Excellent FY25 results, came way above expectations

27 March 2026

CPIN IJ	BUY
Sector	Poultry
Price at 26 Mar 2026 (IDR)	4,030
Price target (IDR)	5,250
Upside/Downside (%)	30.3

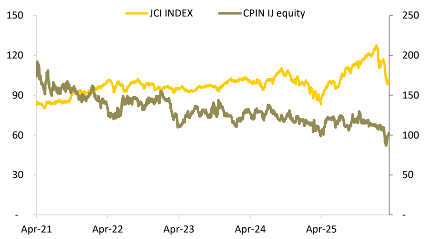
Stock Information

Charoen Pokphand Indonesia Tbk (CPIN) is the leading company in Indonesian poultry sector that manufactures and distributes animal feeds, sells Day Old Chick (DOC), live-birds (LB), processed chicken (PC), poultry equipment, and others.

Market cap (IDR bn)	67,084
Shares outstanding (mn)	16,398
52-week range (IDR)	3,390-5,375
3M average daily vol. ('000)	10,677
3M average daily val. (IDR mn)	44,462

Shareholders (%)	
Charoen Pokphand Indonesia Group	55.53
UBS AG	5.98
Treasury Stock	4.35
Public	34.14

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance (%)	(8.6)	(12.2)	(10.0)

Charoen Pokphand Indonesia' (CPIN) earnings and net margin reached IDR2.28 tn (+71.8% yoy/+55.6% qoq) and 11.3% (+380bps yoy/+300bps qoq), respectively in 4Q25, on better demand and average selling prices (ASP) for Day Old Chick' (DOC) and broiler' (LB) during festivities, with better costs management and lower soybean-meal (SBM) prices, despite higher local corn (LC) prices. As a result, CPIN' FY25 earnings grew 52% yoy, which came way above ours' (131.2%) and consensus' (140.5%) expectation. While, CPIN' revenue reached IDR20.1 tn (+13.2% yoy/+14.6% qoq) in 4Q25 and IDR70.71 tn (+4.8% yoy) in FY25, which came slightly above ours' (100.6%) and cons' expectation (101.7%). We have incorporated CPIN' FY25 excellent results and made several adjustments to our '26F for CPIN. All in all, we still expect CPIN' earnings to grow by 8% yoy in FY26F and it would also likely to maintain its net margin at around 8%. Thus, maintain BUY on CPIN with lower TP of IDR5,250, which implies 14x '26F P/E. Currently, CPIN is trading at 10.8x '26F P/E or at -1.75stdev of its 5 years' mean P/E.

Significant earnings growth in FY25

CPIN' earnings grew significantly higher (+71.8% yoy/+55.6% qoq) in 4Q25 on better chicken' (DOC & LB) demand and ASP with better costs management, amid lower SBM prices, despite higher LC prices. As a result, CPIN' FY25 earnings reached IDR5.64 tn (+52% yoy), which came way above ours' (131.2%) and cons' expectation (140.5%). Note that, there was a one-off gain around IDR188 bn on changes in biological assets value. Yet, without one-off gain, CPIN' FY25 earnings still grew around 46.9% yoy, which still came way above ours' (126.8%) and cons' (135.8%) expectation.

4Q25 revenue grew 13.2% yoy/14.6% qoq

CPIN' revenue grew 13.2% yoy/14.6% qoq in 4Q25 on better chicken' (DOC & LB) demand and ASP amid festivities. Based on our channel check, LB' and DOC' ASP reached IDR21,597 per kg and IDR6,952, respectively in 4Q25, or the highest ASP vs other quarters. Thus, CPIN' revenue grew 4.8% yoy in FY25 to IDR70.71 tn, which came slightly above ours' (100.6%) and cons' expectation (101.7%).

Margins significantly expanded in 4Q25 and FY25

CPIN' gross profit and EBIT grew by 26.3% yoy/29.9% qoq and 40.4% yoy/38.2% qoq, respectively in 4Q25 on better chicken' ASP and demand during festivities with better costs management and lower SBM prices, despite higher LC prices. Note that, LC' ASP reached IDR5,937 per kg in 4Q25 or higher than other quarters. While, the imported SBM' ASP was around USD291.4 /tons or still much lower than its 5years ASP of USD373.7 /tons, despite stronger USD vs IDR. As a result, CPIN' gross', EBIT' and net' margin expanded to 21.6% (+220bps yoy/+250bps qoq), 14.6% (+280bps yoy/+250bps qoq) and 11.3% (+380bps yoy/+300bps qoq), respectively in 4Q25. All in all, CPIN' net margin significantly expanded by 250bps yoy in FY25.

Adjustment to '26F

We have incorporated CPIN' FY25 excellent results and made several adjustments to our '26F for CPIN. We adjusted our CPIN '26F revenue to IDR76.4 tn (-2.5% from prior) as per our view that chicken demand would grow softly amid stable ASP this year due to current economic conditions. Yet, we still expect CPIN' gross profit and EBIT to grow by 8.4% yoy and 8.2% yoy to IDR13.5 tn (+10.2% from prior) and IDR8.75 tn (+16% from prior), respectively in FY26F, mainly due to lower LC' ASP with stable SBM ASP and better costs management, despite the latest government requirements on SBM. Note that, all poultry players including CPIN are required to source SBM through PT Berdikari (ID Food), starting this Apr'26. All in all, we still expect CPIN' earnings to grow by 8.9% yoy to IDR6.2 tn (+25.3% from prior) in '26F. We also expect CPIN would be able to maintain its net margin at around 8% in FY26F on higher chicken sales, low and stable raw material prices with better cost management.

Maintain BUY with lower TP of IDR5,250

CPIN' share price has declined around 15% since Nov'25 to IDR4,030 (yesterday closing price), on the back of continued foreign outflows from the Indonesian capital market. Clearly, the decline was not due to CPIN' fundamentals. Thus, Maintain BUY on CPIN with lower TP of IDR 5,250/share, which implies 14x '26F P/E or around -1.25stdev of its 5 years' mean P/E. Currently, CPIN is trading at 10.8x '26F P/E or at its -1.75stdev of its 5 years' mean P/E.

Exhibit 1: Key Statistics

Year end Dec	2023A	2024A	2025A	2026F	2027F
Revenue (IDR bn)	61,616	67,478	70,705	76,356	84,141
EBITDA (IDR bn)	4,870	7,259	9,321	10,049	11,134
Net profit (IDR bn)	2,319	3,713	5,644	6,147	6,935
EPS (IDR)	141	226	344	375	423
EPS growth (%)	(20.8)	60.1	52.0	8.9	12.8
ROE (%)	8.6	12.3	16.5	16.4	16.7
ROA (%)	5.7	8.7	12.3	12.9	13.3
PER (x)	33.5	20.9	16.7	15.3	13.6
PBV (x)	3.1	2.7	2.4	2.2	2.0
EV/EBITDA (x)	18.3	11.9	9.0	7.9	7.3
Div Yield (%)	2.7	0.6	1.9	2.9	3.1

Source: Company, KBVS Research

Analyst

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Exhibit 2: CPIN 4Q25 results

CPIN FY25 Results (IDRbn)	FY25	FY24	YoY	4Q25	4Q24	YoY	3Q25	QoQ	% to '25F	% to Cons'
Revenue	70,705	67,478	4.8%	20,100	17,759	13.2%	17,543	14.6%	100.6%	101.7%
COGS	(58,285)	(57,058)	2.1%	(15,751)	(14,315)	10.0%	(14,195)	11.0%		
Gross profit	12,420	10,420	19.2%	4,350	3,445	26.3%	3,348	29.9%	113.9%	115.3%
Selling expense	(2,535)	(2,492)	1.7%	(636)	(735)	-13.5%	(703)	-9.5%		
GA expense	(2,311)	(2,139)	8.1%	(771)	(614)	25.5%	(515)	49.6%		
Operating expenses	(4,846)	(4,630)	4.7%	(1,407)	(1,349)	4.3%	(1,218)	15.5%		
EBIT	7,574	5,790	30.8%	2,943	2,095	40.4%	2,130	38.2%	120.6%	130.9%
Profit before tax	7,713	5,256	46.7%	3,046	2,201	38.4%	2,206	38.1%	129.1%	146.3%
Tax expense	(2,069)	(1,545)	34.0%	(771)	(876)	-12.1%	(742)	3.9%		
Minority interest	(0)	(1)	-82.4%	(3)	(1)	228.3%	(1)	227.4%		
Net profit	5,644	3,713	52.0%	2,279	1,326	71.8%	1,465	55.6%	131.2%	140.5%
Margins (%)										
Gross margin	17.6%	15.4%		21.6%	19.4%		19.1%			
EBIT margin	10.7%	8.6%		14.6%	11.8%		12.1%			
Pretax margin	10.9%	7.8%		15.2%	12.4%		12.6%			
Net margin	8.0%	5.5%		11.3%	7.5%		8.3%			

CPIN FY25 Results (IDRbn)	FY25	FY24	YoY	4Q25	4Q24	YoY	3Q25	QoQ
Feed								
Revenue*	52,150	50,639	3.0%	14,287	12,400	15.2%	12,483	14.4%
EBIT	3,838	3,979	-3.5%	1,005	901	11.5%	914	9.9%
EBIT margin	7.4%	7.9%		7.0%	7.3%		7.3%	
Broiler								
Revenue*	40,501	41,674	-2.8%	11,059	11,054	0.0%	9,828	12.5%
EBIT	3,350	2,032	64.9%	1,748	1,140	53.4%	987	77.1%
EBIT margin	8.3%	4.9%		15.8%	10.3%		10.0%	
Day-old chicks								
Revenue*	9,522	9,420	1.1%	3,026	2,519	20.1%	2,328	30.0%
EBIT	649	461	40.5%	591	157	276.6%	173	241.5%
EBIT margin	6.8%	4.9%		19.5%	6.2%		7.4%	
Processed chicken								
Revenue*	10,935	11,945	-8.5%	2,897	2,923	-0.9%	2,482	16.7%
EBIT	862	(82)	-1153.5%	285	88	222.9%	200	42.2%
EBIT margin	7.9%	-0.7%		9.8%	3.0%		8.1%	
Others								
Revenue*	8,343	7,280	14.6%	2,096	1,814	15.6%	2,244	-6.6%
EBIT	(121)	(116)	4.3%	(31)	(52)	-40.6%	(33)	-7.6%
EBIT margin	-1.5%	-1.6%		-1.5%	-2.9%		-1.5%	

Note *: Before elimination

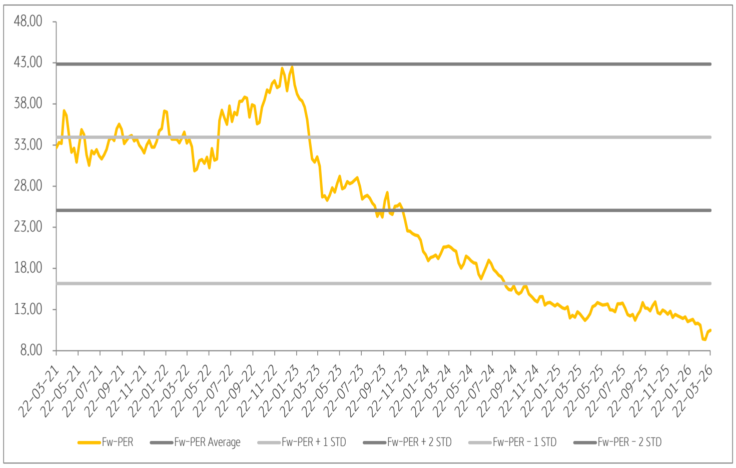
Source: Company, KBVS Research

Exhibit 3: Earnings adjustments

Adjustments	New		Old		Diff (%)	
In IDR bn	26F	27F	26F	27F	26F	27F
Revenue	76,356	84,141	78,287	87,195	-2.5%	-3.5%
Gross profit	13,461	14,990	12,211	13,798	10.2%	8.6%
EBIT	8,194	9,202	7,067	7,991	16.0%	15.2%
Profit before tax	8,400	9,477	6,810	7,784	23.3%	21.7%
Net profit	6,147	6,935	4,905	5,607	25.3%	23.7%

Source: Company, KBVS Research

Exhibit 4: CPIN PE Band

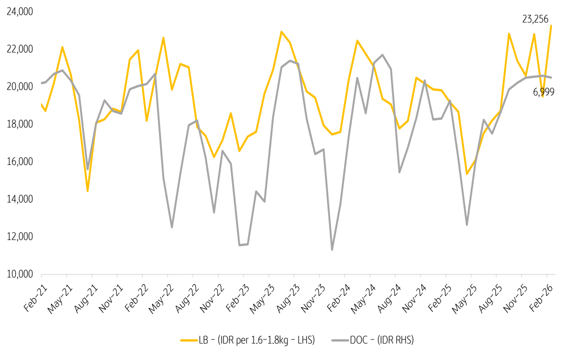


Source: Company, KBVS Research

Exhibit 5: Soybean-meal price, monthly

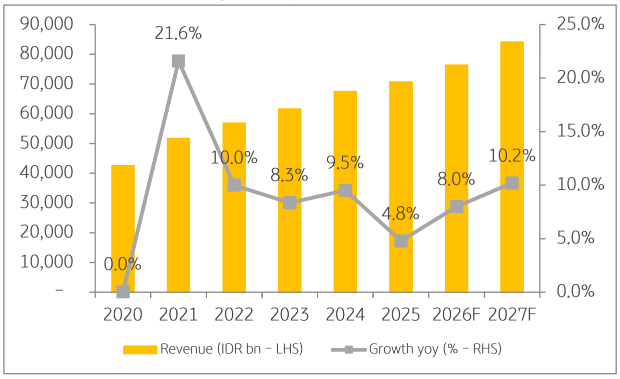
Source: Company, KBVS Research

Exhibit 6: Broiler & DOC' average prices per month



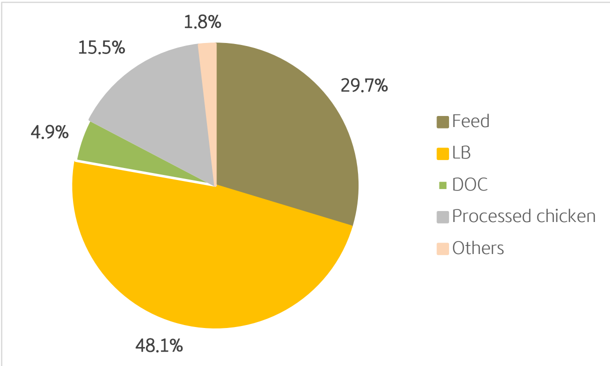
Source: Company, KBVS Research

Exhibit 7: Revenue and growth yoy



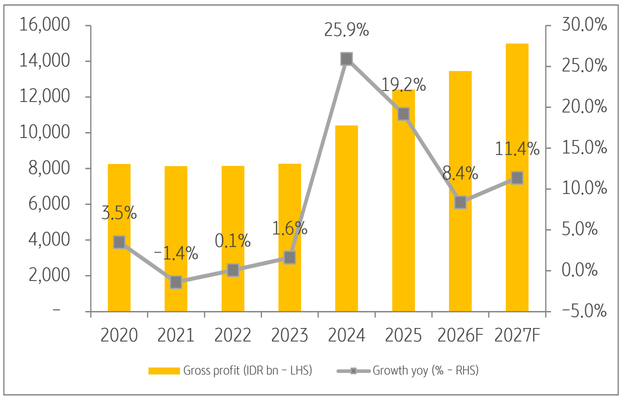
Source: Company, KBVS Research

Exhibit 8: Segments' revenue contribution in 4Q25



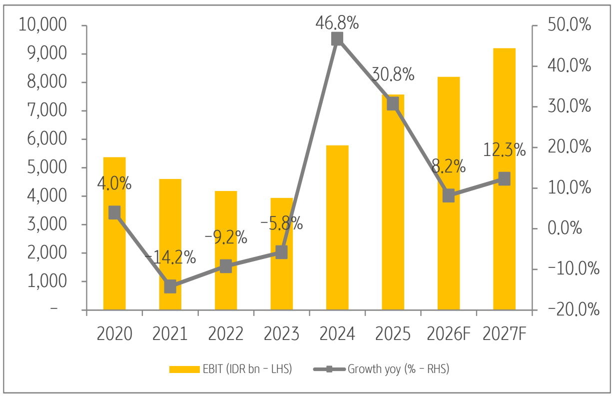
Source: Company, KBVS Research

Exhibit 9: Gross profit & growth yoy



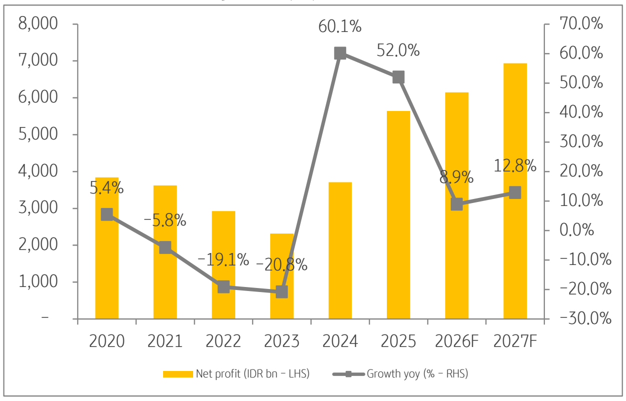
Source: Company, KBVS Research

Exhibit 10: EBIT & growth yoy



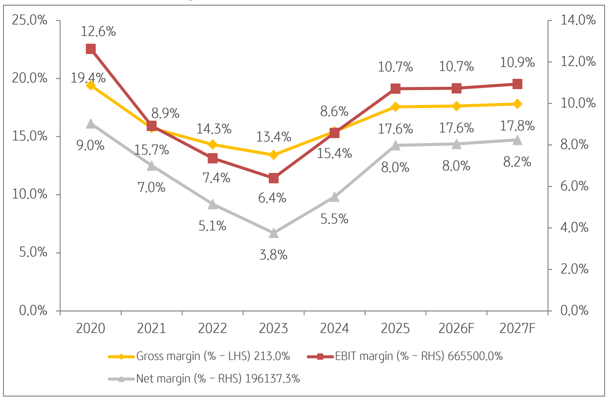
Source: Company, KBVS Research

Exhibit 11: Net profit & growth yoy



Source: Company, KBVS Research

Exhibit 12: CPIN margins



Source: Company, KBVS Research

Exhibit 13: Profit & loss summary

Year End Dec (IDR bn)	2023A	2024A	2025A	2026F	2027F
Revenue	61,616	67,478	70,705	76,356	84,141
COGS	(53,341)	(57,058)	(58,285)	(62,895)	(69,151)
Gross profit	8,275	10,420	12,420	13,461	14,990
Operating expenses	(4,330)	(4,630)	(4,846)	(5,266)	(5,788)
EBIT	3,944	5,790	7,574	8,194	9,202
EBITDA	4,870	7,259	9,321	10,049	11,134
Pre-tax profit	2,997	5,256	7,713	8,400	9,477
Net profit	2,319	3,713	5,644	6,147	6,935
EPS	141	226	344	375	423
EPS growth	(20.8)	60.1	52.0	8.9	12.8

Source: Company, KBVS Research

Exhibit 14: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025A	2026F	2027F
Cash & equivalent (with ST Investment)	2,328	4,446	4,461	7,866	6,301
Accounts receivables	1,708	2,110	2,656	1,683	1,855
Inventories	9,299	9,375	11,406	10,306	13,566
Others	4,990	5,409	6,108	5,549	7,089
Total current assets	**18,325**	**21,340**	**24,631**	**25,404**	**28,811**
Fixed assets - Net	17,690	16,928	17,363	18,284	19,272
Others	4,956	4,523	3,865	4,102	4,228
Total non-current assets	**22,646**	**21,451**	**21,227**	**22,386**	**23,499**
Total assets	**40,971**	**42,791**	**45,858**	**47,790**	**52,310**
Accounts payable	2,095	1,536	1,953	1,822	2,295
Short term bank loan	7,393	5,400	3,480	2,000	2,000
Others	1,636	1,653	2,208	2,380	2,484
Total current liabilities	**11,124**	**8,590**	**7,641**	**6,202**	**6,780**
Long term bank loan	1,841	2,794	2,824	2,800	2,800
Others non-current liabilities	978	1,119	1,242	1,189	1,148
Total non-current liabilities	**2,818**	**3,913**	**4,066**	**3,990**	**3,948**
Total liabilities	**13,942**	**12,502**	**11,707**	**10,192**	**10,728**
Minority interests	16	15	15	14	14
Total Equity	**27,012**	**30,274**	**34,136**	**37,584**	**41,568**
Total Liabilities & Equity	**40,971**	**42,791**	**45,858**	**47,790**	**52,310**

Source: Company, KBVS Research

Exhibit 15: Cash flow

Year End Dec (IDR bn)	2023A	2024A	2025A	2026F	2027F
Net income	2,319	3,713	5,644	6,147	6,935
D&A	1,216	1,271	1,188	1,296	1,373
Changes in working capital	115	(1,367)	(2,378)	2,402	(4,346)
Others	(767)	528	911	52	(135)
Operating cash flow	**2,882**	**4,145**	**5,364**	**9,896**	**3,827**
Capital expenditures	(1,259)	(537)	(1,573)	(2,201)	(2,347)
Others	54	(45)	(76)	(25)	(53)
Investing cash flow	**(1,205)**	**(581)**	**(1,649)**	**(2,226)**	**(2,400)**
Net change in debt	272	(1,040)	(1,890)	(1,504)	-
Cash dividends paid	(2,132)	(452)	(1,771)	(2,709)	(2,950)
Others	468	47	(40)	(53)	(42)
Financing cash flow	**(1,391)**	**(1,445)**	**(3,701)**	**(4,265)**	**(2,993)**
Net change in cash	**286**	**2,119**	**14**	**3,405**	**(1,565)**
Cash in beginning of the year	2,042	2,328	4,447	4,461	7,866
Cash at the end of the year	**2,328**	**4,447**	**4,461**	**7,866**	**6,301**

Source: Company, KBVS Research

Exhibit 16: Ratio analysis

Year End Dec	2023A	2024A	2025A	2026F	2027F
Growth (%)					
Revenue	8.3	9.5	4.8	8.0	10.2
Gross profit	1.6	25.9	19.2	8.4	11.4
EBIT	(5.8)	46.8	30.8	8.2	12.3
EBITDA	(2.6)	49.0	28.4	7.8	10.8
Net profit	(20.8)	60.1	52.0	8.9	12.8
Profitability (%)					
Gross margin	13.4	15.4	17.6	17.6	17.8
EBIT margin	6.4	8.6	10.7	10.7	10.9
EBITDA margin	7.9	10.8	13.2	13.2	13.2
Net margin	3.8	5.5	8.0	8.0	8.2
ROE	8.6	12.3	16.5	16.4	16.7
ROA	5.7	8.7	12.3	12.9	13.3
Solvency (x)					
Current ratio	1.6	2.5	3.2	4.1	4.2
Quick ratio	0.8	1.4	1.7	2.4	2.2
Debt to equity	0.3	0.3	0.2	0.1	0.1
Interest coverage	5.7	7.9	13.5	17.1	20.0
Net gearing	0.3	0.1	0.1	(0.1)	(0.0)

Source: Company, KBVS Research

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