Buy

(Maintained)

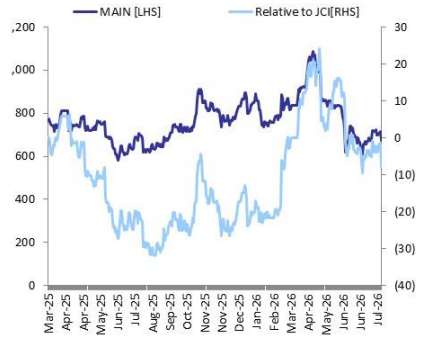
Tactical (3M): **OW**

Last Price (Rp)	**575**
Target Price (Rp)	**800**
Previous TP (Rp)	***900***
Upside/Downside	**+39.1%**
No. of Shares (mn)	**2,239**
Mkt Cap (Rpbn/US$mn)	**1,287/71**
Avg, Daily T/O (Rpbn/US$mn)	**1.7/0.1**
Free Float (%)	**42.7**
Major Shareholder (%)	
Dragon Amity Pte. Ltd	**57.3**

EPS Consensus (Rp)

	2026F	2027F	2028F
BRIDS	105.7	91.4	83.1
Consensus	n.a	n.a	n.a
BRIDS/Cons (%)	**n.a**	**n.a**	**n.a**

MAIN relative to JCI Index



Source: Bloomberg

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Malindo Feedmill Indonesia (MAIN IJ)

3Q26 Earnings: Miss; Back to Profit on Livebird Recovery, but Dragged by Higher Interest

- **MAIN returned to profitability with Rp71bn net profit in 3Q26, although 9M26 earnings remained slightly below forecast.**
- **Livebird drove the recovery, while feed margins remained thin and DOC profitability weakened amid elevated input costs.**
- **FY26F earnings trimmed 1.7% despite a 7% higher topline forecast, while maintaining BUY with a lower Rp800 TP.**

Returned to profitability QoQ, but earnings below expectations

MAIN posted 3Q26 net profit of Rp71bn, recovering from a Rp24bn net loss in 2Q26, although still down 35% yoy. This brought 9M26 earnings to Rp169bn (+25% yoy), reaching 70% of our FY26F, slightly below our forecast. Total gross revenue in 3Q26 grew 12% qoq/28% yoy to Rp4.9tr, driven by growth across all main segments, led by feed (+45% yoy). Meanwhile, gross operating profit margin recovered to 2.5% (+288bps qoq), but remained below last year's 4.1% (-162bps yoy), reflecting elevated raw material costs. Higher interest expenses weighed on earnings, as the gap between operating and pretax profit widened to Rp28bn (vs. Rp6bn in 3Q25), partly reflecting higher short-term debt (+21% qoq; doubled yoy) alongside increased raw material inventory (+76% yoy), likely associated with the SBM procurement change.

LB led the recovery, while feed and DOC margins remained weak

The LB segment was the key swing factor, returning to an operating profit of Rp87bn (vs. a Rp56bn loss in 2Q26), with OPM recovering to 6.2% from -4.5% in 2Q26, supported by better LB ASPs. In contrast, feed profitability remained weak despite revenue growth of 45% yoy to Rp2.8tr, with OPM improving slightly to 1.3% (+40bps qoq) but remaining well below last year's 4.7% (-345bps yoy), likely due to elevated input costs and limited ASP pass-through. DOC profitability also weakened, with OP falling 46% qoq to Rp14bn and OPM declining to 2.1% (-200bps qoq), as higher DOC volumes failed to offset elevated feed costs. Meanwhile, processed food remained loss-making, with revenue declining 8% yoy and OPM at -12.2% (-472bps qoq).

Higher feed revenue offset by lower margin assumptions

Incorporating 9M26 performance, we raise our FY26F topline forecast by 7%, mainly driven by higher feed revenue assumptions. However, we also lower our feed margin assumptions, partly offsetting the revenue uplift and resulting in a 1.7% downward revision to our FY26F earnings forecast.

Maintain Buy rating with a lower TP of Rp800

We maintain our Buy rating with a lower TP of Rp800 (from Rp900), reflecting our revised earnings forecast. Our TP is based on a target EV/EBITDA of 4.5x (5-year mean), implying a FY26F PE of 7.6x. Going forward, feed margin recovery and inventory normalization remain key to earnings improvement, while sustained LB ASPs should provide support. Risk to our view are significant raw material supply disruptions and potential government intervention in imported feed raw materials.

Key Financials

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Revenue (Rpbn)	12,503	12,693	15,411	16,896	22,673
EBITDA (Rpbn)	1,052	820	646	618	616
EBITDA Growth (%)	64	(22)	(21)	(4)	(0)
Net Profit (Rpbn)	488	394	237	205	186
EPS (Rp)	218.0	175.8	105.7	91.4	83.1
EPS Growth (%)	670.1	(19.3)	(39.9)	(13.6)	(9.1)
BVPS (Rp)	1,439.8	1,518.3	1,575.1	1,635.5	1,691.9
DPS (Rp)	0.0	0.1	0.1	0.0	0.0
PER (x)	2.6	3.3	5.4	6.3	6.9
PBV (x)	0.4	0.4	0.4	0.4	0.3
Dividen yield (%)	0.0	0.0	0.0	0.0	0.0
EV/EBITDA	2.0	2.5	3.6	4.1	4.9

Source: MAIN, BRIDS Estimates

Exhibit 1. MAIN 3Q26 Result Summary

MAIN (Rp bn)	3Q25	2Q26	3Q26	y-o-y	q-o-q	9M25	9M26	y-o-y	FY26F	A/F
Consolidated										
Revenue	**3,140**	**3,607**	**4,025**	***28%***	***12%***	**9,245**	**11,330**	***23%***	**14,352**	***79%***
COGS	(2,832)	(3,408)	(3,711)	*31%*	*9%*	(8,480)	(10,415)	*23%*	(13,165)	*79%*
Gross Profit	**307**	**199**	**313**	***2%***	***58%***	**765**	**915**	***19%***	**1,187**	***77%***
Total Opex	(162)	(194)	(194)	*20%*	*0%*	(504)	(627)	*24%*	(799)	*78%*
Operating Profit	**145**	**4**	**119**	***-18%***	***2659%***	**262**	**288**	***10%***	**388**	***74%***
Pretax profit	139	(26)	91	*-35%*	*n/a*	177	224	*26%*	306	*73%*
Net profit	**109**	**(24)**	**71**	***-35%***	***n/a***	**136**	**169**	***25%***	**241**	***70%***
Gross margin	9.8%	5.5%	7.8%	*(200)bp*	*227 bp*	8.3%	8.1%	*(21)bp*	8.3%	
Opex to revenue	5.2%	5.4%	4.8%	*(34)bp*	*(57)bp*	5.4%	5.5%	*8 bp*	5.6%	
Operating margin	4.6%	0.1%	3.0%	*(166)bp*	*285 bp*	2.8%	2.5%	*(29)bp*	2.7%	
Net margin	3.5%	-0.7%	1.8%	*(171)bp*	*243 bp*	1.5%	1.5%	*3 bp*	1.7%	
Segment breakdown										
Feed revenue	1,923	2,419	2,782	*45%*	*15%*	5,826	7,432	*28%*		
DOC revenue	552	628	664	*20%*	*6%*	1,555	2,013	*29%*		
Live birds revenue	1,274	1,257	1,400	*10%*	*11%*	3,655	4,035	*10%*		
Processed food revenue	110	101	102	*-8%*	*1%*	283	303	*7%*		
Total gross revenue	**3,860**	**4,405**	**4,948**	***28%***	***12%***	**11,319**	**13,782**	***22%***		
Feed OP	91	22	36	*-61%*	*66%*	340	119	*-65%*		
DOC OP	47	26	14	*-70%*	*-46%*	(39)	121	*n/a*		
Live birds OP	39	(56)	87	*122%*	*n/a*	(36)	75	*n/a*		
Processed food OP	(17)	(8)	(12)	*-29%*	*64%*	(43)	(31)	*-27%*		
Total operating profit	**160**	**(16)**	**124**	***-22%***	***n/a***	**223**	**287**	***29%***		
Feed margin	4.7%	0.9%	1.3%	*(345)bp*	*40 bp*	5.8%	1.6%	*(423)bp*		
DOC margin	8.5%	4.1%	2.1%	*(635)bp*	*(200)bp*	-2.5%	6.0%	*852 bp*		
Live birds margin	3.1%	-4.5%	6.2%	*312 bp*	*1,066 bp*	-1.0%	1.9%	*286 bp*		
Processed food margin	-15.8%	-7.5%	-12.2%	*356 bp*	*(472)bp*	-15.3%	-10.4%	*495 bp*		
Total operating margin	**4.1%**	**-0.4%**	**2.5%**	***(162)bp***	***288 bp***	**2.0%**	**2.1%**	***12 bp***		

Source: Company, BRIDS Estimates

Exhibit 2. Forecast Changes Summary

Financial	Prev.		New		Changes	
	2026F	2027F	2026F	2027F	*2026F*	*2027F*
Revenue (Rpbn)	14,352	15,709	15,411	16,896	*7.4%*	*7.6%*
EBITDA (Rpbn)	651	623	646	618	*-0.8%*	*-0.7%*
Net Profit (Rpbn)	241	208	237	205	*-1.7%*	*-1.7%*

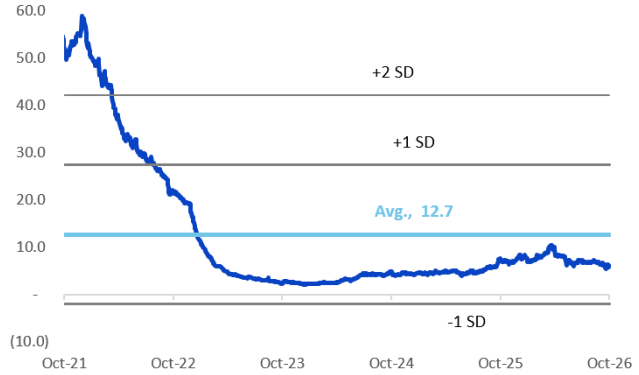
Source: Company, BRIDS Estimates

Exhibit 3. MAIN EV/EBITDA band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 4. MAIN P/E band chart (5-year)



Source: Bloomberg, BRIDS Estimates

Exhibit 5. Income Statement

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Revenue	**12,503**	**12,693**	**15,411**	**16,896**	**22,673**
COGS	(10,949)	(11,402)	(14,163)	(15,593)	(21,315)
Gross profit	**1,554**	**1,290**	**1,248**	**1,303**	**1,359**
EBITDA	**1,052**	**820**	**646**	**618**	**616**
Oper. profit	**796**	**567**	**383**	**345**	**331**
Interest income	0	0	2	3	4
Interest expense	(136)	(100)	(102)	(107)	(118)
Forex Gain/(Loss)	12	15	(1)	(1)	(1)
Income From Assoc. Co's	-	-	-	-	-
Other Income (Expenses)	(35)	19	19	20	20
Pre-tax profit	**638**	**501**	**301**	**260**	**236**
Income tax	(150)	(108)	(64)	(55)	(50)
Minority interest	0	0	0	0	0
Net profit	**488**	**394**	**237**	**205**	**186**
Core Net Profit	**476**	**378**	**238**	**206**	**187**

Exhibit 6. Balance Sheet

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Cash & cash equivalent	329	484	421	323	91
Receivables	674	609	741	812	965
Inventory	1,091	1,152	1,393	1,534	2,096
Other Curr. Asset	753	813	861	895	994
Fixed assets - Net	2,271	2,387	2,532	2,707	2,912
Other non-curr.asset	261	259	266	273	279
Total asset	**5,380**	**5,705**	**6,214**	**6,544**	**7,346**
ST Debt	881	1,051	1,278	1,379	1,680
Payables	436	528	599	659	901
Other Curr. Liabilities	407	405	489	521	645
Long Term Debt	299	169	169	169	169
Other LT. Liabilities	135	155	158	161	165
Total Liabilities	2,159	2,308	2,693	2,889	3,560
Shareholder'sFunds	3,223	3,399	3,526	3,661	3,788
Minority interests	(2)	(3)	(3)	(3)	(3)
Total Equity & Liabilities	**5,380**	**5,705**	**6,214**	**6,544**	**7,346**

Exhibit 7. Cash Flow

Year to 31 Dec (Rpbn)	2024A	2025A	2026F	2027F	2028F
Net income	488	394	237	205	186
Depreciation and Amort.	256	253	263	273	285
Change in Working Capital	125	39	(269)	(156)	(449)
OtherOper. Cash Flow	33	32	(4)	(4)	(4)
Operating Cash Flow	**902**	**717**	**226**	**317**	**17**
Capex	(163)	(370)	(407)	(448)	(493)
Others Inv. Cash Flow	8	(12)	-	-	-
Investing Cash Flow	**(155)**	**(383)**	**(407)**	**(448)**	**(493)**
Net change in debt	(934)	46	225	100	300
New Capital	235	(75)	6	0	0
Dividend payment	-	(145)	(117)	(70)	(61)
Other Fin. Cash Flow	(38)	(5)	3	4	4
Financing Cash Flow	**(737)**	**(178)**	**118**	**33**	**243**
Net Change in Cash	**10**	**157**	**(63)**	**(98)**	**(232)**
Cash - begin of the year	288	329	484	421	323
Cash - end of the year	329	484	421	323	91

Exhibit 8. Key Ratio

Year to 31 Dec	2024A	2025A	2026F	2027F	2028F
Growth (%)					
Sales	3.7	1.5	21.4	9.6	34.2
EBITDA	63.9	(22.1)	(21.2)	(4.3)	(0.3)
Operating profit	113.7	(28.8)	(32.4)	(10.0)	(4.0)
Net profit	670.1	(19.3)	(39.9)	(13.6)	(9.1)
Profitability (%)					
Gross margin	12.4	10.2	8.1	7.7	6.0
EBITDA margin	8.4	6.5	4.2	3.7	2.7
Operating margin	6.4	4.5	2.5	2.0	1.5
Net margin	3.9	3.1	1.5	1.2	0.8
ROAA	9.0	7.1	4.0	3.2	2.7
ROAE	17.1	11.9	6.8	5.7	5.0
Leverage					
Net Gearing (x)	0.3	0.2	0.3	0.3	0.5
Interest Coverage (x)	5.8	5.7	3.8	3.2	2.8

Source: MAIN, BRIDS Estimates

Equity Research – Company Update

Monday, 02 November 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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