BINAARTHA SEKURITAS

Berizin dan Diawasi oleh **Otoritas Jasa Keuangan**

Equity Research

PT. Japfa Comfeed Indonesia Tbk.

22 September 2026
Basic Industry – Poultry

Price	**IDR**	**2,270**
Target Price	**IDR**	**3,350**
JKSE Index		**6,384.726**



Stock Information

Bloomberg Code	**JPFA IJ**
Market Cap (IDR bn)	26,970
52-week high (IDR)	2,970
52-week low (IDR	1,750
Shares issued (mn)	11,726.6
Free float	44.57%

Major share holders

JAPFA LTD	55.43%
Public	44.57%

USD/ IDR – YE (IDR)

2025	16,720
2026F (6m-avg)	17,612

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Investment Consideration

BUY

Solid performance Across all Business Segments

- PT Japfa Comfeed Indonesia Tbk (JPFA) maintained strong performance in 2Q26, with total sales increasing 34.1% YoY to IDR17.64 trillion, despite a slight 0.4% QoQ decline. Growth was supported by higher sales volumes and stronger average selling prices across most business segments. For 1H26, total sales increased 28.7% YoY to IDR35.35 trillion.
- The Commercial Farming segment recorded sales growth of 19.8% YoY to IDR6.29 trillion, although revenue declined 10.7% QoQ. Growth was supported by an 11.0% YoY increase in sales volume and a 12.6% YoY increase in livebird ASP. However, segment margin contracted to -7.9% in 2Q26 as production costs increased faster than selling prices. For 1H26, segment revenue still grew 23.0% YoY to IDR13.3 trillion, although margin declined to 2.7% from 5.1%.
- The Poultry Processing & Consumer Products segment recorded strong revenue growth of 31.8% YoY to IDR3.2 trillion, while margin improved significantly to 6.0% from 3.2%, reflecting stronger operating performance.
- The DOC segment delivered the strongest improvement, with revenue increasing 140% YoY and 60% QoQ to IDR1.7 trillion. Performance was driven by an 18.0% YoY increase in ASP and 13.2% YoY volume growth. Segment margin improved substantially to 29.0%, compared with -1.8% in 2Q25.
- The Feed segment recorded revenue growth of 56.3% YoY and 7.8% QoQ to IDR5.25 trillion, supported by volume growth of 13.0% YoY and 5.7% QoQ, together with an 8.2% YoY improvement in ASP. Feed margin moderated to 20.5% from 22.7%.
- Raw material prices remained a key factor for feed profitability. Corn prices fluctuated between IDR4,000/kg and IDR6,573/kg, reaching IDR6,573/kg in August 2026, while soybean prices remained relatively stable at around IDR10,600/kg.
- The Aquaculture segment recorded strong revenue growth of 39.0% YoY to IDR1.62 trillion, although margin moderated slightly to 9.4% from 10.8%.
- Looking ahead, we expect stronger performance in 2H26 as DOC and livebird prices improved in July and reached their highest levels of the year in August. Demand should also benefit from the normalization of activity following the school holiday period and additional demand generated by the government's free nutritious meals program.

Q2 2026 Result: Earnings Grow Despite Margin Pressure

- JPFA recorded EBITDA of IDR1.45 trillion in 2Q26, increasing 12.4% YoY, supported by broad-based growth across its major business segments.
- Net profit increased 18.4% YoY to IDR659 billion, although it declined 64.0% QoQ. Net profit margin moderated to 3.7% from 4.2% in the corresponding period last year.
- Cost of sales increased 37.6% YoY to IDR14.5 trillion, outpacing revenue growth. As a result, gross profit increased 20.2% YoY to IDR3.1 trillion, while gross profit margin declined to 17.6% from 19.7%.
- Operating profit increased 13.9% YoY to IDR1.13 trillion, although operating profit margin moderated to 6.4% from 7.6%. The margin contraction mainly reflected higher input costs and weaker profitability in the Commercial Farming segment, partly offset by the significant recovery in DOC profitability and improved margins in Poultry Processing & Consumer Products.
- We forecast FY2026 net profit of IDR4.7 trillion, supported by improving poultry prices, sustained demand recovery, and stronger contributions from the DOC and downstream businesses.

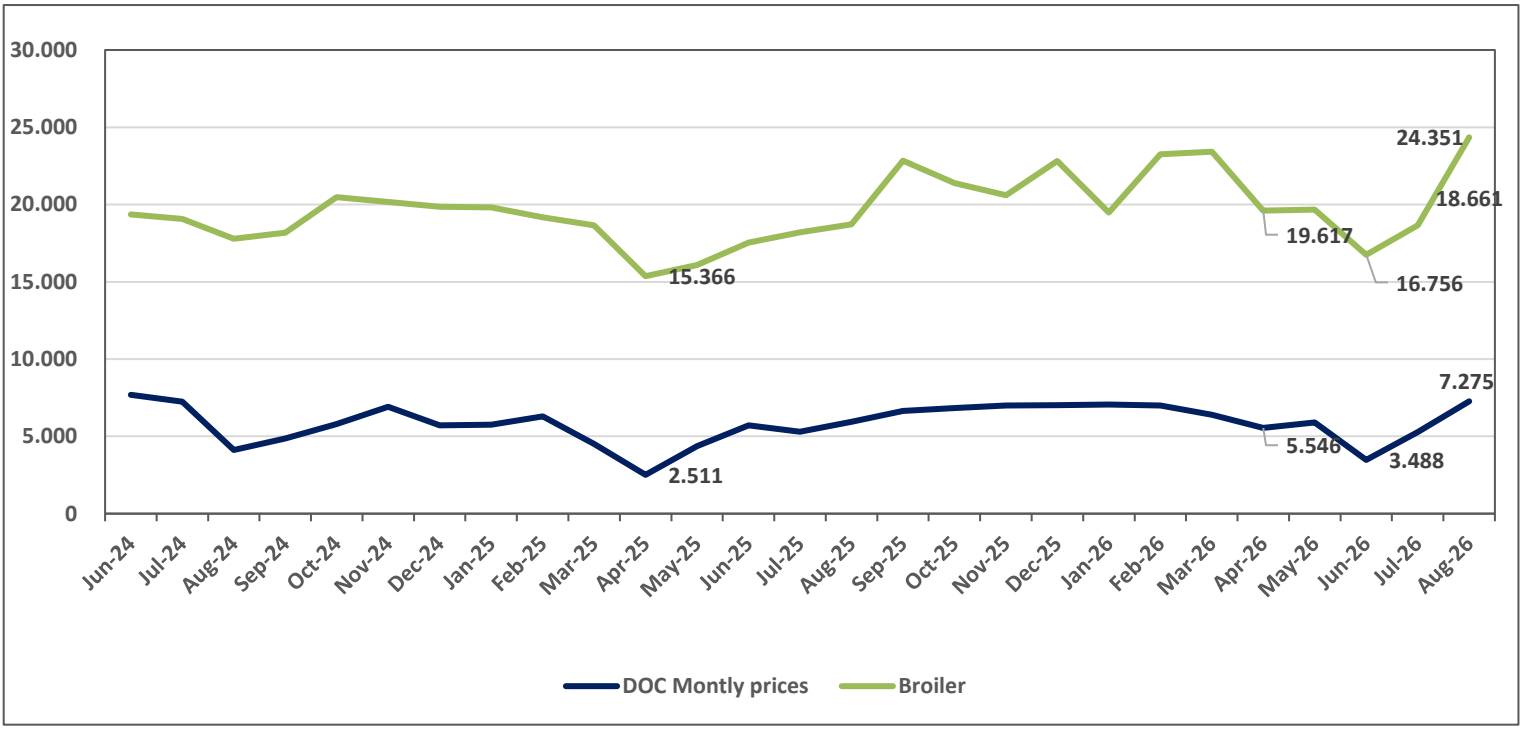
Valuation: Maintain BUY, TP IDR 3,350 (+48% Upside)

- We maintain our BUY recommendation on JPFA with a 12-month target price of IDR3,350, implying 48% upside from the current share price.
- Our target price is based on a DCF valuation using a WACC of 13.5% and implies a 2026F P/E multiple of 7.5x. Our positive outlook is supported by improving poultry prices, strong DOC profitability, continued volume growth, and expectations for stronger operating performance in 2H26.

Financial Highlights	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Sales (In IDR Bn)	44.878	48.972	51.176	55.801	60.715	68.193	75.056
Net Income (In IDR Bn)	2.023	1.420	931	3.021	4.006	4.726	5.202
EPS (IDR)	177	124	79	258	342	403	444
GPM (%)	17,9%	15,7%	14,7%	20,1%	21,7%	22,0%	22,0%
OPM (%)	7,9%	5,6%	4,3%	9,1%	10,2%	10,5%	10,5%
NPM (%)	4,5%	2,9%	1,8%	5,4%	6,6%	6,9%	6,9%
PBV (x)	1,6	1,4	1,0	1,5	1,7	1,8	1,6
PER (x)	9,7	12,9	14,6	7,5	7,7	8,3	7,6
Net debt/ equity (x)	0,5	0,6	0,7	0,5	0,7	0,4	0,4

Source: Company and Binaartha

DOC and Broiler Prices until August 2026 in West Java



Source: Average monthly prices of West Java

Income Statement in IDR Billion QoQ & YoY

Income Statement (In IDR Bn)	1Q2026	2Q2026	QoQ	2Q2025	YoY	1H2025	1H2026	YoY
Sales	**17.714**	**17.641**	**-0,4%**	**13.149**	**34,2%**	**27.482**	**35.355**	**28,7%**
Cost of Sales	-13.194	-14.536	10,2%	-10.565	37,6%	-22.203	-27.730	24,9%
Gross Profit	**4.520**	**3.105**	**-31,3%**	**2.584**	**20,2%**	**5.279**	**7.625**	**44,5%**
Operating Expenses	-1.922	-1.971	2,6%	-1.588	24,1%	-3.144	-3.893	23,8%
Operating Profit	**2.598**	**1.134**	**-56,3%**	**996**	**13,9%**	**2.135**	**3.733**	**74,8%**
Other Income (Expenses)	-116	-197	69,8%	-192	2,5%	-354	-312	-11,8%
PBT	**2.483**	**938**	**-62,2%**	**804**	**16,6%**	**1.781**	**3.420**	**92,0%**
Tax	-540	-196	-63,7%	-196	0,2%	-418	-736	76,0%
NIAT	**1.943**	**742**	**-61,8%**	**609**	**21,8%**	**1.363**	**2.684**	**97,0%**
Non-controlling Interest	-126	-83	-34,4%	-52	58,1%	-126	-209	65,8%
Net Income	**1.816**	**659**	**-63,7%**	**556**	**18,4%**	**1.237**	**2.475**	**100,1%**
EPS	**155**	**56**	**-63,7%**	**47**	**18,4%**	**105**	**211**	**100,1%**
EBITDA	**2.948**	**1.458**	**-50,5%**	**1.297**	**12,4%**	**2.730**	**4.406**	**61,4%**
GPM (%)	**25,5%**	**17,6%**		**19,7%**		**19,2%**	**21,6%**	
OPM (%)	**14,7%**	**6,4%**		**7,6%**		**7,8%**	**10,6%**	
NPM(%)	**10,3%**	**3,7%**		**4,2%**		**4,5%**	**7,0%**	
OPM Per Segment (%)								
Commercial Farm	**5,6%**	**-7,9%**		**5,6%**		**5,1%**	**2,7%**	
Animal Feeds	**22,7%**	**20,5%**		**22,7%**		**19,3%**	**20,6%**	
Poultry processing and Consumer Products	**3,2%**	**6,0%**		**3,2%**		**3,5%**	**5,3%**	
Aquaculture	**10,8%**	**9,4%**		**10,8%**		**10,1%**	**8,6%**	
Poultry Breeding	**-1,8%**	**29,1%**		**-1,8%**		**12,1%**	**45,5%**	
Trading and Others	**19,5%**	**6,4%**		**19,5%**		**22,4%**	**14,9%**	

Source: Company

Income Statement in IDR Billion YoY

Income Statement (In IDR Bn)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Sales	**44.878**	**48.972**	**51.176**	**55.801**	**60.715**	**68.193**	**75.056**
Cost of Sales	-36.858	-41.289	-43.665	-44.583	-47.524	-53.190	-58.544
Gross Profit	**8.020**	**7.683**	**7.511**	**11.218**	**13.191**	**15.002**	**16.512**
Operating Expenses	-4.495	-4.933	-5.305	-6.156	-7.008	-7.842	-8.631
Operating Profit	**3.525**	**2.750**	**2.206**	**5.062**	**6.183**	**7.160**	**7.881**
Other Income (Expenses)	-731	-796	-945	-820	-700	-818	-901
PBT	**2.794**	**1.955**	**1.261**	**4.242**	**5.483**	**6.342**	**6.980**
Tax	-663	-464	-315	-1.029	-1.202	-1.395	-1.536
NIAT	**2.131**	**1.491**	**946**	**3.212**	**4.281**	**4.947**	**5.445**
Non-controlling Interest	-108	-71	-16	-193	-277	-225	-248
Net Income	**2.023**	**1.420**	**931**	**3.021**	**4.006**	**4.726**	**5.202**
EPS	**177**	**124**	**79**	**258**	**342**	**403**	**444**
EBITDA	**4.816**	**3.722**	**3.258**	**6.172**	**7.428**	**8.471**	**9.196**

Source: Company and Binaartha

Cash Flow in IDR Billion YoY

Cash Flow (In IDR Bn)	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Net Income	2.023	1.420	931	3.021	4.006	4.726	5.202
Depreciation	1.215	950	1.008	1.061	1.140	1.141	1.247
Change in WC	-1.610	234	746	-1.488	5.211	-5.740	-1.435
Cash From Operating Activities	**1.628**	**2.604**	**2.685**	**2.594**	**10.358**	**127**	**5.014**
Change in Non-current Asset	-1.437	-2.211	-2.210	-1.667	-2.328	-3.281	-3.204
Cash From Investing Activities	**-1.437**	**-2.211**	**-2.210**	**-1.667**	**-2.328**	**-3.281**	**-3.204**
Change in Long-term liabilities	-462	705	-304	-834	321	5.255	-35
Change in Bonds Payable	368	509	-79	292	-5.581	0	0
Change Others Noncurrent Liabilities	-16	-13	17	82	-14	17	-1
Change in Equity	-332	-868	-418	-616	-560	-1.987	-2.182
Cash From Financing Activities	**-441**	**333**	**-784**	**-1.075**	**-5.834**	**3.286**	**-2.217**
Net Changes in Cash	**-251**	**726**	**-308**	**-149**	**2.196**	**132**	**-408**
Beginning Balance	**1.336**	**1.085**	**1.811**	**1.503**	**1.354**	**3.550**	**3.682**
Ending Balance	**1.085**	**1.811**	**1.503**	**1.354**	**3.550**	**3.682**	**3.274**

Source: Company and Binaartha

Statement of Financial Position in IDR Billion YoY

	2021A	2022A	2023A	2024A	2025A	2026F	2027F
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	1.085	1.811	1.503	1.354	3.550	3.682	3.274
Trade Accounts Receivable	2.348	2.405	2.456	1.677	3.126	2.050	2.256
Inventories	7.713	9.272	9.684	9.311	9.600	11.377	12.185
Others Current Assets	3.015	3.513	3.576	4.828	5.100	5.321	5.975
Total Current Assets	**14.161**	**17.001**	**17.218**	**17.169**	**21.376**	**22.429**	**23.689**
NONCURRENT ASSETS							
Fixed Assets	11.510	12.497	13.395	13.754	14.995	16.373	17.878
Breeding Cattles	54	34	25	22	26	30	31
Other Noncurrent Assets	2.865	3.158	3.471	3.721	3.663	4.421	4.873
Total Noncurrent Assets	**14.429**	**15.689**	**16.891**	**17.497**	**18.684**	**20.824**	**22.782**
TOTAL ASSETS	**28.590**	**32.691**	**34.109**	**34.666**	**40.060**	**43.253**	**46.470**
LIABILITIES AND EQUITY							
LIABILITIES							
CURRENT LIABILITIES							
Short-term Bank Loans	2.314	3.924	4.909	2.076	9.706	3.706	3.706
Trade Account Payable	3.030	4.135	4.118	3.658	3.707	4.643	4.861
Others Current Liabilities	1.720	1.353	1.658	3.561	3.104	3.349	3.364
Total Current Liabilities	**7.064**	**9.412**	**10.684**	**9.296**	**16.517**	**11.699**	**11.931**
NONCURRENT LIABILITIES							
Long-term liabilities	1.254	1.174	1.302	1.293	1.381	1.637	1.801
Long-term Bank loan	2.273	3.058	2.626	1.801	2.034	7.034	6.834
Bonds Payable	4.859	5.369	5.289	5.581	0	0	0
Others Noncurrent Liabilities	36	23	40	123	108	126	125
Total Noncurrent Liabilities	**8.423**	**9.624**	**9.258**	**8.798**	**3.524**	**8.797**	**8.761**
TOTAL LIABILITIES	**15.487**	**19.036**	**19.942**	**18.094**	**20.041**	**20.496**	**20.692**
Non-controlling interest	869	907	941	1.096	1.355	1.372	1.553
EQUITY	**12.233**	**12.748**	**13.226**	**15.476**	**18.663**	**21.386**	**24.225**
TOTAL LIABILITIES & EQUITY	**28.589**	**32.690**	**34.109**	**34.666**	**40.060**	**43.253**	**46.470**

Source: Company and Binaartha

Ratio Highlights YoY

	2021A	2022A	2023A	2024A	2025A	2026F	2027F
Growth (% YoY)							
Sales	21,4%	9,1%	4,5%	9,0%	8,8%	12,3%	10,1%
OP	41,9%	-22,0%	-19,8%	129,4%	22,1%	15,8%	10,1%
EBITDA	30,3%	-22,7%	-12,5%	89,5%	20,3%	14,0%	8,6%
NP	120,6%	-29,8%	-34,5%	224,6%	32,6%	18,0%	10,1%
EPS	120,6%	-29,8%	-36,2%	224,6%	32,6%	18,0%	10,1%
Profitability (%)							
Gross Margin	17,9%	15,7%	14,7%	20,1%	21,7%	22,0%	22,0%
Operating Margin	7,9%	5,6%	4,3%	9,1%	10,2%	10,5%	10,5%
EBITDA margin	10,7%	7,6%	6,4%	11,1%	12,2%	12,4%	12,3%
NET Profit margin	4,5%	2,9%	1,8%	5,4%	6,6%	6,9%	6,9%
ROA	7,1%	4,3%	2,7%	8,7%	10,0%	10,9%	11,2%
ROE	16,5%	11,1%	7,0%	19,5%	21,5%	22,1%	21,5%
Solvability (x)							
Net debt/ equity	0,5	0,6	0,7	0,5	0,7	0,4	0,4
Tot. debt/ Tot.equity	1,3	1,5	1,5	1,2	1,1	1,0	0,9
Debt Ratio	0,5	0,6	0,6	0,5	0,5	0,5	0,4
Liquidity (x)							
Current Ratio	2,0	1,8	1,6	1,8	1,3	1,9	2,0
Cash Ratio	0,2	0,2	0,1	0,1	0,2	0,3	0,3
Per Share data							
EPS (IDR)	177	124	79	258	342	403	444
PBV (x)	1,6	1,4	1,0	1,5	1,7	1,8	1,6
PER (x)	9,7	12,9	14,6	7,5	7,7	8,3	7,6
EBITDA/share	422	326	278	526	633	722	784

Source: Company and Binaartha

Stock Ratings:

Buy : a recommendation to purchase the security with upside potential of **11.50% or greater**

Hold : a recommendation to neither buy nor sell a security with upside potential of 5**.75%- 11.49%.**

Sel : a recommendation to close out a long position in a security with upside potential **below 5.74%.**

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