

Kalbe Farma Tbk (KLBF IJ)

Kinerja Baik sesuai Ekspektasi

KLBF menutup 1H21 dengan hasil yang menggembirakan, didukung kinerja yang baik dari semua segmen. Untuk menangkap permintaan produk dan layanan kesehatan yang terus meningkat, KLBF menambahkan produk preventif dan pengobatan, serta layanan tes Covid-19 ke dalam portofolio bisnisnya.

Hasil 1H21 yang baik

- KLBF melaporkan penjualan sebesar Rp6,3triliun di 2Q21 (+9,4% YoY, +5,6% QoQ) dan Rp 12,3tn di 1H21. Hasil ini didukung kinerja baik semua segmen.
- Secara rinci, Logistik distribusi (c. 35% total penjualan) dan kesehatan konsumen mencatatkan penjualan senilai Rp4,3triliun (+15,6% YoY) dan Rp2,0tn (+3,1% YoY) di 1H21.
- Divisi nutrisi melaporkan penjualan senilai Rp3,3tn (-0,5% YoY), dengan GPM yang turun ke 51,6%. Kami menduga penurunan margin disebabkan strategi KLBF untuk menawarkan produk yang lebih terjangkau.
- Penjualan obat resep mencapai Rp2,7triliun (+5,4% YoY), didukung produk khusus (onkologi dan biologis), serta layanan tes Covid-19.
- Secara kumulatif, KLBF membukukan laba bersih 1H21 sebesar Rp1,5 triliun (+7,9% YoY), 49%/51% dari perkiraan kami dan konsensus.
- Kami juga melihat profitabilitas marjin yang lebih besar dengan GPM, OPM, NPM sebesar 45,3%, 14,9%, 12,1% di 1H21 (vs 43,6%, 14,8%, 12% di 1H20).
- Rasio beban usaha terhadap penjualan turun ke 28,7%, menunjukkan KLBF berhasil menjalankan bisnis secara efisien.
- Sementara, biaya R&D meningkat sekitar 10%, karena pengembangan vaksin, obat imuno-onkologi dan pengembangan produk baru lainnya.
- Dalam pandangan kami, KLBF akan meraup untung dari meningkatnya kesadaran kesehatan di tengah gelombang kedua Covid-19, yang mengarah pada prospek penjualan yang lebih baik.

Momentum kuat masih terus berlanjut

- Karena kami memperkirakan momentum ini akan terbawa hingga paruh kedua tahun ini, perkiraan penjualan untuk FY21 kami tingkatkan, sejalan dengan revisi naik rencana pertumbuhan penjualan FY21 sebesar 7-10% dari perusahaan.
- Sementara itu, banyak perusahaan makin fokus pada produk preventif dan pengobatan Covid-19.
- Baru-baru ini, KLBF juga memperkenalkan Pulmosol – susu yang diformulasikan khusus untuk memenuhi kebutuhan nutrisi untuk melawan gangguan pemapasan.
- Penjualan ekspor KLBF mencapai 4,4% dari total penjualan di 1H21 (vs 5,0% di 1H20). KLBF menargetkan penjualan ekspor tumbuh 6%-8%, mengingat perusahaan menambah pabrik baru di Myanmar yang ditargetkan beroperasi pada 4Q21.

Valuasi

- Meskipun kinerjanya sahamnya kurang baik (-11,5% YTD), kami mempertahankan rekomendasi BUY pada KLBF, mengingat perusahaan adalah pemain *defensive* dengan perkiraan penjualan yang lebih tinggi dan posisi kas bersih yang kuat.
- Risiko Utama : depresiasi Rupiah, konsumsi yang lemah, dan persaingan yang semakin ketat.

Kalbe Farma Tbk | Summary (IDR Bn)

	2020A	2021E	2022F	2023F
Net Sales	23,113	24,778	27,093	29,712
Growth	2.1%	7.2%	9.3%	9.7%
Net Profit	2,733	3,003	3,307	3,663
Growth	9.0%	9.9%	10.1%	10.8%
EPS (IDR)	58	64	71	78
P/E	25.4x	27.3x	24.8x	22.4x
P/BV	3.8x	3.9x	3.6x	3.3x
EV/EBITDA	15.8x	17.9x	16.6x	14.8x
ROE	15.0%	14.4%	14.5%	14.7%
DER	6.3%	5.5%	4.8%	4.2%
Dividend Yield	1.8%	1.6%	1.8%	1.9%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

Company Update | Aug, 12 2021

BUY

Target Price (IDR)	1,750
Consensus Price (IDR)	1,750
TP to Consensus Price	0.0%
Potential Upside	34.1%

Shares data

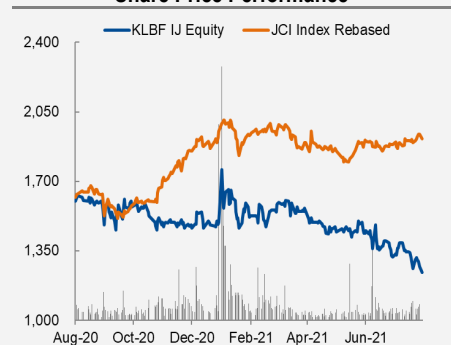
Last Price (IDR)	1,305
Price date as of	10-Aug-21
52 wk range (Hi/Lo)	1760/1240
Free float (%)	42.2
Outstanding sh.(mn)	46,875
Market Cap (IDR bn)	61,172
Market Cap (USD mn)	4,255
Avg. Trd Vol - 3M (mn)	33.70
Avg. Trd Val - 3M (bn)	46.83
Foreign Ownership	17.2%

Healthcare

Pharmaceutical & Nutritional Products

Bloomberg	KLBF IJ
Reuters	KLBF.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-11.5%	-2.2%	-9.7%	-18.4%
Rel. Ret.	-11.2%	-2.4%	-12.2%	-35.7%

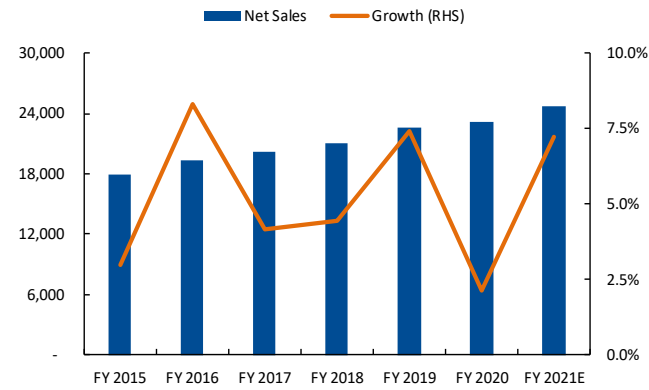
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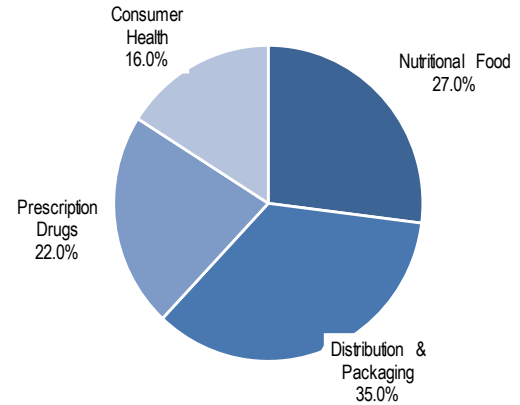
Performance Highlights

KLBF's FY15A—FY21E Revenues



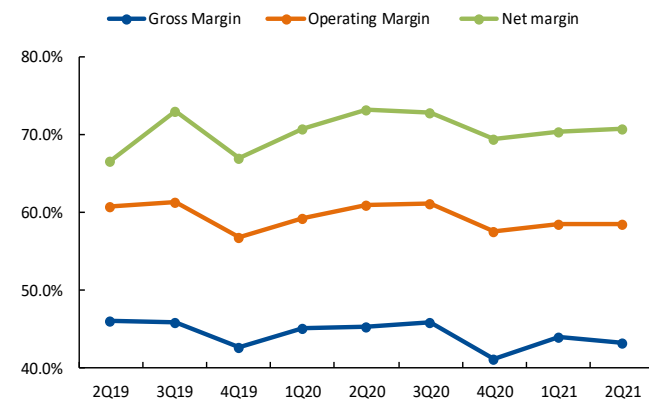
Source: Company Data, NHKSI Research

KLBF's Revenue Breakdown



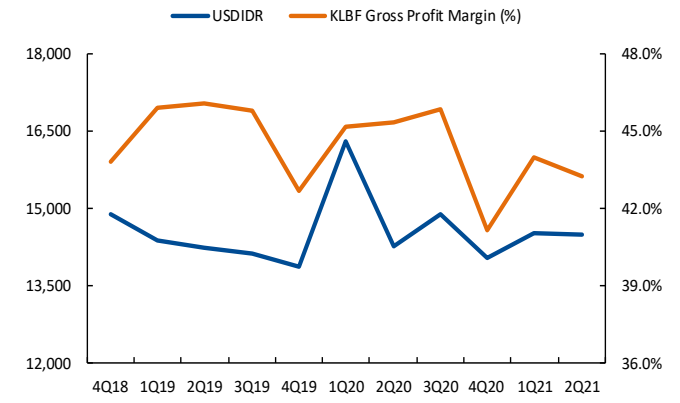
Source: Company Data, NHKSI Research

KLBF's Margin Ratios



Source: Company Data, NHKSI Research

KLBF's Gross Margin



Source: Company Data, NHKSI Research

Company Overview



- PT Kalbe Farma Tbk (KLBF IJ) yang didirikan pada 1966 adalah perusahaan swasta Indonesia yang bergerak di industri farmasi.
- Pendapatan KLBF dikontribusikan oleh 4 segmen, yakni obat resep, produk kesehatan, nutrisi, serta distribusi dan logistik.
- Beberapa anak KLBF yang cukup dikenal, yaitu Bintang Toedjoe, Saka Farma, Enseval Putera Megatrading (EPMT IJ), Kalbe Morinaga, Sanghiang Perkasa, Kalbe Blackmores Nutrition, Kalbe International Pte. Ltd.
- Selain ekspansi pembangunan dua pabrik baru pada awal 2019, KLBF juga mendorong pengembangan ekosistem di bidang kesehatan. KLBF menggandeng Grab Indonesia untuk mendukung sinergi antarlayanan-layanan berbasis digital milik KLBF, seperti Kalbe Home Delivery, klikdokter.com, dan kalbestore.com.

Asia pharmaceutical companies peers analysis

Company	Market Cap	Asset	Sales	Net Profit LTM	Net Profit Growth LTM	Net Profit Margin	ROE	P/E LTM	P/BV
Indonesia									
Kalbe Farma	4,255	1,620	1,657	197	7.85%	11.9%	16.6%	21.5x	3.4x
Kimia Farma	958	1,261	681	1	N/A!	0.1%	0.1%	2075.0x	2.0x
Sido Muncul	1,670	276	245	71	20.64%	29.0%	32.8%	23.3x	7.5x
India									
Laurus Labs Ltd	5,088	786	636	133	285.31%	20.8%	45.0%	38.3x	14.5x
Wockhardt Ltd	713	1,062	364	92	N/A	25.4%	22.7%	N/A	1.6x
South Korea									
Hugel Inc	2,463	878	220	48	37.65%	22.0%	7.4%	51.7x	3.7x
Bukwang Pharmaceutical Co	1,303	368	146	(8)	14.31%	-5.6%	-3.7%	N/A	5.8x
Daewoong Co Ltd	1,886	1,688	1,259	83	104.31%	6.6%	13.4%	16.6x	2.4x
Sam Chun Dang Pharm Co	1,135	291	142	(6)	N/A	-3.9%	-3.8%	N/A	7.0x

Unit: IDR bn, %, X

Source: Bloomberg, NHKSI Research

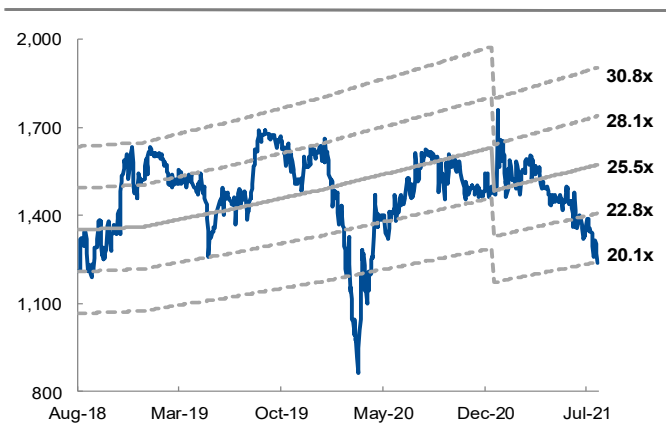
Valuation highlights in charts

3-year forward P/E band



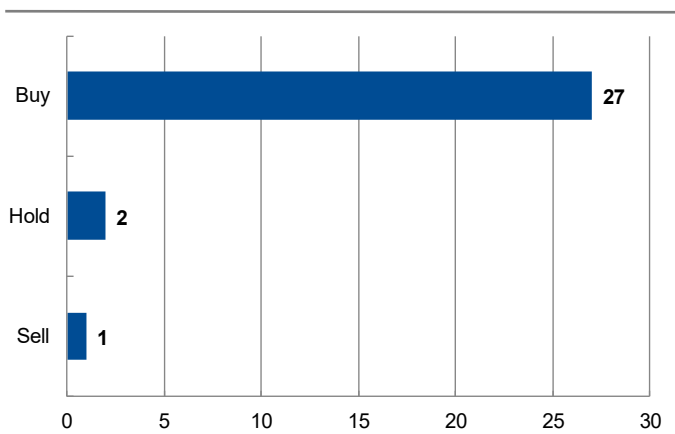
Source: Company Data, NHKSI Research

3-year dynamic forward P/E band



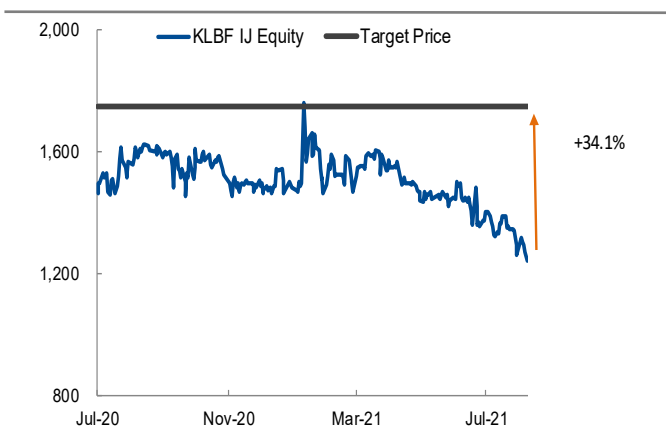
Source: Company Data, NHKSI Research

Consensus of analyst recommendation



Source: Bloomberg, NHKSI Research

Closing and Target Price Update



Source: Company Data, NHKSI Research

Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
2020.03.06	Buy	IDR1,430 (12M)	IDR1,235	IDR1,587	+15.8%	-9.9%
2020.06.04	Buy	IDR1,630 (12M)	IDR1,410	IDR1,491	+15.6%	+9.3%
2020.08.10	Buy	IDR1,870 (12M)	IDR1,625	IDR1,683	+15.1%	+11.1%
2020.11.12	Buy	IDR1,750 (12M)	IDR1,515	IDR1,788	+15.5%	-2.1%

Source: NHKSI research, Bloomberg

Summary of Financials

INCOME STATEMENT				
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Net Sales	23,113	24,778	27,093	29,712
<i>Growth</i>	2.1%	7.2%	9.3%	9.7%
COGS	(12,866)	(13,764)	(15,130)	(16,557)
Gross Profit	10,246	11,014	11,963	13,155
<i>Gross Margin</i>	44.3%	44.5%	44.2%	44.3%
Operating Expenses	(6,691)	(7,296)	(7,857)	(8,617)
EBIT	3,555	3,718	4,106	4,539
<i>EBIT Margin</i>	15.4%	15.0%	15.2%	15.3%
Depreciation	627	657	535	616
EBITDA	4,182	4,375	4,641	5,155
<i>EBITDA Margin</i>	18.1%	17.7%	17.1%	17.3%
Interest Expenses	(76)	(25)	(82)	(79)
EBT	3,668	3,922	4,274	4,734
Income Tax	(868)	(871)	(915)	(1,013)
Minority Interest	(66)	(48)	(52)	(58)
Net Profit	2,733	3,003	3,307	3,663
<i>Growth</i>	9.0%	9.9%	10.1%	10.8%
<i>Net Profit Margin</i>	11.8%	12.1%	12.2%	12.3%

PROFITABILITY & STABILITY				
	2020/12A	2021/12E	2022/12E	2023/12E
ROE	15.0%	14.4%	14.5%	14.7%
ROA	12.1%	11.7%	12.2%	12.4%
Inventory Turnover	3.5x	3.7x	3.9x	3.8x
Receivable Turnover	6.6x	6.6x	7.8x	7.8x
Payables Turnover	10.5x	9.1x	10.4x	10.4x
Dividend Yield	1.8%	1.6%	1.8%	1.9%
Payout Ratio	48.6%	48.0%	48.0%	48.0%
DER	6.3%	5.5%	4.8%	4.2%
Net Gearing	6.6%	5.7%	5.0%	0.0%
Equity Ratio	81.0%	81.2%	83.7%	84.2%
Debt Ratio	0.1x	0.0x	0.0x	0.0x
Financial Leverage	1.0x	1.0x	1.0x	1.0x
Current Ratio	4.1x	4.1x	4.7x	4.8x
Quick Ratio	3.0x	3.1x	3.6x	3.6x
Par Value (IDR)	10	10	10	10
Total Shares (mn)	46,875	46,875	46,875	46,875
Share Price (IDR)	1,480	1,750	1,750	1,750
Market Cap (IDR tn)	69.4	82.0	82.0	82.0

BALANCE SHEET				
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Cash	5,396	6,697	7,866	8,570
Receivables	3,477	3,990	3,489	3,826
Inventories	3,600	3,942	3,896	4,309
Total Current Assets	13,075	15,273	15,927	17,418
Net Fixed Assets	8,310	8,783	9,467	10,217
Other Non Current Assets	1,179	1,584	1,787	1,888
Total Non Current Assets	9,489	10,367	11,254	12,106
Total Assets	22,564	25,640	27,181	29,523
Payables	1,240	1,776	1,451	1,588
ST Bank Loan	369	353	338	324
Total Current Liabilities	3,177	3,696	3,361	3,635
LT Debt	789	793	754	721
Total Liabilities	4,288	4,809	4,435	4,676
Capital Stock & APIC	435	435	435	435
Retained Earnings	16,876	18,574	20,490	22,592
Shareholders' Equity	18,276	20,830	22,746	24,848

VALUATION INDEX				
	2020/12A	2021/12E	2022/12E	2023/12E
Price /Earnings	25.4x	27.3x	24.8x	22.4x
Price /Book Value	3.8x	3.9x	3.6x	3.3x
PE/EPS Growth	2.8x	2.8x	2.5x	2.1x
EV/EBITDA	15.8x	17.9x	16.6x	14.8x
EV/EBIT	18.6x	21.1x	18.8x	16.8x
EV (IDR bn)	66,103	78,302	77,079	76,327
Sales CAGR (3-Yr)	4.6%	5.5%	6.2%	8.7%
Net Income CAGR (3-Yr)	4.4%	6.9%	9.7%	10.3%
Basic EPS (IDR)	58	64	71	78
BVPS (IDR)	390	444	485	530
DPS (IDR)	26	28	31	34

CASH FLOW STATEMENT				
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Operating Cash Flow	4,280	3,302	4,087	3,808
Investing Cash Flow	(1,706)	(1,469)	(1,422)	(1,468)
Financing Cash Flow	(758)	(469)	(1,496)	(1,636)
Net Changes in Cash	1,817	1,364	1,169	704

OWNERSHIP	
Shareholders	%
Gira Sole Prima	10.2
Santa Seha Sanadi	10.0
Ladang Ira Panen PT	9.7
Diptanala Bahana PT	9.5
By Geography	%
Indonesia	82.1
United States	8.5
Canada	2.4
Luxembourg	1.8

Source: Company Data, NHKSI Research

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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