

KLBF's 1Q26 revenue grew +10% YoY (+4% QoQ) to IDR 9.7 trillion — in line with our estimates and representing 25% of our FY26F revenue forecast, a healthy quarterly run-rate. The standout driver was the Distribution & Logistics segment, which surged +21% YoY (-1% QoQ). The Pharmaceutical segment followed with a solid +8% YoY (+2% QoQ). Consumer Health expanded just +3% YoY (+14% QoQ), while Nutritionals posted a modest +2% YoY (+8% QoQ). GPM compressed to 38% in 1Q26 (vs. 41% in 1Q25; 38% in 4Q25). OPM held at 14% (vs. 16% in 1Q25; flat QoQ), as selling expenses as a proportion of revenue remained elevated at ~20%. NPM dipped slightly to 11% (vs. 12% in 1Q25; flat QoQ), with net profit coming in at IDR 1.03 trillion (-4% YoY, 0% QoQ) — equating to 28% of our FY26F net profit run-rate.

1Q26 Financial Performance

- Solid top-line start in to FY26.** KLBF's 1Q26 revenue grew +10% YoY (+4% QoQ) to IDR 9.7 tn — in line with our estimates and representing 25% of our FY26F revenue forecast, a healthy quarterly run-rate.
- Distribution outpaces the pack; core segments hold steady.** The standout driver was the Distribution & Logistics segment, which surged +21% YoY (-1% QoQ), lifting the segment's contribution to total revenue to 36% (vs. 33% in 1Q25). The Pharmaceutical segment followed with a solid +8% YoY (+2% QoQ). Growth at the periphery was more muted: Consumer Health expanded just +3% YoY (+14% QoQ), while Nutritionals posted a modest +2% YoY (+8% QoQ).
- Margin soften on costs and mix; selling expenses stay elevated in pursuit of growth.** GPM compressed to 38% in 1Q26 (vs. 41% in 1Q25; 38% in 4Q25), pressured by rising raw material costs and an unfavorable product mix across non-distribution segments, while the Distribution segment itself faced principal mix headwinds. OPM held at 14% (vs. 16% in 1Q25; flat QoQ), as selling expenses as a proportion of revenue remained elevated at ~20% as a marketing investment to sustain growth momentum.
- Bottom line down modestly, but still in-line with our estimates.** NPM dipped slightly to 11% (vs. 12% in 1Q25; flat QoQ), with net profit coming in at IDR 1.03 tn (-4% YoY, 0% QoQ) — equating to 28% of our FY26F net profit run-rate. The year-on-year decline reflects the combined drag from higher COGS and elevated operating expenditure, which more than offset the solid top-line expansion.

Buyback Program Continues

- Returning Capital, Reinforcing Confidence.** Following the successful execution of its IDR 250 bn share buyback program (Dec 2025-March 2026), KLBF has announced an additional buyback of up to IDR 500 bn for the period of 2 April-2 July 2026, reinforcing management's tangible and shareholder-friendly capital return strategy.

FY26 Outlook: Navigating a More Complex Macro Landscape

- Consumer softness and oil prices remain a drag on volume.** Global oil prices have risen approximately ~77-78% YTD to ~USD 100/barrel, with sustained elevated energy costs posing a clear risk to consumer purchasing power — particularly for KLBF's middle-income consumer base.
- IDR depreciation adds a second layer of cost risk.** The rupiah has weakened ~4% YTD to ~IDR 17,400/USD, an ongoing concern given that a significant portion of raw materials for the Nutritional segment is denominated in USD. Company's mitigation strategy — comprising proactive raw material procurement and import currency diversification — provides a meaningful buffer, though a sustained weakening beyond current levels could further pressure GPM.

BUY Recommendation with Target Price of IDR 1,100 (Prev. 1,800)

- We maintain our BUY rating on KLBF with an adjusted target price of IDR 1,100/share (previously IDR 1,800),** reflecting a more conservative valuation multiple amid near-term margin compression and macro headwinds. At current levels, the stock trades at ~11.0x forward P/E — near its -2 standard deviation band of its 3-year historical P/E range, offering a compelling entry point. We continue to favor KLBF as its multi-segment platform provides a natural hedge against segment-specific cyclicality, with the Enseval distribution network serving as a deeply entrenched competitive moat — well-positioned to capture Indonesia's long-term secular tailwinds in healthcare access and demographic growth.

PT Kalbe Farma Tbk. | Summary (IDR Billions)

| | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|--------------------|----------|----------|----------|----------|----------|
| Revenue | 32,628 | 35,325 | 37,937 | 41,211 | 44,410 |
| Growth (%y/y) | 7.2% | 8.3% | 7.4% | 8.6% | 7.8% |
| Net Profit | 3,241 | 3,665 | 3,707 | 4,212 | 4,797 |
| Growth (%y/y) | 17.1% | 13.1% | 1.1% | 13.6% | 13.9% |
| Basic EPS (IDR) | 69 | 78 | 79 | 90 | 102 |
| Price / Earnings | 19.7 | 15.4 | 13.9 | 12.2 | 10.7 |
| Price / Book Value | 2.8 | 2.4 | 2.1 | 1.9 | 1.8 |
| EV / EBITDA | 12.7 | 10.1 | 9.2 | 8.2 | 7.3 |
| ROE | 14.2% | 15.7% | 15.2% | 15.9% | 16.6% |
| ROA | 11.0% | 11.9% | 11.7% | 12.5% | 13.1% |

Source : Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Update Report | 06th May 2026

BUY

| | |
|-----------------------|--------|
| Target Price (IDR) | 1,100 |
| Consensus Price | 1,560 |
| TP to Consensus Price | -29.5% |
| Potential Upside | +27.2% |

Shares Data

| | |
|------------------------|---------------------------|
| Last Price (IDR) | 865 |
| Price date as of | 06 th May 2026 |
| 52 wk range (Hi/Lo) | 1,600 / 850 |
| Free Float (%) | 38.5 |
| Outstanding sh (mn) | 46,813 |
| Market Cap (IDR bn) | 40,494 |
| Market Cap (USD mn) | 2,325 |
| Avg. Trd Vol - 3M (mn) | 46.93 |

Sector

Healthcare

Sub-Sector

Pharmacy & Healthcare Research

Bloomberg
Reuters

KLBF IJ Equity
KLBF JK

Shares Price Performance



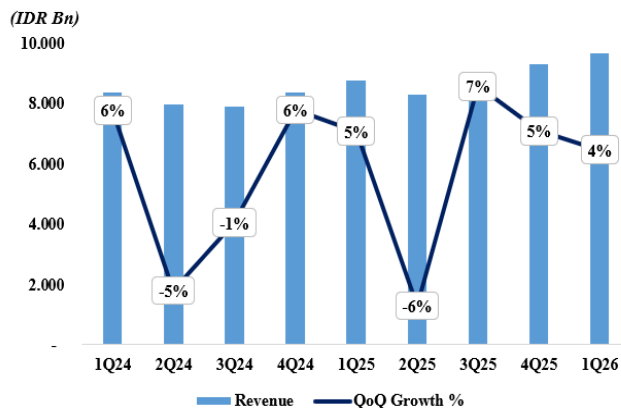
| | YTD | 3M | 6M | 12M |
|---------|--------|--------|--------|--------|
| Abs.Ret | -28.8% | -22.4% | -33.6% | -37.9% |
| Rel.Ret | -19.1% | -11.5% | -18.5% | -40.5% |

Steven Willie

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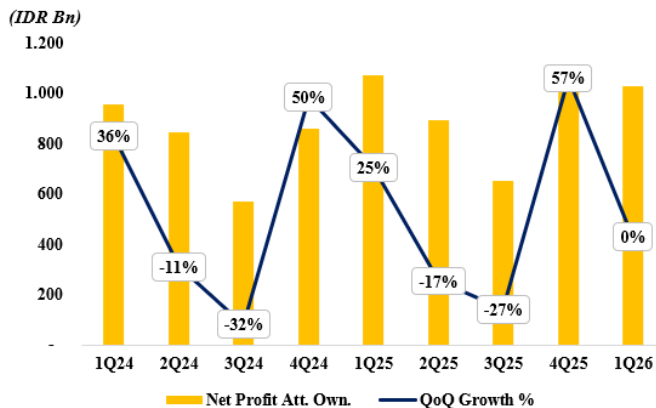
Performance Highlight for KLBF

Exhibit 1. KLBF Quarterly Revenue Performance (1Q24-1Q26)



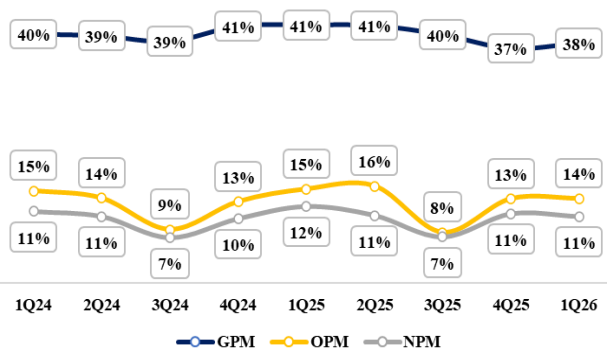
Source : Company, NHKSI Research

Exhibit 2. KLBF Quarterly Net Profit Performance (1Q24-1Q26)



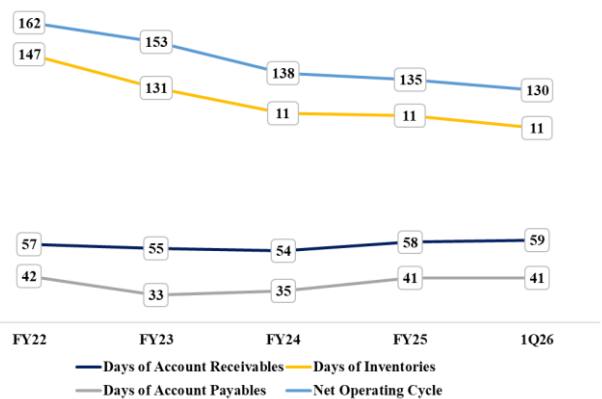
Source : Company, NHKSI Research

Exhibit 3. KLBF Margin Performance (1Q24-1Q26)



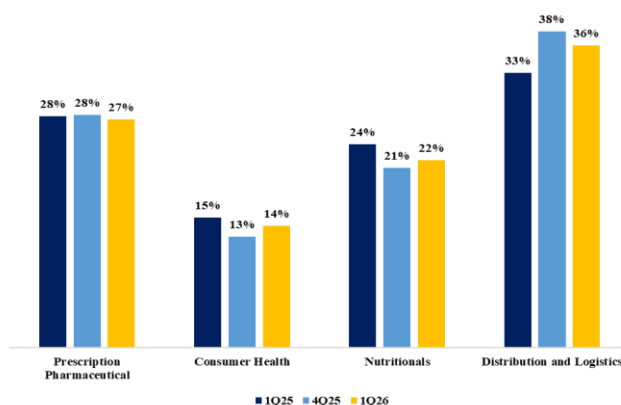
Source : Company, NHKSI Research

Exhibit 4. KLBF Working Capital Management



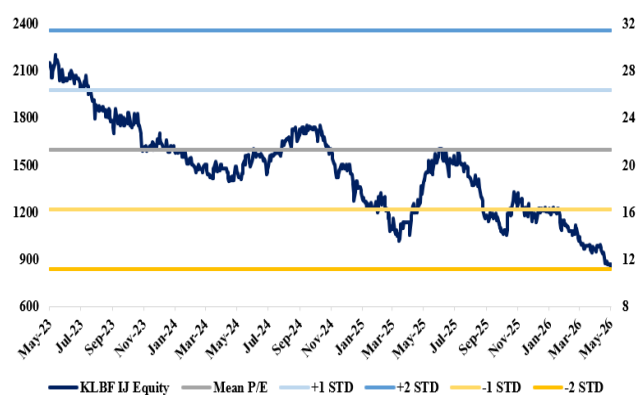
Source : Company, NHKSI Research

Exhibit 5. KLBF Revenue Contribution by Segment



Source : Company, NHKSI Research

Exhibit 6. KLBF 3-Year P/E Band



Source : Company, NHKSI Research

Summary of KLBF's Financials & Forecast

INCOME STATEMENT

| (IDR bn) | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|---------------------|---------------|---------------|---------------|---------------|---------------|
| Net Sales | 32.628 | 35.325 | 37.937 | 41.211 | 44.410 |
| Growth | 7,2% | 8,3% | 7,4% | 8,6% | 7,8% |
| COGS | (19.671) | (21.269) | (23.293) | (24.868) | (26.300) |
| Gross Profit | 12.957 | 14.056 | 14.644 | 16.344 | 18.111 |
| Gross Margin | 39,7% | 39,8% | 38,6% | 39,7% | 40,8% |
| Operating Expenses | (8.876) | (9.474) | (9.994) | (11.063) | (12.077) |
| EBIT | 4.081 | 4.582 | 4.650 | 5.281 | 6.033 |
| EBIT Margin | 12,5% | 13,0% | 12,3% | 12,8% | 13,6% |
| Depreciation | 613 | 589 | 476 | 407 | 344 |
| EBITDA | 4.694 | 5.171 | 5.126 | 5.688 | 6.377 |
| EBITDA Margin | 14,4% | 14,6% | 13,5% | 13,8% | 14,4% |
| Finance Expenses | (69) | (51) | (78) | (73) | (74) |
| EBT | 4.219 | 4.778 | 4.743 | 5.391 | 6.138 |
| Income Tax | (972) | (1.034) | (1.027) | (1.167) | (1.328) |
| Net Profit | 3.241 | 3.665 | 3.707 | 4.212 | 4.797 |
| Growth | 17,1% | 13,1% | 1,1% | 13,6% | 13,9% |
| Net Profit Margin | 9,9% | 10,4% | 9,8% | 10,2% | 10,8% |

BALANCE SHEET

| (IDR bn) | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Cash | 4.723 | 4.331 | 4.441 | 4.840 | 5.098 |
| Receivables | 5.016 | 5.896 | 5.874 | 6.381 | 6.877 |
| Inventories | 6.502 | 6.985 | 7.142 | 7.541 | 8.496 |
| Total Current Assets | 17.188 | 18.508 | 18.796 | 20.168 | 21.946 |
| Net Fixed Assets | 8.269 | 8.333 | 8.768 | 9.327 | 10.007 |
| Other Non Current Assets | 3.973 | 3.858 | 4.115 | 4.209 | 4.643 |
| Total Non Current Assets | 12.242 | 12.191 | 12.883 | 13.536 | 14.650 |
| Total Assets | 29.430 | 30.699 | 31.678 | 33.704 | 36.596 |
| Payables | 2.824 | 4.084 | 3.924 | 3.793 | 4.220 |
| ST Bank Loan | 340 | 134 | 146 | 156 | 164 |
| Total Current Liabilities | 4.186 | 5.336 | 5.193 | 5.086 | 5.561 |
| LT Debt | 92 | 21 | 20 | 19 | 18 |
| Other Non Current Liab | 561 | 613 | 593 | 619 | 639 |
| Total Non Current Liab | 654 | 635 | 614 | 638 | 657 |
| Total Liabilities | 4.839 | 5.971 | 5.806 | 5.724 | 6.219 |
| Capital Stock & APIC | 440 | 350 | 350 | 350 | 350 |
| Retained Earnings | 23.313 | 25.343 | 26.964 | 29.050 | 31.426 |
| Shareholders' Equity | 22.789 | 23.312 | 24.434 | 26.520 | 28.896 |

CASH FLOW STATEMENT

| (IDR bn) | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|----------------------------|--------------|--------------|------------|------------|------------|
| Operating Cash Flow | 4.785 | 3.271 | 3.405 | 3.796 | 4.180 |
| Investing Cash Flow | (1.247) | (800) | (977) | (833) | (994) |
| Financing Cash Flow | (2.092) | (2.869) | (2.318) | (2.572) | (2.931) |
| Net Changes in Cash | 1.491 | (392) | 110 | 399 | 258 |

PROFITABILITY & STABILITY

| | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|-----------------------|----------|----------|----------|----------|----------|
| ROE | 14,2% | 15,7% | 15,2% | 15,9% | 16,6% |
| ROA | 11,0% | 11,9% | 11,7% | 12,5% | 13,1% |
| Inventory Turnover | 3,0 | 3,2 | 3,3 | 3,4 | 3,3 |
| Receivable Turnover | 6,6 | 6,5 | 6,4 | 6,7 | 6,7 |
| Payables Turnover | 7,8 | 6,2 | 5,8 | 6,4 | 6,6 |
| Dividend Yield | 120% | 154% | 170% | 193% | 220% |
| Payout Ratio | 50% | 50% | 50% | 50% | 50% |
| DER | 2% | 1% | 1% | 1% | 1% |
| DAR | 1% | 1% | 1% | 1% | 0% |
| Net Gearing | 2% | 1% | 1% | 1% | 1% |
| Cash Conversion Cycle | 131,38 | 134,49 | 136,88 | 134,25 | 135,21 |
| Interest Coverage | 58,94 | 90,21 | 59,88 | 72,05 | 81,20 |
| Current Ratio | 4,11 | 3,47 | 3,62 | 3,97 | 3,95 |
| Quick Ratio | 2,55 | 2,16 | 2,24 | 2,48 | 2,42 |
| Total Shares (mn) | 46.875 | 46.813 | 46.813 | 46.813 | 46.813 |
| Share Price (IDR) | 1.360 | 1.205 | 1.100 | 1.100 | 1.100 |
| Market Cap (IDR bn) | 63.750 | 56.410 | 51.495 | 51.495 | 51.495 |

VALUATION INDEX

| | 2024/12A | 2025/12A | 2026/12F | 2027/12F | 2028/12F |
|-----------------------|----------|----------|----------|----------|----------|
| Price /Earnings | 19,7 | 15,4 | 13,9 | 12,2 | 10,7 |
| Price /Book Value | 2,8 | 2,4 | 2,1 | 1,9 | 1,8 |
| EPS Growth | 17% | 13% | 1% | 14% | 14% |
| EV/EBITDA | 12,67 | 10,10 | 9,21 | 8,23 | 7,30 |
| EV/EBIT | 14,57 | 11,40 | 10,15 | 8,87 | 7,72 |
| EV (IDR bn) | 59.459 | 52.235 | 47.220 | 46.830 | 46.579 |
| Sales CAGR (3-Yr) | 8% | 7% | 8% | 8% | 8% |
| Net Income CAGR (3-Y) | 1% | 3% | 10% | 9% | 12% |
| Basic EPS (IDR) | 69 | 78 | 79 | 90 | 102 |
| BVPS (IDR) | 486 | 498 | 522 | 567 | 617 |
| DPS (IDR) | 35 | 40 | 40 | 45 | 52 |

OWNERSHIP

| | % |
|---------------------------|----------|
| Shareholders | % |
| PT Ladang Ira Panen | 10,5 |
| PT Gira Sole Prima | 10,3 |
| PT Santa Seha Sanadi | 10,1 |
| PT Lucasta Mumi Cemerlang | 9,5 |
| PT Diptanala Bahana | 9,3 |
| PT Bina Artha Charisma | 8,2 |
| PT Kalbe Farma Tbk | 3,3 |
| By Geography | % |
| Indonesia | 86,8 |
| United States | 5,8 |
| Others | 7,5 |

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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