

JPFA's 1Q26 posted consolidated revenue surging +24% YoY to IDR 17.7 tn, representing 26% of our full-year FY26 forecast. Poultry Breeding posted the strongest expansion at +35% YoY (+2% QoQ). Commercial Farm grew +26% YoY (flat QoQ). Poultry Processing advanced +26% YoY (+10% QoQ). Animal Feed grew a solid +19% YoY (flat QoQ). Trading & Others contributed +11% YoY (+5% QoQ). The one relative laggard was Aquaculture, which grew a modest +4% YoY (-16% QoQ). GPM widened to 26% in 1Q26, (vs. 19% in 1Q25 / 25% in 4Q25). OPM similarly recovered to 15% (vs. 8% in 1Q25 / 13% in 4Q25). Most notably, NPM expanded to 10% (vs. 5% in 1Q25 / 9% in 4Q25), translating into a record net profit of IDR 1.82 tn (+167% YoY) — equivalent to 44% of both our and consensus FY26F estimates.

### 1Q26 Financial Performance

- Record quarter delivered — broad-based revenue beat on strong poultry prices.** JPFA's 1Q26 posted consolidated revenue surging +24% YoY to IDR 17.7 tn, representing 26% of our full-year FY26 forecast. The robust growth was primarily driven by elevated ASP and higher volumes, underpinned by a favourable poultry pricing environment in the quarter.
- All segments contributed positively; Poultry Breeding led the charge.** The growth was broad-based across all business segments. Poultry Breeding posted the strongest expansion at +35% YoY (+2% QoQ). Commercial Farm grew +26% YoY (flat QoQ). Poultry Processing advanced +26% YoY (+10% QoQ). Animal Feed grew a solid +19% YoY (flat QoQ). Trading & Others contributed +11% YoY (+5% QoQ). The one relative laggard was Aquaculture, which grew a modest +4% YoY (-16% QoQ).
- Margin expansion across the board — net profit hit an all-time record.** GPM widened to 26% in 1Q26, (vs. 19% in 1Q25 / 25% in 4Q25), as higher ASPs outpaced input cost increases. OPM similarly recovered to 15% (vs. 8% in 1Q25 / 13% in 4Q25). Most notably, NPM expanded to 10% (vs. 5% in 1Q25 / 9% in 4Q25), translating into a record net profit of IDR 1.82 tn (+167% YoY) — equivalent to 44% of both our and consensus FY26F estimates.

### Near-Term Outlook: Post-Lebaran Normalization

- Poultry prices have retreated post-Lebaran, as expected.** Following the seasonal peak in 1Q26, poultry prices have normalized in line with post-Lebaran patterns. Livebird prices have declined 12–14% year-to-date to the IDR 21,000–22,000/kg range as of early June 2026. On a quarterly average basis, 2Q26 livebird prices are tracking approximately IDR 23,000/kg, down ~9% QoQ from IDR 25,000/kg in 1Q26. Similarly, broiler carcass prices have pulled back 6–7% ytd to around IDR 36,000–37,000/kg, with the 2Q26 quarterly average at approximately IDR 37,500/kg versus IDR 40,000/kg in 1Q26 — a ~7% QoQ decline.
- Supply overhang persists, driven by seasonal and structural factors.** On the supply side, the Ditjen PKH has flagged signs of oversupply in the post-Lebaran period, estimated at 5–10% above normal weekly demand — concentrated particularly in Java. The excess supply stems from two converging dynamics: (1) a normalization of consumer demand following the elevated Lebaran holiday period, and (2) simultaneous breeding cycles, where elevated chick-in placements ahead of Lebaran have led to peaking of poultry supply. Compounding the situation further is the presence of seasonal local farmers who entered the poultry breeding cycle during the run-up to Lebaran to capitalize on peak demand during the festive season, amplifying the supply overhang as they exit the market. We view the demand normalization phase will likely persist through 3Q26, consistent with typical mid-year seasonal patterns.

### BUY Recommendation with Target Price at IDR 3,300/Share

- We maintain our BUY rating on JPFA with a target price of IDR 3,300**, implying a forward P/E of 9.3x based on our FY26F earnings. Our overall outlook remains intact, backed by JPFA's integrated business model that provides resilience through commodity cycles. We also favour the stock at current levels — trading at 4.3x P/E, near the -1 standard deviation of its 3-year P/E band — as a compelling entry point. Longer term, we see JPFA as a key beneficiary of Indonesia's protein transition, with its downstream processing pivot and low-cost integrated operations anchoring both growth and through-cycle profitability.

### PT Japfa Comfeed Indonesia Tbk. | Summary (IDR Billions)

	2025/12A	2026/12F	2027/12F	2028/12F
Revenue	60.716	67.503	74.502	82.135
Growth (%y/y)	8,8%	11,2%	10,4%	10,2%
Net Profit	4.004	4.167	4.515	5.117
Growth (%y/y)	32,6%	4,1%	8,4%	13,3%
Basic EPS (IDR)	341	355	385	436
Price / Earnings	7,67	9,29	8,57	7,56
Price / Book Value	1,65	1,75	1,50	1,29
EV / EBITDA	5,49	6,30	5,82	5,20
ROE	21,5%	18,8%	17,5%	17,1%
ROA	10,0%	9,8%	9,8%	10,2%

Source : Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Update Report | 10<sup>th</sup> June 2026

# BUY

Target Price (IDR)	3,300
Consensus Price	3,200
TP to Consensus Price	3.1%
Potential Upside	75.5%

### Shares Data

Last Price (IDR)	1,880
Price date as of	10 <sup>th</sup> June 2026
52 wk range (Hi/Lo)	2,970 / 1,415
Free Float (%)	43.7
Outstanding sh (mn)	11,727
Market Cap (IDR bn)	21,753
Market Cap (USD mn)	1,212
Avg. Trd Vol – 3M (mn)	44

### Sector

Consumer Non-Cyclicals

Sub-Sector

Food & Beverages

Bloomberg

JPFA IJ Equity

Reuters

JPFA JK

### Shares Price Performance



	YTD	3M	6M	12M
Abs.Ret	-28.4%	-15.5%	-31.7%	+19.9%
Rel.Ret	+3.9%	+4.6%	+0.2%	+38.7%

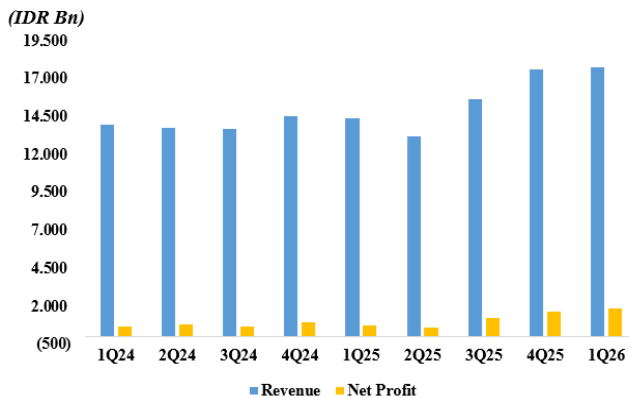
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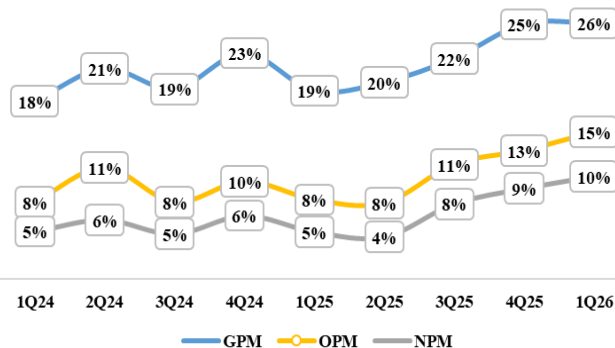
Performance Highlight for JPFA

Exhibit 1. JPFA Quarterly Revenue and Net Profit Performance (1Q24-1Q26)



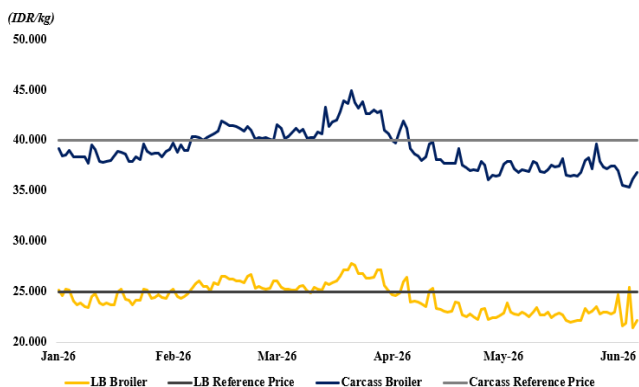
Source : Company, NHKSI Research

Exhibit 2. JPFA Margin Performance (1Q24-1Q26)



Source : Company, NHKSI Research

Exhibit 3. LB & Carcass Broiler Price YTD



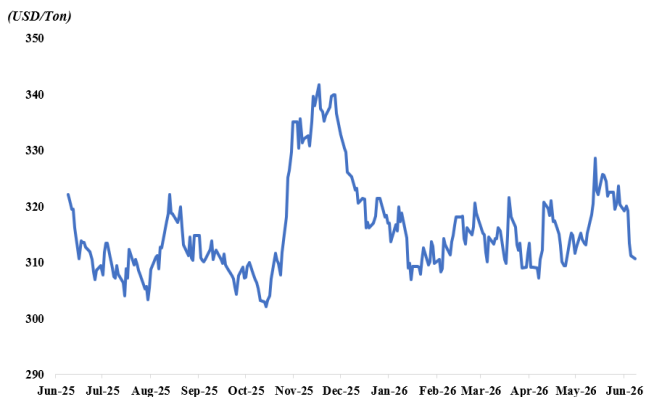
Source : Kementerian Pertanian, NHKSI Research

Exhibit 4. Corn Price YTD



Source : Bloomberg, NHKSI Research

Exhibit 5. Soybean Meal Price YTD



Source : Bloomberg, NHKSI Research

Exhibit 6. JPFA 3-Year P/E Band



Source : Company, NHKSI Research

## Summary of JPFA's Financials &amp; Forecast

INCOME STATEMENT					
(IDR bn)	2024/12A	2025/12A	2026/12F	2027/12F	2028/12F
Net Sales	55.801	60.716	67.503	74.502	82.135
Growth	9,0%	8,8%	11,2%	10,4%	10,2%
COGS	(44.583)	(47.524)	(53.515)	(59.285)	(65.368)
<b>Gross Profit</b>	<b>11.218</b>	<b>13.191</b>	<b>13.988</b>	<b>15.217</b>	<b>16.766</b>
Gross Margin	20,1%	21,7%	20,7%	20,4%	20,4%
Operating Expenses	(6.156)	(7.008)	(7.521)	(8.266)	(9.026)
<b>EBIT</b>	<b>5.062</b>	<b>6.184</b>	<b>6.467</b>	<b>6.951</b>	<b>7.740</b>
EBIT Margin	9,1%	10,2%	9,6%	9,3%	9,4%
Depreciation	883	924	1.036	1.107	1.194
<b>EBITDA</b>	<b>5.945</b>	<b>7.107</b>	<b>7.503</b>	<b>8.059</b>	<b>8.934</b>
EBITDA Margin	10,7%	11,7%	11,1%	10,8%	10,9%
Finance Expenses	(870)	(804)	(794)	(797)	(755)
<b>EBT</b>	<b>4.241</b>	<b>5.484</b>	<b>5.745</b>	<b>6.225</b>	<b>7.054</b>
Income Tax	(1.029)	(1.202)	(1.264)	(1.369)	(1.552)
<b>Net Profit</b>	<b>3.019</b>	<b>4.004</b>	<b>4.167</b>	<b>4.515</b>	<b>5.117</b>
Growth	219,1%	32,6%	4,1%	8,4%	13,3%
Net Profit Margin	5,4%	6,6%	6,2%	6,1%	6,2%

BALANCE SHEET					
(IDR bn)	2024/12A	2025/12A	2026/12F	2027/12F	2028/12F
Cash	1.354	3.550	3.285	3.585	4.029
Receivables	2.761	3.126	3.395	3.968	4.528
Inventories	9.311	9.600	10.307	10.984	11.566
<b>Total Current Assets</b>	<b>17.169</b>	<b>21.376</b>	<b>22.085</b>	<b>23.711</b>	<b>25.363</b>
Net Fixed Assets	13.754	14.995	16.428	17.861	19.262
Other Non Current Assets	3.743	3.689	4.085	4.548	5.494
<b>Total Non Current Assets</b>	<b>17.497</b>	<b>18.684</b>	<b>20.513</b>	<b>22.410</b>	<b>24.756</b>
<b>Total Assets</b>	<b>34.666</b>	<b>40.060</b>	<b>42.598</b>	<b>46.121</b>	<b>50.119</b>
Payables	5.436	4.752	4.837	4.733	4.618
ST Bank Loan	3.273	9.772	3.940	3.743	3.556
<b>Total Current Liabilities</b>	<b>9.296</b>	<b>16.517</b>	<b>9.712</b>	<b>9.454</b>	<b>9.191</b>
LT Debt	7.471	2.090	7.922	8.080	8.242
Other Non Current Liab	1.327	1.434	1.434	1.434	1.434
<b>Total Non Current Liabilities</b>	<b>8.798</b>	<b>3.524</b>	<b>9.356</b>	<b>9.514</b>	<b>9.676</b>
<b>Total Liabilities</b>	<b>18.094</b>	<b>20.041</b>	<b>19.068</b>	<b>18.968</b>	<b>18.866</b>
Capital Stock & APIC	3.030	3.030	3.030	3.030	3.030
Retained Earnings	12.758	15.796	19.296	22.908	27.001
<b>Shareholders' Equity</b>	<b>15.477</b>	<b>18.664</b>	<b>22.173</b>	<b>25.793</b>	<b>29.891</b>

CASH FLOW STATEMENT					
(IDR bn)	2024/12A	2025/12A	2026/12F	2027/12F	2028/12F
Operating Cash Flow	4.860	5.012	4.327	5.080	5.704
Investing Cash Flow	(1.673)	(2.826)	(2.252)	(2.643)	(2.723)
Financing Cash Flow	(3.389)	(35)	(2.346)	(2.118)	(2.493)
<b>Net Changes in Cash</b>	<b>(149)</b>	<b>2.196</b>	<b>(265)</b>	<b>300</b>	<b>443</b>

PROFITABILITY & STABILITY					
	2024/12A	2025/12A	2026/12F	2027/12F	2028/12F
ROE	19,5%	21,5%	18,8%	17,5%	17,1%
ROA	8,7%	10,0%	9,8%	9,8%	10,2%
Inventory Turnover	4,7	5,0	5,4	5,6	5,8
Receivable Turnover	20,9	20,6	20,7	20,2	19,3
Payables Turnover	8,6	9,9	9,4	9,3	9,6
Dividend Yield	42%	31%	25%	27%	31%
Payout Ratio	27%	20%	20%	20%	20%
DER	69%	64%	53%	46%	39%
DAR	31%	30%	28%	26%	24%
Net Gearing	65%	59%	50%	44%	38%
Cash Conversion Cycle	52,97	58,04	56,80	55,93	56,92
Interest Coverage	5,82	7,69	8,14	8,73	10,26
Current Ratio	1,85	1,29	2,27	2,51	2,76
Quick Ratio	0,85	0,71	1,21	1,35	1,50
Total Shares (mn)	11.727	11.727	11.727	11.727	11.727
Share Price (IDR)	1.940	2.620	3.300	3.300	3.300
Market Cap (IDR bn)	22.750	30.724	38.698	38.698	38.698

VALUATION INDEX					
	2024/12A	2025/12A	2026/12F	2027/12F	2028/12F
Price / Earnings	7,54	7,67	9,29	8,57	7,56
Price / Book Value	1,47	1,65	1,75	1,50	1,29
EPS Growth	225%	33%	4%	8%	13%
EV/EBITDA	5,41	5,49	6,30	5,82	5,20
EV/EBIT	6,35	6,31	7,31	6,75	6,00
EV (IDR bn)	32.139	39.036	47.275	46.936	46.467
Sales CAGR (3-Yr)	8%	7%	10%	10%	12%
Net Income CAGR (3-Yr)	14%	41%	65%	14%	13%
Basic EPS (IDR)	257	341	355	385	436
BVPS (IDR)	1.320	1.592	1.891	2.200	2.549
DPS (IDR)	69	68	71	77	87

OWNERSHIP	
<b>Shareholders</b>	%
Japfa Ltd.	55,4
PT Japfa Comfeed Indonesia Tbk.	0,8
Public	43,7
<b>By Geography</b>	%
Singapore	85,9
United States	6,5
Indonesia	2,8
Luxembourg	2,1
Others	2,8

Source: Company, Bloomberg &amp; NHKSI Research

Please consider the rating criteria &amp; 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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