9M25 results came in-line on solid 3Q25 sales growth

31 October 2025

KLBF IJ	BUY
Sector	Healthcare
Price at 30 October 2025 (IDR)	1,315
Price target (IDR)	1,740
Upside/Downside (%)	32.3

Stock Information

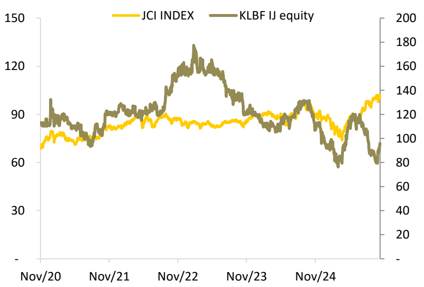
Kalbe Farma (KLBF) is one of leading pharmaceutical company in Indonesia that offers an integrated healthcare solution through its 4 business divisions: the Prescription Pharmaceutical Division, Consumer Health Division, Nutritionals Division and Distribution & Logistics.

Market cap (IDR bn)	61,559
Shares outstanding (mn)	46,813
52-week range (IDR)	985-1,645
3M average daily vol. ('000)	70,663
3M average daily val. (IDR mn)	86,447

Shareholders (%)

Ladang Ira Panen	10.74
Gira Sole Prima	10.57
Santa Seha Sanadi	10.34
Diptanala Bahana	9.76
Lucasta Murni Cemerlang	9.73
Bina Artha Charisma	8.42
Others	6.38
Public	34.06

Stock Performance



Source: Bloomberg

	1M	3M	12M
Performance (%)	18.3	(11.1)	(18.0)

Analyst
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Kalbe Farma' (KLBF) earnings and net margin reached IDR656 bn (+14.5% yoy/-26.9% qoq) and 7.4% (+20bps yoy/-350bps qoq), respectively in 3Q25 on higher revenue growth amid unpredictable weather and higher costs qoq. Yet, thanks to a higher average selling price (ASP) with its prolonged marketing and promotional activities qoq, amid weaker consumer purchasing power and unpredictable weather, KLBF' revenue reached IDR25.99 tn (+12.6% yoy/+8.2% qoq) in 3Q25. As a result, KLBF' revenue and net profit in 9M25 grew 7.2% yoy and 10.6% yoy, respectively in 9M25, which both still came in-line with ours' (72.1%/73.4%) and consensus' (74.3%/74.1%) expectation. Thus, we maintained our '25F and '26F for KLBF as we still expect KLBF' revenue and net profit to grow by 10.4% yoy/10.7% yoy and 10.7% yoy/12.9% yoy, respectively in FY25F and FY26F, due to higher ASP with better sales and product mix amid ongoing unpredictable weather. As we rollout our valuation to '26F, maintain BUY on KLBF with TP of IDR1,740, which implies 20.2x '26 P/E. Currently, KLBF is trading at 15.2x '26F P/E or -1.5stdev of its 5 years' mean P/E.

9M25 earnings came in-line

KLBF' earnings reached IDR656 bn (+14.5% yoy/-26.9% qoq) in 3Q25 due to higher sales amid unpredictable weather, despite higher costs qoq. As a result, KLBF' earnings grew 10.6% yoy to IDR2.63 tn, which still came in-line with ours' (73.4%) and cons' (74.1%) expectation.

Solid revenue growth in 3Q25

KLBF' revenue grew 12.6% yoy/8.2% qoq to IDR8.91 tn in 3Q25 due to higher ASP with more marketing and promotional activities qoq amid unpredictable weather, despite weaker consumer purchasing power. KLBF' strong topline growth in 3Q25 was supported by all of its business segments; a) Pharmaceuticals' revenue reached IDR2.71 tn (+14% yoy/+10.3% qoq), b) Consumer health' revenue reached IDR1.15 tn (+19.4% yoy/+6.0% qoq), c) Nutritionals' revenue reached IDR2.04 tn (+0.2% yoy/+8.8% qoq), and d) Distribution & logistics' revenue reached IDR3.0 tn (+18.7% yoy/+6.7% qoq). As a result, KLBF' revenue reached IDR25.99 tn (+7.2% yoy) in 9M25, which came in-line with ours' (72.1%) and cons' (74.3%) expectation.

A 30Bps yoy net margin expansion in 9M25

KLBF' gross margin reached 39.6% (+100bps yoy/-110bps qoq) in 3Q25 amid higher cost of goods sold (cogs). The increase in KLBF' cogs, was driven by higher raw material prices, as its pharmaceutical sales grew strongly in 3Q25 amid a stronger USD. Note that, around 70% of KLBF' raw materials are imported. While, on operational side, KLBF' EBIT margin reached 9.7% (+70bps yoy/-320bps qoq) in 3Q25 as the company increased its marketing and promotional activities qoq in order to boost sales amid weaker purchasing power. As a result, KLBF' net margin reached 7.4% (+20bps yoy/-350bps qoq) in 3Q25 amid higher cogs, opex and tax expenses. All in all, KLBF' gross, EBIT dan net margin still expanded by 130bps yoy, 30bps yoy and 30bps yoy, respectively in 9M25.

Maintains our '25F and '26F revenue and earnings

We maintain our '25F revenue and earnings for KLBF as our forecast remain on-track with the company' 9M25 performance, despite changes in guidance (revenue & earnings growth; 6-8% yoy). Thus, we still expect KLBF' revenue to grow by 10.4% yoy in FY25F, driven by higher products' ASP, improved sales volume from both domestic and export markets in 4Q25F, amid ongoing unpredictable weather, as the company is expected to continue marketing efforts with new product launches to support growth. While, we also expect KLBF' earnings to grow by 10.7% yoy in FY25F and net margin to reach 10% (+10bps yoy), due to higher ASP with better sales, and products mix amid higher raw material prices and advertisements & promotions expenses (A&P) yoy. Moreover, we still expect KLBF to grow its revenue and earnings by 10.9% yoy and 12.9% yoy, respectively in FY26F driven by higher ASP with better sales, an improved products mix and better cost management as the economic conditions may improve next year.

Maintain BUY with TP of IDR1,740

Maintain BUY on KLBF with TP of IDR 1,740/share (+32.3% upside from yesterday closing price), as we rollout our valuation to '26F. Moreover, we still expect KLBF to perform well in 4Q25F and '26F on higher ASP with better sales, and product mix, amidst unpredictable weather and Indonesia' current economic condition. Currently, KLBF is trading at 15.2x '26F P/E or at -1.5stdev of its 5 years' mean P/E.

Exhibit 1: Key Statistics

Year end Dec	2023A	2024A	2025F	2026F	2027F
Revenue (IDR bn)	30,449	32,628	36,031	39,967	44,506
EBITDA (IDR bn)	4,054	4,541	5,068	5,761	6,503
Net profit (IDR bn)	2,767	3,241	3,586	4,048	4,647
EPS (IDR)	59	69	77	86	99
EPS growth (%)	(18.2)	17.1	10.7	12.9	14.8
ROE (%)	12.9	14.2	14.5	15.1	15.8
ROA (%)	10.2	11.0	11.5	11.9	12.6
PER (x)	22.3	19.0	17.2	15.2	13.3
PBV (x)	2.9	2.7	2.5	2.3	2.1
EV/EBITDA (x)	14.5	12.6	11.2	9.6	9.6
Div Yield (%)	2.9	2.3	2.7	3.0	3.4

Source: Company, KBVS Research

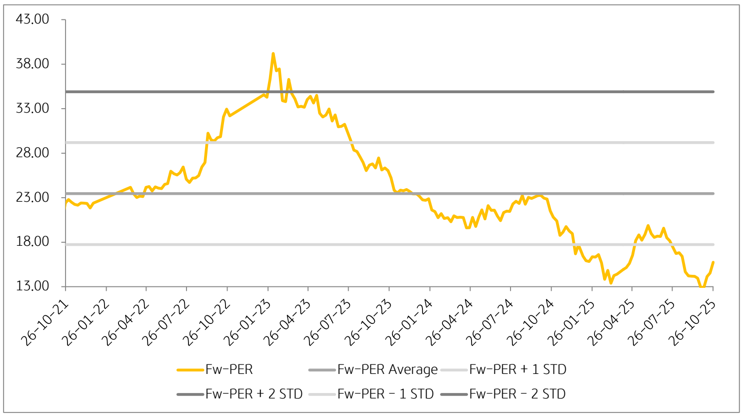
Exhibit 2: KLBF 9M25 results

KLBF 9M25 Results (IDR bn)	9M25	9M24	YoY	3Q25	3Q24	YoY	2Q25	QoQ	% to '25F	% to Cons'
Revenue	25,988	24,239	7.2%	8,909	7,911	12.6%	8,234	8.2%	72.1%	74.3%
COGS	(15,431)	(14,722)	4.8%	(5,377)	(4,858)	10.7%	(4,885)	10.1%		
Gross profit	10,557	9,517	10.9%	3,532	3,052	15.7%	3,349	5.4%	73.7%	75.9%
Operating expenses	(7,251)	(6,515)	11.3%	(2,671)	(2,343)	14.0%	(2,284)	16.9%		
Operating profit	3,307	3,002	10.1%	861	709	21.4%	1,065	-19.2%	71.2%	71.1%
Profit before tax	3,477	3,092	12.5%	864	725	19.3%	1,184	-27.0%	73.5%	74.6%
Tax expense	(782)	(696)	12.5%	(198)	(159)	24.2%	(266)	-25.7%		
Minority interest	(63)	(18)	253.2%	(10)	8	-232.3%	(19)	-47.2%		
Net profit	2,631	2,378	10.6%	656	573	14.5%	898	-26.9%	73.4%	74.1%
Margins (%)										
Gross margin	*40.6%*	*39.3%*		*39.6%*	*38.6%*		*40.7%*			
Operating margin	*12.7%*	*12.4%*		*9.7%*	*9.0%*		*12.9%*			
Pretax margin	*13.4%*	*12.8%*		*9.7%*	*9.2%*		*14.4%*			
Net margin	*10.1%*	*9.8%*		*7.4%*	*7.2%*		*10.9%*			

KLBF 9M25 Results (IDR bn)	9M25	9M24	YoY	3Q25	3Q24	YoY	2Q25	QoQ
Pharmaceutical								
Revenue	7,654	6,896	11.0%	2,714	2,380	14.0%	2,459	10.3%
Gross profit	3,891	3,557	9.4%	1,368	1,192	14.7%	1,259	8.7%
Gross margin	*50.8%*	*51.6%*		*50.4%*	*50.1%*		*51.2%*	
Consumer Health								
Revenue	3,595	3,285	9.4%	1,150	963	19.4%	1,085	6.0%
Gross profit	2,314	1,999	15.8%	732	565	29.5%	685	6.8%
Gross margin	*64.4%*	*60.8%*		*63.6%*	*58.7%*		*63.2%*	
Nutritionals								
Revenue	6,047	6,178	-2.1%	2,043	2,039	0.2%	1,877	8.8%
Gross profit	3,279	3,172	3.4%	1,064	1,045	1.9%	1,061	0.3%
Gross margin	*54.2%*	*51.3%*		*52.1%*	*51.2%*		*56.5%*	
Distribution & Logistic								
Revenue	8,692	7,879	10.3%	3,002	2,528	18.7%	2,813	6.7%
Gross profit	1,073	789	36.0%	368	251	46.7%	344	6.9%
Gross margin	*12.3%*	*10.0%*		*12.3%*	*9.9%*		*12.2%*	

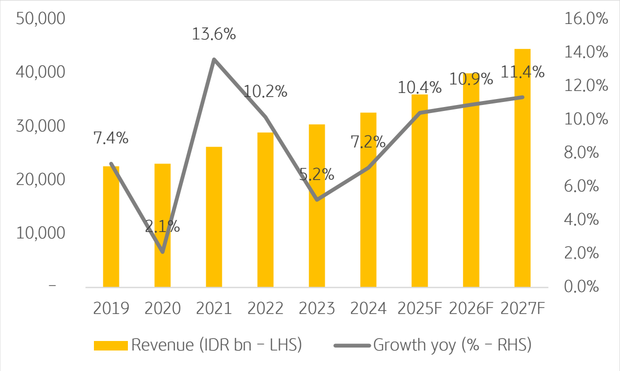
Source: Company, KBVS Research

Exhibit 3: KLBF P/E Band



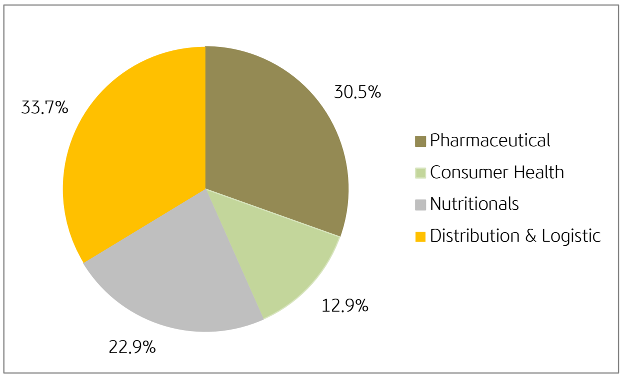
Source: Company, KBVS Research

Exhibit 4: Revenue and growth yoy



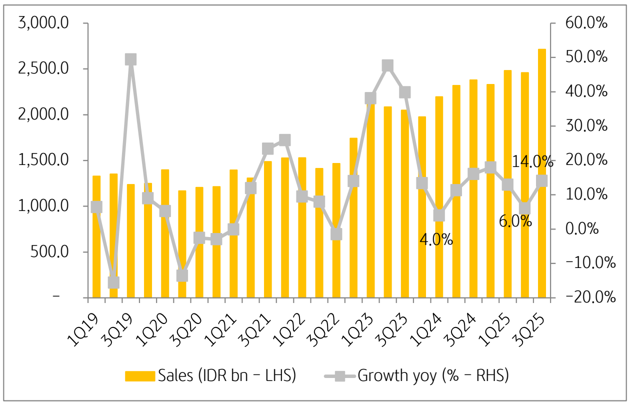
Source: Company, KBVS Research

Exhibit 5: Segments' revenue contribution to KLBF 3Q25 revenue



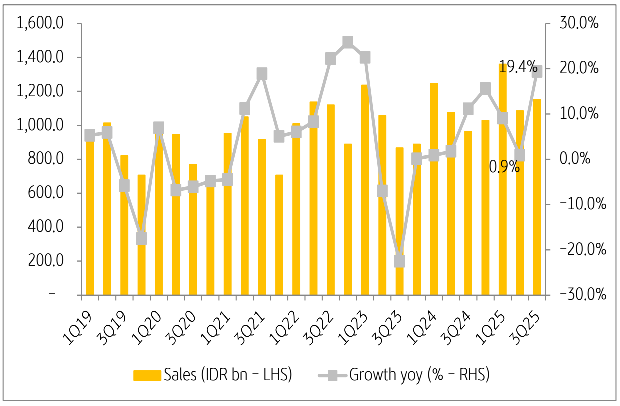
Source: Company, KBVS Research

Exhibit 6: Revenue from pharmaceuticals per quarter & growth yoy



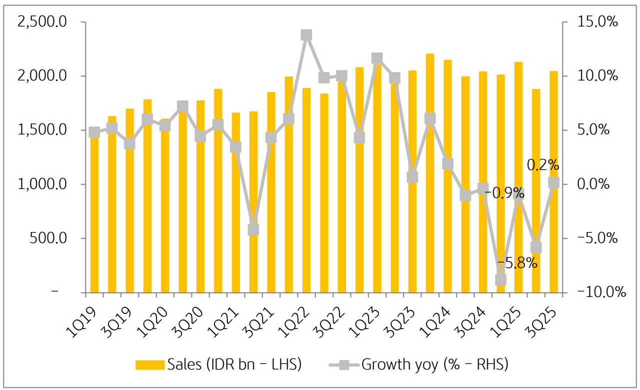
Source: Company, KBVS Research

Exhibit 7: Revenue from consumers health per quarter & growth yoy



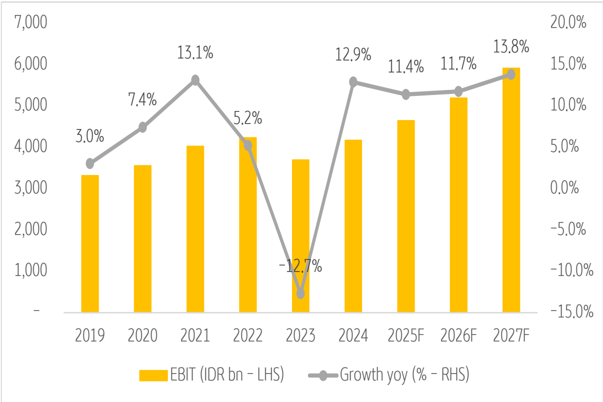
Source: Company, KBVS Research

Exhibit 8: Revenue from nutritionals per quarter & growth yoy



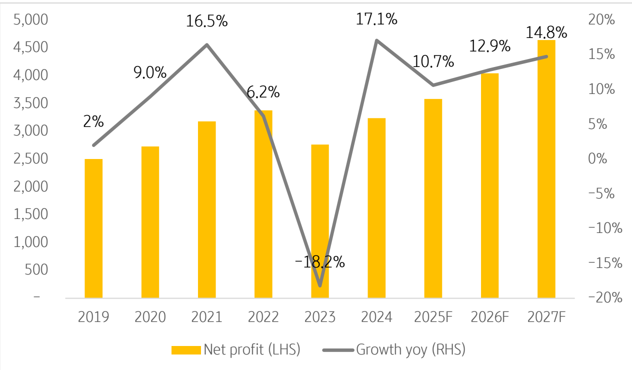
Source: Company, KBVS Research

Exhibit 9: EBIT & growth yoy



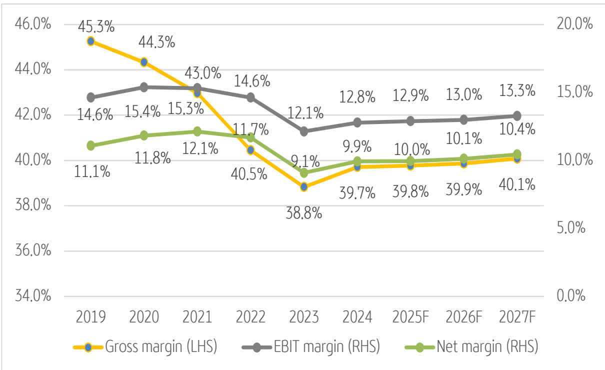
Source: Company, KBVS Research

Exhibit 10: Net profit & growth yoy



Source: Company, KBVS Research

Exhibit 11: KLBF' margins



Source: Company, KBVS Research

Exhibit 12: Profit & loss summary

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Revenue	30,449	32,628	36,031	39,967	44,506
COGS	(18,626)	(19,671)	(21,702)	(24,034)	(26,668)
Gross profit	11,823	12,957	14,329	15,932	17,838
Operating expenses	(8,130)	(8,787)	(9,685)	(10,743)	(11,930)
EBIT	3,694	4,170	4,645	5,190	5,907
EBITDA	4,054	4,541	5,068	5,761	6,503
Pre-tax profit	3,606	4,219	4,728	5,284	6,069
Net profit	2,767	3,241	3,586	4,048	4,647
EPS	59	69	77	86	99
EPS growth	-18%	17%	11%	13%	15%

Source: Company, KBVS Research

Exhibit 13: Balance sheet

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Cash & equivalent (with ST Investment)	3,232	4,723	5,423	6,875	8,218
Accounts receivables	4,652	4,865	5,372	5,959	6,636
Inventories	6,792	6,502	7,135	7,748	8,390
Others	1,241	1,098	1,220	1,334	1,481
Total current assets	15,918	17,188	19,150	21,916	24,725
Fixed assets - Net	7,978	8,269	8,626	8,272	7,948
Others	3,162	3,973	3,491	3,707	4,291
Total non-current assets	11,140	12,242	12,117	11,979	12,239
Total assets	27,058	29,430	31,266	33,894	36,964
Accounts payable	1,691	1,892	1,976	2,189	2,429
ST loan	121	269	18	(20)	(58)
Others	1,432	2,024	1,920	2,130	2,334
Total current liabilities	3,243	4,186	3,914	4,299	4,705
LT bank loan	298	65	298	298	298
Others non-current liabilities	396	588	497	538	604
Total non-current liabilities	694	654	796	836	903
Total liabilities	3,938	4,839	4,710	5,135	5,608
Shareholders equity	469	469	469	469	469
Add Paid-in capital	(34)	(29)	(29)	(29)	(29)
Others	(523)	(964)	(953)	(953)	(953)
Minority interests	1,701	1,802	1,856	1,877	1,933
Retained earnings	21,507	23,313	25,214	27,396	29,937
Total Equity	21,419	22,789	24,700	26,882	29,423
Total Liabilities & Equity	27,058	29,430	31,266	33,894	36,964

Source: Company, KBVS Research

Exhibit 14: Cash flow

Year End Dec (IDR bn)	2023A	2024A	2025F	2026F	2027F
Net profit	2,767	3,241	3,586	4,048	4,647
D&A	567	641	759	1,022	1,070
Changes in working capital	(285)	746	(1,225)	(886)	(1,006)
Others	(273)	384	(14)	(6)	(16)
Operating cash flow	2,776	5,011	3,106	4,178	4,694
Capital expenditures	(573)	(905)	(1,056)	(600)	(668)
Others	(603)	(839)	422	(284)	(662)
Investing cash flow	(1,176)	(1,743)	(634)	(884)	(1,330)
Net change in debt	(546)	(60)	(200)	(38)	(38)
Net change in equity	(18)	(316)	55	20	56
Others	5	38	59	41	66
Cash dividends paid	(1,760)	(1,439)	(1,686)	(1,866)	(2,106)
Financing cash flow	(2,318)	(1,777)	(1,772)	(1,843)	(2,021)
Net change in cash	(717)	1,491	700	1,452	1,343
Cash in beginning of the year	3,950	3,232	4,723	5,423	6,875
Cash at the end of the year	3,232	4,723	5,423	6,875	8,218

Source: Company, KBVS Research

Exhibit 15: Ratio analysis

Year End Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Revenue	5.2	7.2	10.4	10.9	11.4
Gross profit	1.0	9.6	10.6	11.2	12.0
Operating profit	(12.7)	12.9	11.4	11.7	13.8
EBITDA	(11.6)	12.0	11.6	13.7	12.9
Net profit	(18.2)	17.1	10.7	12.9	14.8
Profitability (%)					
Gross margin	38.8	39.7	39.8	39.9	40.1
Operating margin	12.1	12.8	12.9	13.0	13.3
EBITDA margin	13.3	13.9	14.1	14.4	14.6
Net margin	9.1	9.9	10.0	10.1	10.4
ROA	10.2	11.0	11.5	11.9	12.6
ROE	12.9	14.2	14.5	15.1	15.8
Solvency (x)					
Current ratio	4.9	4.1	4.9	5.1	5.3
Quick ratio	2.8	2.6	3.1	3.3	3.5
Debt to equity	0.0	0.0	0.0	0.0	0.0
Interest coverage	38.8	60.2	63.5	65.6	80.0
Net gearing	(0.1)	(0.2)	(0.2)	(0.2)	(0.3)

Source: Company, KBVS Research

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