	(377)	51	68	55
Investing Cash Flow	(1,623)	(2,759)	(2,173)	(2,029)	(1,914)
Net change in debt	(2,229)	1,146	175	1	1
New Capital	22	143	-	-	-
Dividend payment	(814)	(814)	(1,642)	(1,856)	(1,886)
Other Fin. Cash Flow	(369)	(510)	91	153	407
Financing Cash Flow	(3,389)	(35)	(1,376)	(1,702)	(1,478)
Net Change in Cash	(152)	2,217	1,974	1,528	(535)
Cash - begin of the year	1,503	1,354	3,550	5,463	6,914
Cash - end of the year	1,354	3,550	5,463	6,914	6,317

Exhibit 10. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	9.0	8.8	10.1	9.4	19.2
EBITDA	91.7	16.2	11.5	3.4	(4.3)
Operating profit	130.3	18.0	12.0	2.6	(6.3)
Net profit	224.7	32.6	13.1	1.6	(7.5)
Profitability (%)					
Gross margin	20.1	21.7	21.8	21.1	17.2
EBITDA margin	11.2	12.0	12.2	11.5	9.2
Operating margin	9.3	10.1	10.3	9.7	7.6
Net margin	5.4	6.6	6.8	6.3	4.9
ROAA	8.8	10.7	10.8	10.0	8.5
ROAE	21.0	23.5	22.5	20.1	16.7
Leverage					
Net Gearing (x)	0.6	0.4	0.3	0.2	0.2
Interest Coverage (x)	6.0	7.6	7.9	7.6	7.1

Source: JPFA, BRIDS Estimates

Equity Research – Company Update

Tuesday, 06 October 2026

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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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