

Poultry Prices Begin to Hatch Recovery

CPIN delivered a stronger 3Q25 performance after softer conditions in 2Q25. Revenue increased +5% YoY (+14% QoQ) to IDR 17.54 tn, supported by a rebound in broiler prices, which rose +7.9% QoQ to IDR 22,685/kg (vs. IDR 21,021/kg in 2Q25). As a result, 9M25 revenue edged up +1.8% YoY to IDR 50.6 tn, reaching 72% of our FY25F forecast. In 3Q25, gross margin expanded to 19% (vs. 12% in 3Q24), operating margin increased to 13% (vs. 4% in 3Q24), and net margin rose to 8% (vs. 4% in 3Q24). Consequently, 3Q25 net profit rose +137% YoY (+303% QoQ) to IDR 1.47 tn. 9M25 net profit increased +41% YoY with NPM improving to 7% (vs. 5% in 9M24).

3Q25 & 9M25 Financial Performance

- Recovery Gradually Taking Shape.** CPIN delivered a stronger 3Q25 performance after softer conditions in 2Q25. Revenue increased +5% YoY (+14% QoQ) to IDR 17.54 tn, supported by a rebound in broiler prices, which rose +7.9% QoQ to IDR 22,685/kg (vs. IDR 21,021/kg in 2Q25). As a result, 9M25 revenue edged up +1.8% YoY to IDR 50.6 tn, reaching 72% of our FY25F forecast.
- 3Q25 Revenue Rebound Across Key Segments, 9M25 Still Uneven.** Feed revenue grew +4% QoQ, Broiler +10% QoQ, and DOC +30% QoQ, while Processed Chicken declined -2% QoQ and Others rose +5% QoQ. 9M25 revenue performance remained mixed reflecting weaker conditions in 1H25. Feed and Broiler declined -6% YoY and -3% YoY, respectively, while DOC and Others grew +3% YoY and +7% YoY. Processed Chicken revenue contracted -17% YoY.
- Margins Improved From The Low Base in 2Q25.** In 3Q25, gross margin expanded to 19% (vs. 12% in 3Q24), operating margin increased to 13% (vs. 4% in 3Q24), and net margin rose to 8% (vs. 4% in 3Q24). The Improvement was primarily driven by higher selling prices.
- Easing 3Q25 Operating Expenses.** Operational expenses shrunk by -18% YoY (+1% QoQ) spurred on by lower feed input costs. One of which is corn prices down by -11% QoQ to USD 402/bushels and soybean meal down -4% QoQ to USD 290/ton. Consequently, 3Q25 net profit rose +137% YoY (+303% QoQ) to IDR 1.47 tn. 9M25 net profit increased +41% YoY with NPM improving to 7% (vs. 5% in 9M24).

Industry Conditions Stabilizing into 4Q25

- After Bottoming in 2Q25, Poultry Prices Have Begun to Stabilize.** The improvement reflects better industry coordination, particularly through DOC culling programs and tighter Grand Parent Stock (GPS) import controls aimed at limiting excessive DOC supply from flowing into the downstream broiler market. These measures have helped ease the oversupply conditions that pressured ASPs and margins during 1H25. As of 4Q25, average broiler prices increased 8% QoQ to IDR 24,421/kg (vs. IDR 22,685/kg in 3Q25). The sequential increase provides better earnings visibility compared to 1H25.
- Consistent Growth Alongside Higher Efficiency By End of FY25.** We project 4Q25F revenue to grow +9% YoY (+10% QoQ) to IDR 19.93 tn, driven by firmer broiler and DOC prices. We expect FY25F gross margins to normalize at around 16% (vs 15% in FY24), reflecting a more balanced pricing environment while incorporating conservative assumptions on feed input costs. We maintain our FY25F revenue forecast of +4% YoY to IDR 69.97 tn. Net profit is projected to grow +7% YoY to IDR 3.99 tn, implying a stable FY25F net margin of 6%.

BUY Recommendation with Target Price at IDR 5,060/Share

- We are upgrading CPIN's outlook to a BUY rating (Prev. OVERWEIGHT) with a maintained target price of IDR 5,060. The stock is currently trading at a discount in its -1 standard deviation of its 3-year historical P/E average. We also favor the stock due to its improving bottom-line efficiency.

PT Charoen Pokphand Indonesia Tbk. | Summary (IDR Billions)

	2024/12A	2025/12F	2026/12F	2027/12F
Revenue	67.478	69.969	76.061	82.958
Growth (%y/y)	9,5%	3,7%	8,7%	9,1%
Net Profit	3.713	3.990	4.646	5.321
Growth (%y/y)	60,1%	7,5%	16,4%	14,5%
Basic EPS (IDR)	226	243	283	324
Price / Earnings	21,0	20,8	17,9	15,6
Price / Book Value	2,6	2,6	2,4	2,2
EV / EBITDA	11,2	11,2	9,6	8,4
ROE	12,3%	12,3%	13,4%	14,2%
ROA	8,7%	8,9%	9,7%	10,5%

Source : Company Data, Bloomberg, NHKSI Research

Update Report | 23rd February 2026

BUY

Target Price (IDR)	5,060
Consensus Price	5,760
TP to Consensus Price	-12.2%
Potential Upside	15.3%

Shares Data

Last Price (IDR)	4,390
Price date as of	23 rd February 2026
52 wk range (Hi/Low)	5,375 / 3,850
Free Float (%)	44.5
Outstanding sh (mn)	16,398
Market Cap (IDR bn)	71,987
Market Cap (USD mn)	4,284
Avg. Trd Vol - 3M (mn)	8

Sector

Consumer Non-Cyclicals

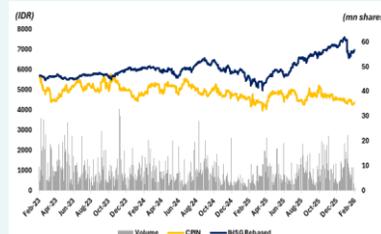
Sub-Sector

Food & Beverages

Bloomberg
Reuters

CPIN IJ Equity
CPIN JK

Shares Price Performance



	YTD	3M	6M	12M
Abs.Ret	-2.9%	-7.6%	-3.1%	-5.8%
Rel.Ret	+1.3%	-6.5%	-8.5%	-30.0%

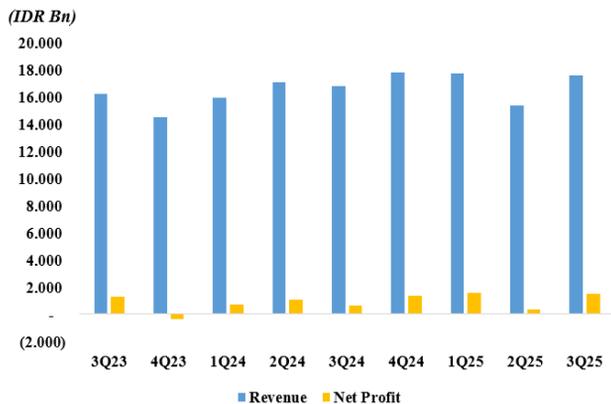
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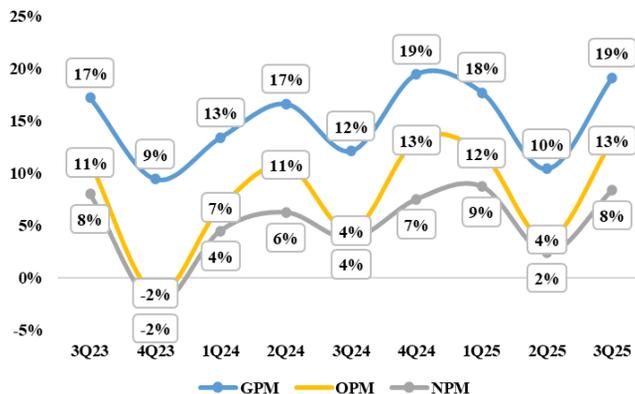
Performance Highlight for CPIN

Exhibit 1. CPIN Quarterly Revenue and Net Profit Performance (3Q23-3Q25)



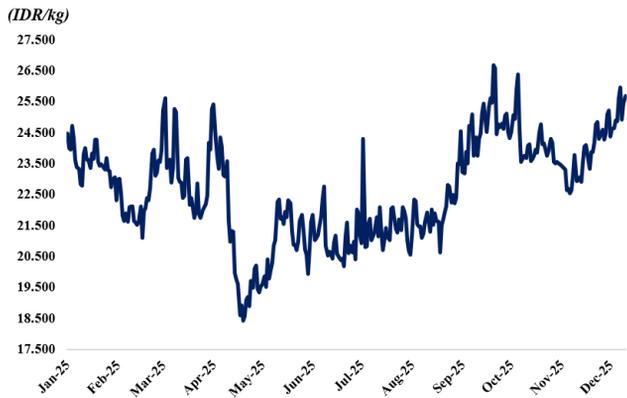
Source : Company, NHKSI Research

Exhibit 2. CPIN Margin Performance (3Q23-3Q25)



Source : Company, NHKSI Research

Exhibit 3. Broiler Price (Jan 2025 – Dec 2025)



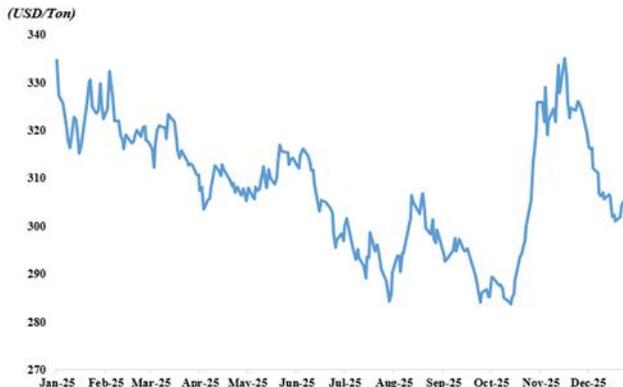
Source : Company, NHKSI Research

Exhibit 4. Corn Price (Jan 2025 – Dec 2025)



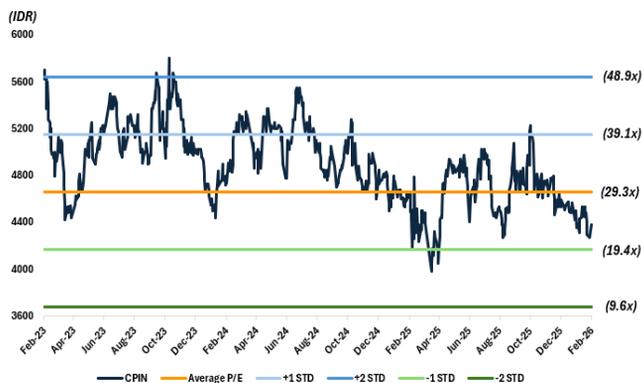
Source : Company, NHKSI Research

Exhibit 5. Soybean Meal Price (Jan 2025 – Dec 2025)



Source : Company, NHKSI Research

Exhibit 6. CPIN 3-Year P/E Band



Source : Company, NHKSI Research

Summary of CPIN's Financials & Forecast

INCOME STATEMENT

(IDR bn)	2023/12A	2024/12A	2025/12F	2026/12F	2027/12F
Net Sales	61.616	67.478	69.969	76.061	82.958
Growth	8,3%	9,5%	3,7%	8,7%	9,1%
COGS	(53.341)	(57.058)	(58.700)	(63.574)	(69.365)
Gross Profit	8.275	10.420	11.269	12.486	13.593
Gross Margin	13,4%	15,4%	16,1%	16,4%	16,4%
Operating Expenses	(4.620)	(4.433)	(4.914)	(5.192)	(5.352)
EBIT	3.655	5.987	6.355	7.294	8.241
EBIT Margin	5,9%	8,9%	9,1%	9,6%	9,9%
Depreciation	1.118	1.332	1.419	1.634	1.855
EBITDA	4.773	7.320	7.774	8.929	10.096
EBITDA Margin	7,7%	10,8%	11,1%	11,7%	12,2%
Finance Expenses	(698)	(732)	(729)	(723)	(722)
EBT	2.997	5.256	5.650	6.579	7.534
Income Tax	(679)	(1.545)	(1.660)	(1.934)	(2.214)
Net Profit	2.319	3.713	3.990	4.646	5.321
Growth	-20,8%	60,1%	7,5%	16,4%	14,5%
Net Profit Margin	3,8%	5,5%	5,7%	6,1%	6,4%

BALANCE SHEET

(IDR bn)	2023/12A	2024/12A	2025/12F	2026/12F	2027/12F
Cash	2.328	4.446	4.073	5.442	5.853
Receivables	1.827	2.182	2.456	2.695	3.049
Inventories	9.290	9.375	10.534	11.274	12.496
Total Current Assets	18.325	21.340	22.666	25.225	27.598
Net Fixed Assets	17.690	16.928	17.792	18.149	18.428
Other Non Current Assets	4.956	4.523	4.600	4.407	4.538
Total Non Current Asset	22.646	21.451	22.391	22.556	22.966
Total Assets	40.971	42.791	45.058	47.781	50.564
Payables	2.886	2.420	2.861	3.048	2.979
ST Bank Loan	7.393	5.400	4.974	4.896	4.717
Total Current Liabilities	11.124	8.590	8.726	8.861	8.523
LT Debt	1.841	2.794	2.888	3.056	3.366
Other Non Current Liab	978	1.119	1.065	1.054	1.079
Total Non Current Liab	2.818	3.913	3.954	4.110	4.446
Total Liabilities	13.942	12.502	12.680	12.971	12.968
Capital Stock & APIC	121	121	121	121	121
Retained Earnings	26.874	30.135	32.222	34.652	37.434
Shareholders' Equity	27.012	30.274	32.361	34.790	37.573

CASH FLOW STATEMENT

(IDR bn)	2023/12A	2024/12A	2025/12F	2026/12F	2027/12F
Operating Cash Flow	3.146	4.306	3.850	4.559	4.015
Investing Cash Flow	(1.376)	(508)	(1.479)	(1.253)	(1.545)
Financing Cash Flow	(1.219)	(1.611)	(2.577)	(1.818)	(1.917)
Net Changes in Cash	286	2.118	(373)	1.369	411

PROFITABILITY & STABILITY

	2023/12A	2024/12A	2025/12F	2026/12F	2027/12F
ROE	8,6%	12,3%	12,3%	13,4%	14,2%
ROA	5,7%	8,7%	8,9%	9,7%	10,5%
Inventory Turnover	5,8	6,1	5,9	5,8	5,8
Receivable Turnover	31,4	33,7	30,2	29,5	28,9
Payables Turnover	20,0	21,5	20,5	20,7	20,9
Dividend Yield	10%	37%	38%	44%	50%
Payout Ratio	21%	48%	48%	48%	48%
DER	34%	27%	24%	23%	22%
DAR	23%	19%	17%	17%	16%
Net Gearing	34%	27%	24%	23%	22%
Cash Conversion Cycle	55,95	53,57	55,41	54,98	54,65
Interest Coverage	5,24	8,18	8,72	10,09	11,42
Current Ratio	1,65	2,48	2,60	2,85	3,24
Quick Ratio	0,81	1,39	1,39	1,57	1,77
Total Shares (mn)	16.398	16.398	16.398	16.398	16.398
Share Price (IDR)	5.025	4.760	5.060	5.060	5.060
Market Cap (IDR bn)	82.400	78.054	82.974	82.974	82.974

VALUATION INDEX

	2023/12A	2024/12A	2025/12F	2026/12F	2027/12F
Price /Earnings	35,54	21,02	20,80	17,86	15,59
Price /Book Value	3,05	2,58	2,56	2,38	2,21
EPS Growth	-21%	60%	7%	16%	15%
EV/EBITDA	18,71	11,18	11,16	9,57	8,44
EV/EBIT	24,44	13,66	13,65	11,72	10,34
EV (IDR bn)	89.305	81.802	86.763	85.483	85.204
Sales CAGR (3-Yr)	13%	9%	7%	7%	7%
Net Income CAGR (3-Yr)	-15%	1%	11%	26%	13%
Basic EPS (IDR)	141	226	243	283	324
BVPS (IDR)	1.647	1.846	1.973	2.122	2.291
DPS (IDR)	30	108	116	135	155

OWNERSHIP

Shareholders	%
Charoen Pokphand Indonesia Group	55,5
UBS AG	6,0
Vanguard Group Inc	1,9
Blackrock Inc	1,4
By Geography	%
Indonesia	81,8
Switzerland	8,8
United States	6,3
Others	3,2

Source: Company, Bloomberg & NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication
2. Rating system based on a stock's potential upside from the date of publication

- Buy : Greater than 15%
- Overweight : +5% to 15%
- Hold : -5% to +5%
- Underweight : -5% to -15%
- Sell : Less than -15%



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