

Mayora Indah Tbk (MYOR)

Marjin Tertekan Kenaikan Harga Bahan Baku

Laba dan margin MYOR 3Q tercatat melemah karena harga komoditas yang lebih tinggi dan pembatasan kegiatan publik yang lebih ketat. Sementara itu, permintaan di pasar domestik relatif stabil selama PPKM, sejalan dengan pertumbuhan segmen pengolahan makanan. Ke depan, kami memperkirakan pembukaan kembali kegiatan ekonomi akan mendorong segmen minuman mengingat peningkatan permintaan konsumsi di luar rumah.

Laba Bersih Berada di Bawah Ekspektasi Kami

- Secara kuartalan, penjualan MYOR tetap lemah di IDR6,7 triliun (+3,6% YoY, +15,7% QoQ), mengingat penerapan pembatasan aktivitas publik yang lebih ketat.
- Laba bersih tercatat sebesar IDR47 miliar dan IDR977 miliar secara kumulatif pada 9M21, di bawah estimasi kami dan konsensus karena kenaikan selisih kurs dan pemotongan pajak di tahun lalu.
- Sementara itu, laba kotor mencapai IDR1,5 triliun di 3Q21, turun 21,9% YoY, seperti yang kami antisipasi selama periode kenaikan harga komoditas
- Opex meningkat 7% YoY menjadi Rp1,3 triliun. Namun komponen utama opex MYOR, A&P, tetap stabil dengan 13% dari total penjualan.
- Margin 3Q tertekan situasi saat ini, mengakibatkan MYOR mencatatkan margin profitabilitas yang lebih rendah dengan GPM, OPM dan NPM di 22,2%, 2,9% dan, 0,7% (vs. 29,4%, 10,8%, 9,5%).
- Sebagai catatan, COGS MYOR menyumbang >65% dari total penjualan, yang menyebabkan fluktuasi margin yang signifikan dibandingkan dengan perusahaan konsumen lainnya. Selain itu, perusahaan telah mengamankan bahan baku untuk menghadapi hambatan rantai pasokan.
- Mengingat pemulihan masih belum merata dan persaingan ketat di industri FMCG, kami melihat ruang untuk meningkatkan ASP dan meneruskan kenaikan biaya kepada konsumen terbatas.
- Namun, 4Q adalah kuartal yang lebih baik untuk MYOR. Kami berharap pendapatan kontribusi di 4Q dapat mengangkat pendapatan di FY21, mengingat kegiatan ekonomi mulai dibuka kembali.

Pemulihan Penjualan Ekspor Tertahan

- MYOR mencatat penjualan domestik sebesar IDR4.0tn (+12,2% YoY) di 3Q21, berkontribusi 65,9% ke total penjualan, sementara penjualan ekspor tetap lesu, -6,1% YoY menjadi IDR2,6tn.
- Kami menduga penurunan penjualan ekspor disebabkan tujuan ekspor MYOR di Asia mengalami perlambatan ekonomi di 3Q21, setelah kasus covid-19 yang melonjak. Sisi baiknya, tujuan ekspornya (Malaysia dan Vietnam) merencanakan pembukaan domestik lebih lanjut di 4Q.
- Berdasarkan kategori, pengolahan makanan tumbuh +15,3% YoY menjadi IDR4,1 triliun di 3Q21, sementara segmen minuman turun 40,1% YoY. Kami berharap kedua segmen akan menunjukkan peningkatan yang signifikan seiring dengan peningkatan konsumsi di luar rumah.
- Dalam jangka menengah, perusahaan akan melanjutkan strategi ekspansi dengan mencari negara tujuan ekspor baru. Saat ini, MYOR sedang membangun fasilitas manufaktur baru untuk meningkatkan kapasitas produksi biskuit dan wafer.

Valuasi

- Kami mempertahankan TP kami di IDR2.700 (berdasarkan target P/E 25x) karena kami masih relatif optimis dengan dibukanya kembali kegiatan ekonomi domestik dan Asia Tenggara.
- Risiko utama valuasi kami: kenaikan harga komoditas dalam jangka panjang yang berdampak buruk pada margin perusahaan jika tidak dapat membebaskan biaya kepada konsumen.

Mayora Indah Tbk | Summary (IDR bn)

	2020	2021F	2022F	2023F
Sales	24,477	27,459	28,645	30,364
Growth	-2.2%	12.2%	4.3%	6.0%
Net Profit	2,061	2,099	2,413	2,836
Growth	3.7%	1.9%	14.9%	17.5%
EPS (IDR)	92	94	108	127
P/E	29.4x	28.8x	25.0x	21.3x
P/BV	5.4x	5.0x	4.5x	4.0x
EV/EBITDA	17.0x	16.8x	16.1x	12.5x
ROE	18.3%	17.2%	17.9%	19.0%
DER	0.4x	0.4x	0.4x	0.4x
Dividend Yield	1.1%	1.9%	1.9%	2.2%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

NH KORINDO
SEKURITAS INDONESIA

Company Report | Nov 4, 2021

Overweight

Target Price (IDR)	2,700
Consensus Price (IDR)	2,931
TP to Consensus Price	-7.9%
Potential Upside	14.4%

Shares data

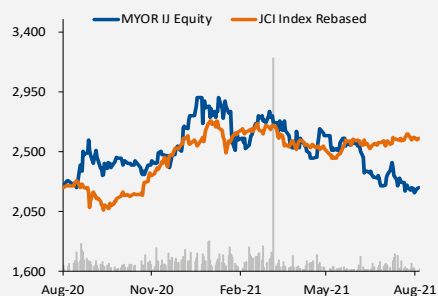
Last Price (IDR)	2,360
Price date as of	3-Nov-21
52 wk range (Hi/Lo)	2910/2150
Free float (%)	15.7
Outstanding sh.(mn)	22,359
Market Cap (IDR bn)	52,990
Market Cap (USD mn)	3,698
Avg. Trd Vol - 3M (mn)	3.04
Avg. Trd Val - 3M (bn)	7.22
Foreign Ownership	3.9%

Consumer Non-Cyclicals

Food & Beverage

Bloomberg	MYOR.IJ
Reuters	MYOR.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-16.6%	2.2%	5.8%	1.3%
Rel. Ret.	-24.6%	-1.1%	-0.6%	-27.1%

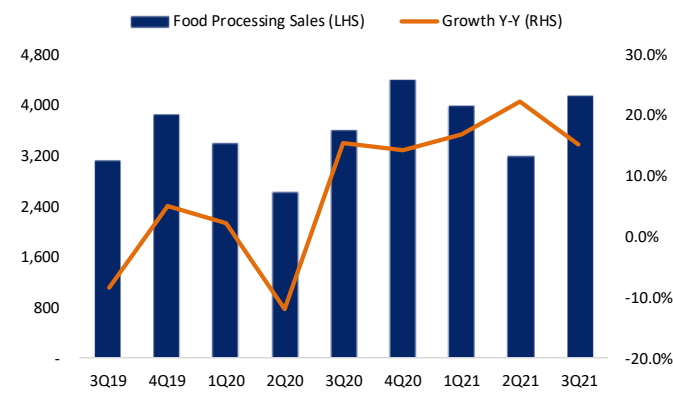
Putu Chantika Putri D.

(021) 5088 9129

putu.chantika@nhsec.co.id

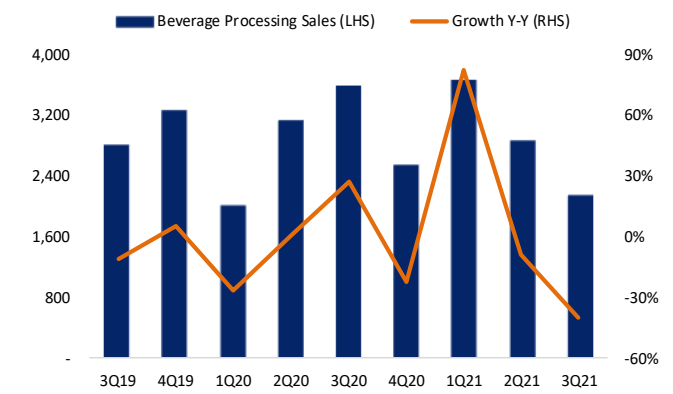
Performance Highlights

Food Processing Quarterly Sales (IDR Bn) | 3Q19 - 3Q21



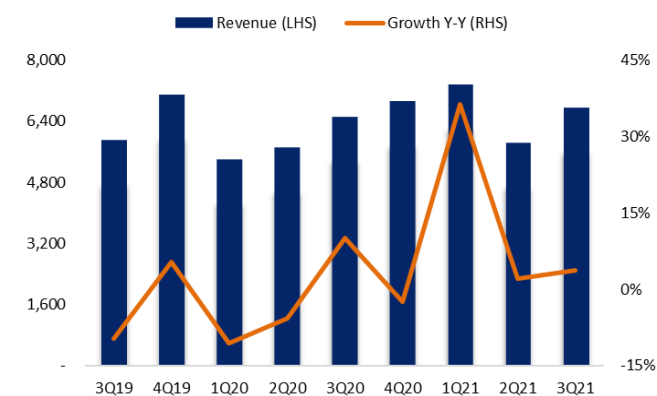
Source: Company, NHKSI Research

Beverage Processing Quarterly Sales (IDR Bn) | 3Q19 - 3Q21



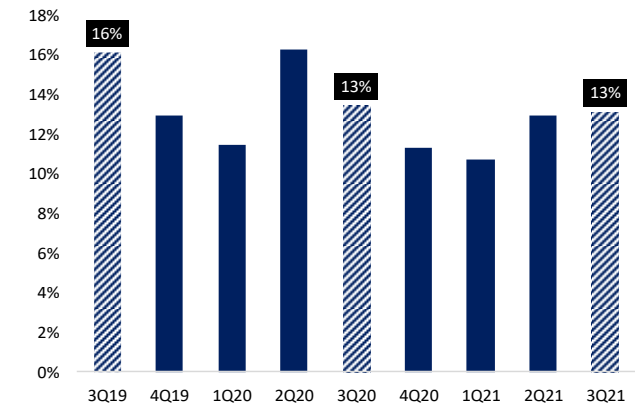
Source: Company, NHKSI Research

Revenue (IDR Bn) | 3Q19 - 3Q21



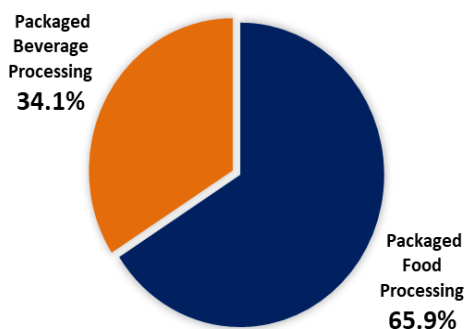
Source: Company, NHKSI Research

A&P to Sales | 3Q19 - 3Q21



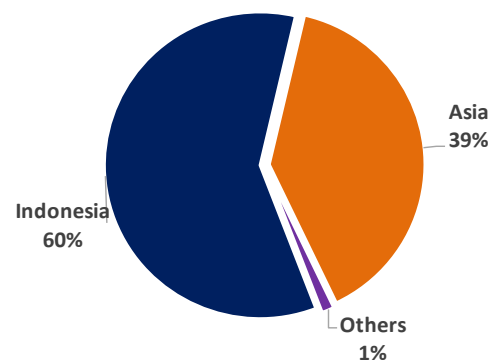
Source: Company, NHKSI Research

Revenue Breakdown | 3Q21



Source: Company, NHKSI Research

Geographic Revenue Breakdown (%) | 3Q21



Source: Bloomberg, NHKSI Research

Company Overview



PT. Mayora Indah Tbk. (Perseroan) didirikan pada tahun 1977 dengan pabrik pertama berlokasi di Tangerang dengan target pasar di wilayah Jakarta dan sekitarnya. Setelah mampu memenuhi pasar Indonesia, Perseroan melakukan Penawaran Umum Perdana dan menjadi perusahaan publik pada tahun 1990 dengan target market; konsumen ASEAN.

Sebagai Perusahaan Barang Konsumen yang Bergerak Cepat, PT. Mayora Indah Tbk telah terbukti menjadi produsen produk makanan dan minuman berkualitas tinggi. Beragam produk Mayora dapat dibagi menjadi 8 kategori: biskuit, permen, wafer, coklat, kopi, makanan instan, minuman dan sereal. Beberapa merk yang ternama adalah Kopiko, Danisa, Roma, Energen, Torabika, Beng Beng, dan banyak lagi.

Consumer Companies Peers Analysis

Company	Market Cap (USD mn)	Asset (USD mn)	Sales LTM (USD mn)	Net Profit LTM (USD mn)	Net Profit Growth LTM	Net Margin	ROE LTM	P/E LTM	P/BV
Indonesia									
Mayora Indah	3,698	1,420	1,869	103	-39.75%	5.5%	13.9%	35.7x	4.9x
Unilever Indonesia	11,982	1,475	2,829	426	-16.63%	15.1%	103.4%	28.0x	32.2x
Indofood Sukses Makmur	3,861	11,715	6,219	489	35.36%	7.9%	16.3%	7.8x	1.2x
Indofood CBP Sukses Makmur	7,183	7,439	3,593	446	10.06%	12.4%	20.9%	16.0x	3.1x
India									
Hindustian Unilever Ltd	76,048	9,398	6,241	1,077	18.48%	17.3%	28.6%	70.9x	11.9x
Godrej Consumer Products	13,176	1,952	1,473	232	14.98%	15.7%	19.9%	57.0x	10.4x
Marico Ltd	9,620	753	1,077	158	14.79%	14.7%	37.4%	61.1x	22.1x
Proctor & Gamble Hygiene	6,300	220	484	88	50.50%	18.3%	69.6%	72.0x	65.7x
Colgate Palmolive (India)	5,512	396	648	139	26.81%	21.5%	75.0%	39.7x	35.2x
Emami Ltd	3,379	344	385	61	50.11%	15.9%	25.4%	55.4x	14.3x
Gillette India Ltd	2,496	188	273	42	34.84%	15.4%	36.5%	59.9x	23.6x
Jyothy Labs Ltd	766	267	257	27	17.09%	10.5%	15.0%	28.6x	4.0x
Eveready Industries India	341	139	168	(42)	N/A	-24.9%	-77.8%	N/A	10.4x

Unit: USD mn, %, X

Source: Bloomberg, NHKSI research

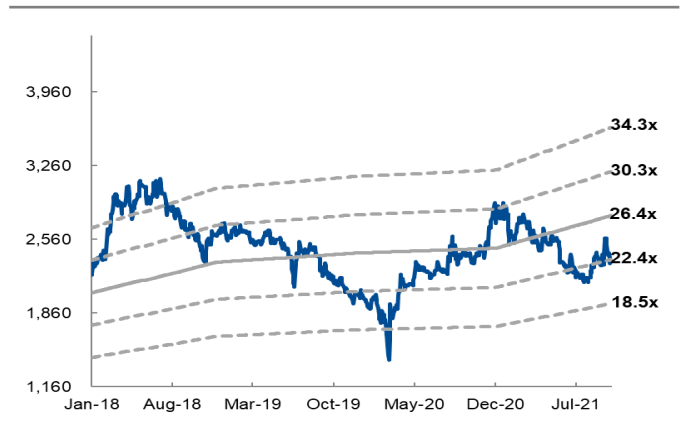
Valuation Highlight in Charts

Forward P/E band | Last 5 years



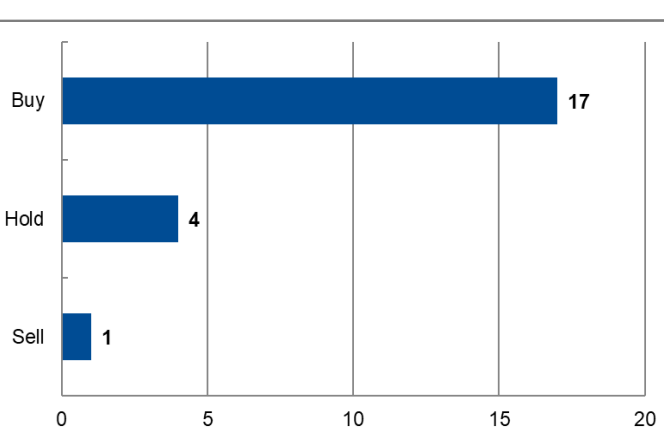
Source: NHKSI research

Dynamic Forward P/E band | Last 5 years



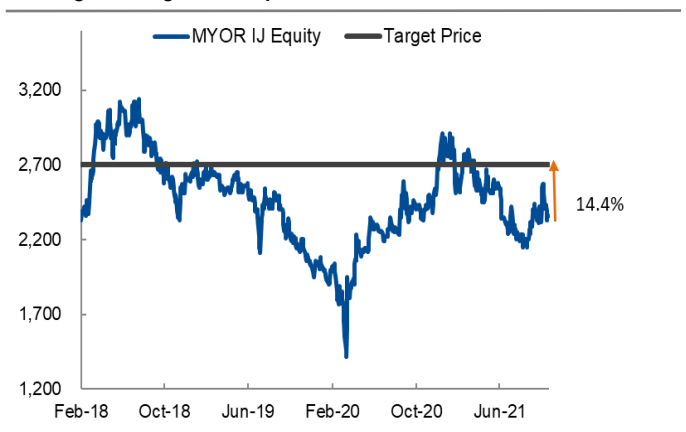
Source: NHKSI research

Recommendations by Analysts



Source: Bloomberg, NHKSI research

Closing and Target Price Update



Source: Bloomberg, NHKSI research

Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
23/11/2020	Overweight	2,700	2,410	2,811	+12.0%	-3.9%
19/8/2021	Overweight	2,700	2,230	2,931	+21.1%	-7.9%

Source: NHKSI research, Bloomberg

Summary of Financials

INCOME STATEMENT

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Net Sales	24,477	27,459	28,645	30,364
<i>Growth</i>	-2.2%	12.2%	4.3%	6.0%
COGS	(17,178)	(19,957)	(20,387)	(20,870)
Gross Profit	7,299	7,502	8,258	9,494
<i>Gross Margin</i>	29.8%	27.3%	28.8%	31.3%
Operating Expenses	(4,458)	(4,780)	(5,156)	(5,465)
EBIT	2,841	2,722	3,102	4,028
<i>EBIT Margin</i>	11.6%	9.9%	10.8%	13.3%
Depreciation	805	941	720	830
EBITDA	3,646	3,663	3,821	4,859
<i>EBITDA Margin</i>	14.9%	13.3%	13.3%	16.0%
Interest Expenses	(354)	(333)	(343)	(358)
EBT	2,684	2,505	2,880	3,798
Income Tax	(661)	(448)	(515)	(1,026)
Minority Interest	38	42	48	63
Net Profit	2,061	2,099	2,413	2,836
<i>Growth</i>	3.7%	1.9%	14.9%	17.5%
<i>Net Profit Margin</i>	8.4%	7.6%	8.4%	9.3%

PROFITABILITY & STABILITY

	2020/12A	2021/12E	2022/12E	2023/12E
ROE	18.3%	17.2%	17.9%	19.0%
ROA	10.4%	9.9%	10.7%	11.8%
Inventory Turnover	6.1x	6.1x	5.6x	5.2x
Receivable Turnover	4.3x	5.1x	4.9x	5.0x
Payables Turnover	11.8x	11.4x	11.4x	11.4x
Dividend Yield	1.1%	1.9%	1.9%	2.2%
Payout Ratio	33.7%	56.4%	55.0%	55.0%
DER	0.4x	0.4x	0.4x	0.4x
Net Gearing	0.4x	0.4x	0.4x	0.4x
Equity Ratio	57.0%	57.4%	59.8%	62.2%
Debt Ratio	24.6%	25.0%	23.9%	22.4%
Financial Leverage	91.4%	99.3%	95.9%	96.3%
Current Ratio	3.7x	2.8x	3.0x	3.2x
Quick Ratio	2.9x	2.1x	2.3x	2.4x
Par Value (IDR)	10	10	10	10
Total Shares (mn)	22,358	22,358	22,358	22,358
Share Price (IDR)	2,710	2,700	2,700	2,700
Market Cap (IDR tn)	60.6	60.4	60.4	60.4

BALANCE SHEET

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Cash	3,778	4,339	4,798	5,403
Receivables	5,464	5,219	5,807	6,073
Inventories	2,805	3,701	3,631	4,002
Total Current Assets	12,839	14,221	15,113	16,397
Net Fixed Assets	6,272	6,507	7,019	7,494
Other Non Current Assets	667	502	338	173
Total Non Current Assets	6,939	7,009	7,357	7,667
Total Assets	19,778	21,230	22,469	24,064
Payables	1,592	1,910	1,789	1,831
ST Bank Loan	1,010	2,598	2,582	2,611
Total Current Liabilities	3,475	5,114	5,002	5,112
LT Debt	3,850	2,704	2,797	2,773
Total Liabilities	8,506	9,041	9,022	9,108
Capital Stock & APIC	448	448	448	448
Retained Earnings	10,571	11,507	12,766	14,275
Shareholders' Equity	11,271	12,189	13,447	14,956

CASH FLOW STATEMENT

(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E
Operating Cash Flow	3,767	2,270	2,604	3,067
Investing Cash Flow	(1,162)	(964)	(1,067)	(1,141)
Financing Cash Flow	(1,866)	(739)	(1,078)	(1,322)
Net Changes in Cash	796	567	459	605

VALUATION INDEX

	2020/12A	2021/12E	2022/12E	2023/12E
Price /Earnings	29.4x	28.8x	25.0x	21.3x
Price /Book Value	5.4x	5.0x	4.5x	4.0x
PE/EPS Growth	8.0x	15.3x	1.7x	1.2x
EV/EBITDA	17.0x	16.8x	16.0x	12.5x
EV/EBIT	21.8x	22.6x	19.7x	15.0x
EV (IDR bn)	61,926	61,564	61,181	60,582
Sales CAGR (3-Yr)	5.5%	4.5%	4.6%	7.4%
Net Income CAGR (3-Yr)	8.9%	6.9%	6.7%	11.2%
Basic EPS (IDR)	92	94	108	127
BVPS (IDR)	504	545	601	669
DPS (IDR)	30	52	52	59

OWNERSHIP

Shareholders	%
Unita Branindo	32.9
Mayora Dhana Utama	26.1
Jogi Hendra Atmadja	25.2
Schroder Investment	2.2
By Geography	%
Unknown	93.5
Indonesia	2.2
Norway	1.9
United States	1.1

Source: NHKSI research, Bloomberg

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%

DISCLAIMER

This document is strictly confidential and is being supplied to you solely for your information. The recipients of this report must make their own independent decisions regarding any securities or financial instruments mentioned herein. This document may not be quoted, reproduced, exhibited, redistributed, transmitted, edited, translated, or published, in whole or in part, for any purpose without notice. Any failure to comply with this restriction may constitute a violation of civil or criminal laws.

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.