

THE OIC GROUP

IDN GROUP 10

Monthly Report

February 2026

AbadiLestari
INDONESIA

O.

OIC Research Group | Analyst Group Report

Director: Varrel Wijaya

Analysts: Bryant Effendi, Justin Rafael Natalieputra, Shierina Sayogo, Tifanny Joyceliem

February 2026

RLCO Successfully Raises Rp105B (US\$6.7M) through Initial Public Offering

Transaction Summary

IPO Date	December 8, 2025
Issuance Platform	IDX
Amount Raised	Rp105B (US\$6.7M)
Offered Price	Rp168 (US\$0.0107)
Opening Price	Rp226 (US\$0.0144)
IPO Date Closing Price	Rp226 (US\$0.0144)
Current Price	Rp8,700 (US\$0.55)
Number of Share	3,125,000,000 shares
Date as of	29 January 2026
Listing Structure	Initial Public Offering (IPO)
Shareholder Structure	Realco (77.6%) Edwin (2.3%) Omega Pranata (20.1%) Investama Public
Lead Underwriters	Samuel Sekuritas Indonesia

Deal Rationale

- Strengthening supply-side resilience:** The IPO provides RLCO with additional working capital to stabilize procurement across a **fragmented and volatile raw material supply chain**. This reduces **earnings sensitivity to short-term supply disruptions** and supports more predictable operating performance.
- Accelerating downstream value creation:** Access to public capital enables RLCO to accelerate its shift toward **higher-margin, value-added products** beyond raw material trading. This transition is expected to improve **revenue quality and margin sustainability** over the medium term.

Use of Proceeds

- Working capital for raw material procurement (~56%):** Proceeds will support **raw material procurement** and **inventory management** to improve supply stability.
- Capital injection into subsidiaries (~44%):** Funds will be used to expand **downstream capacity**, **product development**, and **value-added offerings**.
- No proceeds allocated to shareholder exit:** The IPO consists solely of newly issued shares, with **100% of proceeds for corporate use**.

Dilution Consideration

- Growth-oriented dilution:** The issuance increased total shares outstanding to **~3.125 billion shares**, resulting in **near-term dilution** for existing shareholders. However, the dilution is **growth-funded**, supporting **operational scale-up** and **margin enhancement** that could drive **medium-term earnings growth**.

Company Overview

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INDONESIA

PT Abadi Lestari Indonesia Tbk (IDX: RLCO)

PT Abadi Lestari Indonesia Tbk (RLCO) is a subsidiary of PT Realco Omega Investama and operates as a processor and distributor within Indonesia's edible bird's nest (EBN) industry. The company focuses on the **cleaning, grading, processing, and packaging** of EBN, supplying products primarily to **export markets including China and Hong Kong**, where EBN is consumed as a premium health and nutrition product. RLCO manages in-house processing facilities and a domestic supplier network to support quality control and supply continuity. Alongside its core processing activities, the company is gradually expanding into **downstream, value-added EBN-based products**, strengthening its positioning across the EBN value chain.

Founded Year	2014
HQ	East Java, Indonesia
Sector	Consumer Non-Cyclicals
Market Cap	Rp27.188T (US\$1.72B)
FY24 Revenue	Rp530B (US\$33.8M)
FY24 EBITDA	Rp30B (US\$1.91M)
EV/EBITDA	1,850.27x
EV/sales	51.3x



Products / Services



- Bird nest jar
- Bird nest jelly
- Chicken bone broth

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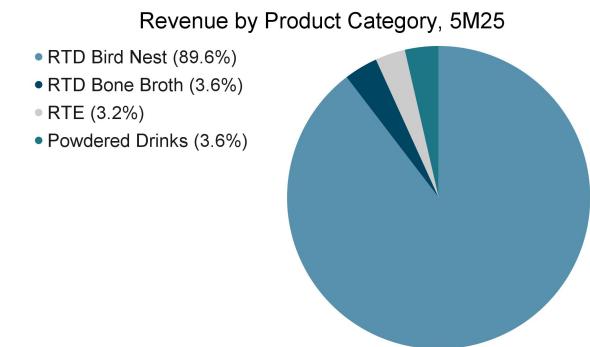
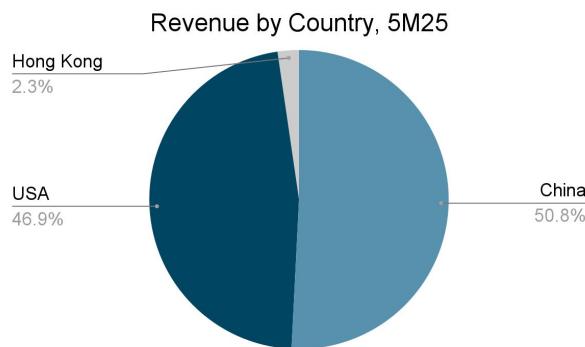
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RLCO: From Exporter to Product Maker



PT Abadi Lestari Indonesia Tbk ("RLCO") operates as a **downstream processor** and one of the **leading exporter** within **Indonesia's edible bird's nest industry**, focusing on **transforming raw nests into higher-value semi-finished and consumer-ready products** for **export markets**. Established in 2014, the company initially operated as a raw bird's nest exporter before transitioning into processing and branded product manufacturing to enhance value capture and reduce reliance on pure commodity trading.

RLCO **sources raw bird's nests from third-party suppliers** across Indonesia and performs in-house **cleaning, grading, drying, and quality control** processes prior to sale. Processed products are marketed either in **semi-finished form** or converted into **consumer products such as ready-to-drink beverages and powdered supplements**. The company's operations are concentrated on **downstream activities**, allowing it to **avoid capital-intensive upstream farming while focusing on certification, processing efficiency, and access to export markets**.



RLCO's revenue is primarily derived from **edible bird's nest products**, with **export sales forming the majority of turnover**. **China** represents the **company's key end market**, reflecting **strong consumer demand for premium health and nutrition products**, followed by contributions from other international markets, such as the **United States and Hong Kong**. RLCO distributes its products through **overseas distributors** rather than maintaining an owned retail footprint, **supporting an asset-light operating structure**. While the **majority of revenue** is generated from **semi-finished bird's nest exports**, RLCO has developed a **portfolio of consumer-facing brands** to support **downstream value capture and product diversification**. These brands enable the company to **participate in higher-margin segments of the value chain** while **maintaining its core export-oriented business**.

Key Brands



RLCO markets its products through a limited number of core brands, which are designed to support downstream value capture and product diversification.

- **Lion Next, Crystal Nest, Jade Nest** – Export-focused bird's nest brand
- **Realfood** – Processed bird's nest and functional food products
 - Realfood Up – RTD bird-nest bottled drinks
 - Realfood Jelly – Bird-nest jelly
 - Realfood Cleanse – Bird-nest jelly for detox
 - Realfood Sporte – High protein with bird-nest extracts for sports
- **Momiku** – Chicken bone broth for nutritional consumption



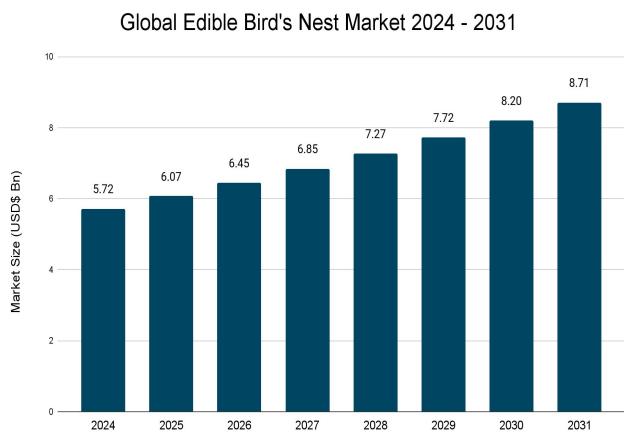
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The Growing Edible Bird's Nest Market



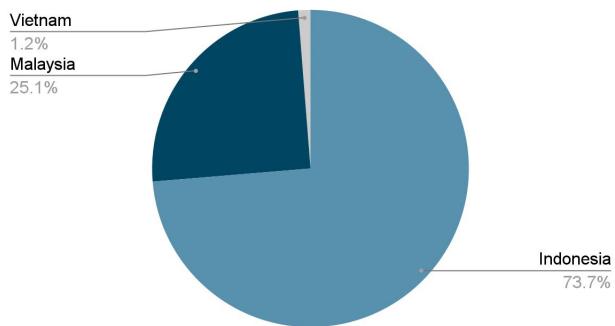
The global edible bird's nest market is expected to **grow from approximately US\$5.7 billion in 2024 to around US\$8.7 billion by 2031**, with a **compound annual growth rate (CAGR)** of about **6.2%**. This growth is driven by **strong demand in key Asian markets, especially China**, where these products are integral to cultural practices and marketed as premium health offerings. Factors such as **rising disposable incomes, increased health awareness, and the availability of ready-to-consume products** are expanding the consumer base. The **shift from raw and semi-processed exports to higher-value products** further supports steady demand and value creation in the industry.

Key Trends in the Edible Bird's Nest Market

- **Shift Toward Value-Added and Functional Products** – The edible bird's nest industry is moving from traditional raw and semi-processed products to more advanced offerings like ready-to-drink beverages, instant soups, jellies, and health supplements. This shift meets rising consumer demand for convenience and wellness, particularly among urban professionals and health-conscious youth, while enabling better access to modern retail and e-commerce.
- **Growing Demand from Non-Traditional End Markets** – While Asia-Pacific remains the dominant consumption region, demand is expanding in North America and Europe, fueled by a growing interest in Traditional Chinese Medicine, premium foods, and the rise of Asian immigrant populations. Export-focused producers are leveraging international certifications and traceability to penetrate these emerging markets.
- **Emphasis on Sustainable Sourcing and Supply Chain Traceability** – The industry is shifting from wild harvesting to regulated swiftlet farming due to sustainability and food safety concerns. Transparency in sourcing and distribution is becoming crucial for premium consumers. As regulations tighten, traceable supply chains offer a competitive edge for producers and exporters.

Edible Bird's Nest Export Market

Top Edible Bird's Nest Export Countries Jan - Nov 2025



Indonesia dominates the global edible bird's nest market, accounting for approximately **73.7% of exports** from January to November 2025. This leadership stems from **favorable farming conditions, an extensive network of swiftlet houses, and strong supply bases in Java, Sumatra, and Kalimantan**. Malaysia follows with 25.1% of exports, while Vietnam holds a minor but growing share.

Most of Indonesia's exports go to **China**, the largest market for premium health products, with additional destinations including **Hong Kong, Singapore, Taiwan, and the United States**. This concentration emphasizes **Indonesia's strategic role in the global supply chain** and highlights the **industry's sensitivity to trade regulations**. Exporters must meet strict quality and safety standards to maintain competitiveness in these markets.

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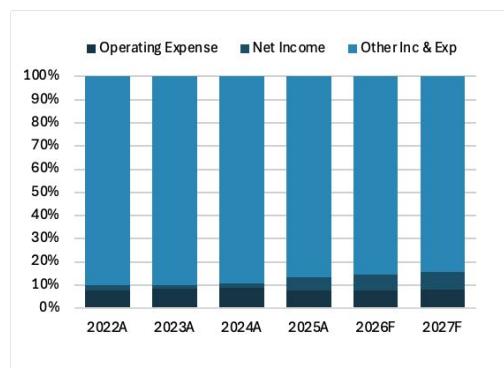
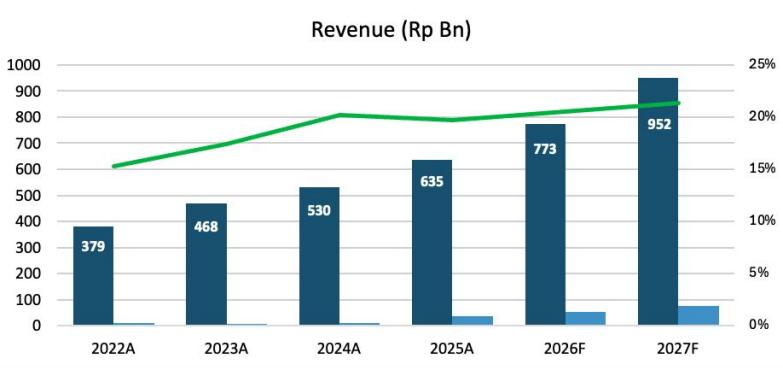
Operational Metrics:

Financial Performance (US\$ mn)

	2023A	2024A	2025A	2026F	2027F
Total Revenue	27.6	31.3	37.5	45.6	56.4
Gross Profit	4.8	6.3	7.4	8.9	10.8
Gross Profit Margin	17.4%	20.2%	19.7%	20.6%	21.3%
Operating Expenses	2.3	2.8	2.9	3.5	4.4
Net Income	0.4	0.6	2.1	3.1	4.5
EPS (US\$)	0.00018	0.00022	0.00065	0.00101	0.00144

Financial Performance

- Robust Net Income Growth:** Revenue is forecasted to reach **Rp 952B (US\$ 56.4M)** by **2027**, reflecting a 4-year CAGR of 15%. This growth is driven by (1) the shift toward the consumer goods segment (2) penetration into new geographies including Thailand, Vietnam, the U.S., and the Philippines.
- Expanding Profit Margin:** Gross Profit Margin shows a significant upward trajectory, rising from **17.4%** in **2023** to **21.3%** in **2027**. The increase in Gross profit from **Rp 81B (US\$ 4.8M)** to **Rp 183B (US\$ 10.8M)** demonstrates that company is effectively lowering unit costs through scale while premiumization its brand, despite a minor dip in **2025**
- Outlook:** The outlook remains exceptionally strong supported by a high-growth narrative, with net income surging **285% YoY** in **2025**.



Efficiency inflection

- Robust Net Income Growth:** The relationship between OpEx and Net Income reflects a shift from a “heavy” investment to improving efficiency (2025A-2027F). During 2022A–2025A, OpEx rose from **Rp 37B (US\$ 2.2M)** to **Rp 63B (US\$ 3.7M)** (+70%) as the company built capacity and distribution, while Net Income grew more slowly as initial costs were absorbed. From 2026F onward, operating leverage becomes evident. Although OpEx is projected to increase to **Rp 75B (US\$ 4.4M)** by 2027F, Net Income is forecast to accelerate sharply as revenue scales from **Rp 635B (US\$ 37.6M)** in **2025A** to **Rp 952B (US\$ 56.4M)** in **2027F** and the mix shifts toward higher-margin RTD and functional consumer goods.
- Gross margin expansion from mix optimization and scale benefits accelerates the net income:** High-margin RTD and powdered consumer products (89.7% of segment sales in 2025) increasingly replace lower margin raw material exports, lifting overall GPM. This supports Net Income growth from **Rp 35B (US\$ 2.1M)** in **2025A** to **Rp 220B (US\$ 13M)** in **2027F** (+529%). Expansion into Vietnam in 2026F and subsequently the US and Philippines improves utilization at RWA’s >9mn unit facility, lowering per unit manufacturing and logistics costs.

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Comparable Analysis

Company Name	Ticker	Market Cap (US\$)	EV/Sales	EV/EBITDA	P/E Ratio
PT Abadi Lestari Indonesia Tbk.	IDX : RLCO	1.62B	51.3x	1,850.27x	994.21x
PT Esta Indonesia Tbk	IDX : NEST	107.14M	3.89x	55.40x	77.06x
PT Industri Jamu dan Farmasi Sido Muncul Tbk	IDX : SIDO	928.57M	3.69x	9.21x	12.88x
PT Kino Indonesia Tbk	IDX : KINO	103.57M	0.76x	7.51x	12.71x
PT Cisarua Mountain Dairy Tbk	IDX : CMRY	2.38B	3.78x	16.80x	20.40x
Xiamen Yan Palace Bird's Nest Industry Co., Ltd.	HKG : 1497	402.28M	1.20x	9.82x	15.96x
Celsius Holdings, Inc.	NASDAQ: CELH	13.90B	7.39x	140.15x	36.23x
Mean			10.28x	298.45x	167.06x
Median			3.78x	16.80x	20.40x

Precedent Transaction

Offering Date	Company	Ticker	Amount Raised (US\$)	EV/Sales	EV/EBITDA
Dec 8, 2025	PT Abadi Lestari Indonesia Tbk.	IDX : RLCO	6.70M	51.3x	1,850.27x
July 8, 2024	PT Indo American Seafoods Tbk	IDX : ISEA	4.31M	0.68x	10.92x
Feb 12, 2024	PT Homeco Victoria Makmur Tbk	IDX : LIVE	7.12M	4.71x	30.42x
Feb 13, 2024	PT Ecocare Indo Perkasa Tbk	IDX : HYGN	4.53M	1.14x	7.86x
Jan 10, 2024	PT Sinergi Multi Lestarindo Tbk	IDX : SMLE	4.85M	1.93x	44.4x
Nov 8, 2023	PT Ikapharmindo Putramas Tbk	IDX : IKPM	3.31M	1.15x	(98.00x)
Jan 6, 2023	PT Jobubu Jarum Minahasa Tbk	IDX : BEER	10.49M	13.58x	49.49x
Mean				10.64x	270.76x
Median				1.93x	44.4x

Comparable Analysis Overview

- Extreme Overvaluation:** RLCO trades at an unprecedented premium that is structurally decoupled from the industry's baseline. The stock trades at a significant premium across all primary valuation ratios (including P/E, EV/EBITDA, and EV/Sales) relative to the industry mean and median. This massive disparity indicates that the stock price is driven by liquidity mechanics rather than the earnings potential.
- Mispricing of Business Nature:** RLCO is currently valued with high-growth "tech-like", triple-digit multiples, yet the peer group confirms that the FMCG and manufacturing sector naturally commands much lower valuations due to capital and inventory constraints.

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Market Reaction

The market response to PT Abadi Lestari Indonesia Tbk (RLCO) has been characterized by **strong volatility and a parabolic price surge** following its debut in December 2025.

Pre-Offering: Strategic Debut and Growth Story

Analysts identified RLCO as a "high-growth consumer play," expecting its vertically integrated model and expansion into functional foods to establish it as a market leader among 2025 listings.

- **Financial Growth Momentum:** RLCO demonstrated robust financial performance in the five-month period ending May 31, 2025. The company recorded sales of **US\$13.7M**, a **47.56% year-on-year increase** compared to US\$9.3M in the same period of 2024. More notably, net profit for the period **surged by 579.40% to US\$737k**, which driven by increased production efficiency and sales volume.
- **Capital Allocation:** The entirety of the IPO proceeds (net of emission costs) is allocated to working capital to secure raw material supplies. Approximately **56.33%** will be used directly by the parent company for bird's nest procurement, while the remaining **43.67%** will be injected as capital into its subsidiary, **PT Realfood Winta Asia (RWA)**, for the same purpose.
- **Production Capacity and Scalability:** RLCO operates with significant infrastructures, utilizing only **~30% of its 5.4 million-unit annual capacity** (2024 output: 1.63M) for its core "Consumer Goods Jar" segment. This allows the company to triple production volume using IPO proceeds strictly for raw material procurement, unlocking substantial operating leverage without the capital intensity of new facility construction.

Post-Offering: Price Discovery and Valuation Decoupling

Following its listing on the Indonesia Stock Exchange on December 8, 2025, RLCO has exhibited an unprecedented market reaction that **deviates significantly from standard trading patterns**. The stock, initially priced at **Rp168 (US\$0.01) per share**, has undergone a parabolic price appreciation, driven by a structural imbalance between the limited public float and overwhelming retail and institutional demand.

- **Supply-Demand Imbalance:** The offering faced a massive liquidity squeeze due to the limited issue size of Rp105B (US\$6.7M) against overwhelming interest. The IPO attracted more than **500,000 investors** and recorded a staggering **oversubscription rate of 143x** during the pooling phase. With existing shareholders locked up for 8 months, the limited tradable supply was insufficient to absorb the aggressive buy-side pressure, forcing the price upward on minimal liquidity.
- **Price Discovery:** RLCO's price action has been characterized by extreme volatility and rapid multiple expansion. After hitting the Auto Rejection (ARA) limit on its debut with a **34.5% gain to Rp226 (US\$0.014)**, the stock continued an exponential rally, breaching the **Rp8,700 (US\$0.55) mark within seven weeks**. This 5000% performance has made it **one of the top-performing assets in the region for Q4 2025/Q1 2026**.
- **Valuation:** The market valuation has completely decoupled from the company's fundamental baseline established in the Pre-Offering analysis. While the "Growth Story" are valid, the current Market Capitalization of **~Rp27.18T (US\$1.72B)** implies a valuation multiple that far exceeds industry peers (Consumer Health & FMCG). The Price-to-Earnings (P/E) ratio has **expanded to triple-digit levels**, suggesting that the current price is sustained primarily by market sentiment and liquidity flows rather than near-term earnings potential.
- **Regulatory Trading Suspension:** The stock's volatile price surge triggered **exchange-mandated trading suspensions due to "Unusual Market Activity" (UMA)**. These regulatory interventions confirm an unusual price discovery process, which signals that the current rally is driven by speculative euphoria rather than growth.

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Catalysts

Downstream expansion supported by resilient export demand

- RLCO's expansion into **higher-margin, value-added EBN products** (including ready-to-eat and ready-to-drink formats) is supported by structurally strong export demand from **China and Hong Kong**, alongside geographic expansion into **Thailand (4Q25), Vietnam (2026F), and the United States and the Philippines over the medium term**. This is expected to **lift average selling prices, improve margin quality, and enhance revenue stickiness** beyond raw material sales.

Brand validation supporting downstream adoption

- RLCO's downstream expansion is supported by **early brand traction of its Realfood product line**, which has gained **consumer acceptance and repeat demand** in the premium health food segment. Established brand recognition helps **lower execution risk** for downstream scaling and supports **faster adoption of value-added EBN products**.

Utilization-driven earnings inflection from IPO-funded working capital deployment

- RLCO's IPO proceeds are primarily allocated to **working capital for raw material procurement (56.33%)** and **capital injection into PT Realfood Winta Asia (43.67%)**, both directed toward securing edible bird's nest supply. With **factory utilization at only 48.5% in 2024**, incremental raw material availability could drive a **meaningful utilization ramp-up without additional capex**, creating operating leverage and potential **earnings inflection as fixed costs are absorbed over higher output levels**.

Potential Downsides & Risks

MSCI Freeze & Market Reclassification Risk

- MSCI has **frozen all Foreign Inclusion Factor increases and index additions for Indonesian securities** due to concerns over "opacity in shareholding structures". For RLCO, this directly blocks **a major catalyst**, as analyst price targets of Rp80,000 per share (+820% upside) are predicated on its inclusion in the MSCI Large Cap Index. The freeze will likely increase selling pressure as speculators exit. If Indonesia is reclassified from an **Emerging to a Frontier Market by May 2026**, the resulting **passive fund outflows could create a severe liquidity crunch** that would disproportionately impact high-momentum, low-float stocks like RLCO.

Foreign Investors Face Currency Risk

- Investing in RLCO exposes foreign investors to Indonesian Rupiah (IDR) volatility. **The IDR has been weak**, trading around Rp16,790 per US dollar amid easing monetary policy and the recent equity sell-off. While Bank Indonesia (BI) prioritizes currency stability, its dovish bias for further rate cuts in 2026 could sustain pressure on the IDR, risking that currency depreciation **erodes foreign investors' stock gains**.

Extreme Valuation Untethered from Fundamentals

- RLCO's valuation is extreme**. Post-IPO, its stock surged over 5,000%, hitting the upper auto-reject (ARA) limit 20 times. This pushed its Price-to-Book Value (PBV) to **154.11x**. This rally is structurally supported by a highly concentrated ownership and thin free float, making it a liquidity-driven momentum phenomenon **vulnerable to a sharp correction** when sentiment shifts.

Conclusion

Despite RLCO's compelling growth narrative, **the post-IPO rally has been driven primarily by liquidity constraints and speculative momentum rather than sustainable earnings fundamentals**, leaving current valuation levels materially disconnected from industry benchmarks. With operational improvements already priced in and high sensitivity to shifts in market sentiment and liquidity conditions, **the stock remains structurally vulnerable to a sharp price correction**.

Thus our recommendation is :

- Downweight** : As the current price is driven by liquidity excess rather than fundamentals and is likely to **mean-revert**, offering an unfavorable risk-reward profile for long exposure.