Charoen Pokphand Indonesia Tbk (CPIN)

Kenaikan Harga Komoditas Menurunkan Laba

CPIN membukukan kenaikan pendapatan pada FY21 sebesar 21,6% menjadi Rp51,7 triliun (vs FY20: Rp42,5 triliun). Beban Pokok Penjualan juga mengalami peningkatan seiring dengan meningkatnya harga bahan baku ditengah kenaikan harga komoditas, di mana pada FY21 tercatat sebesar Rp43,6 triliun (+27,1% YoY). Kenaikan pada harga komoditas juga turut menurunkan laba bersih CPIN FY21 menjadi Rp3,6 triliun atau turun 5,1% YoY.

Peningkatan Beban Pokok Penjualan Menekan Laba

- CPIN mencatatkan kenaikan pendapatan pada 4Q21 sebesar 16,3% menjadi Rp14,1 triliun (vs 3Q21: Rp12,1 triliun), sehingga secara kumulatif pendapatan FY21 tercatat sebesar Rp51,7 triliun (+21,6% YoY).
- COGS FY21 melonjak ke Rp43,6 triliun (vs Rp34,3 triliun di FY20) akibat kenaikan harga komoditas yang juga menyebabkan laba kotor FY21 turun menjadi Rp8,1 triliun (vs Rp8,2 triliun di FY20).
- Secara kuartalan, laba bersih CPIN berbalik positif menjadi Rp944,9 miliar (vs 3Q21: -Rp157,0 miliar), namun secara tahunan laba bersih CPIN mengalami penurunan sebesar 5,8% menjadi Rp3,6 triliun (vs FY20: Rp3,8 triliun).

Broiler Masih Menjadi Penyumbang Penjualan Terbesar

- Segmen broiler yang menyumbang 52,0% penjualan pada FY21, mencatatkan pertumbuhan kinerja yang paling baik. Segmen ini mencatatkan pendapatan sebesar Rp26,9 triliun atau tumbuh 41,3% dari FY20 sebesar Rp19,0 triliun.
- Segmen yang juga mengalami pertumbuhan pendapatan di FY21 antara lain segmen Processed Chicken dan segmen Feed yang masing-masing tumbuh 23,9% dan 0,1%. Sementara segmen Day-old chick dan lainnya mengalami penurunan sebesar 0,7% dan 2,0%.
- Dilihat dari operating margin per segmennya pada FY21, Day-old chick mencatatkan operating margin paling tinggi sebesar 18,4% (vs FY20: -1,8%), sementara segmen Feed, Broiler, Processed Chicken dan lainnya mencatatkan OPM lebih rendah dari tahun FY20 yaitu sebesar 9,1%, -4.4%, 11,1%, dan 0,7% (vs FY20: 12,3%, 3,5%, 14,8%, dan 1,6%).

Rekomendasi Overweight dengan TP Rp5.600

- Kami memberikan rekomendasi Overweight untuk CPIN dengan target price Rp5.600/lembar. TP kami mengimplikasikan P/E sebesar 24,2x (P/E –0,5 STD) yang memiliki potensi kenaikan sebesar 13,6%. Adapun, risiko dari rekomendasi kami adalah kenaikan harga komoditas yang mempengaruhi biaya bahan baku perusahaan.

Charoen Pokphand Indonesia Tbk | Summary (IDR Bn)

	2021	2022F	2023F	2024F
Revenue	51,698	55,198	59,290	63,968
Growth	*21.6%*	*6.8%*	*7.4%*	*7.9%*
Net Profit	3,621	3,857	4,376	4,894
Growth	*-5.1%*	*6.5%*	*13.4%*	*11.8%*
EPS (IDR)	221	235	267	298
P/E	26.9x	23.8x	21.0x	18.8x
P/BV	3.9x	3.4x	3.1x	2.8x
EV/EBITDA	7.9x	14.8x	13.2x	11.9x
ROE	14.9%	14.7%	15.3%	15.8%
DER	25.0%	22.7%	22.3%	23.3%
Dividend Yield	1.9%	1.9%	2.1%	2.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH KORINDO SEKURITAS INDONESIA

Company Report | May 10, 2022

Overweight

Target Price	5,600
Consensus Price (IDR)	6,311
TP to Consensus Price	-11.3%
Potential Upside	+13.6%

Shares data

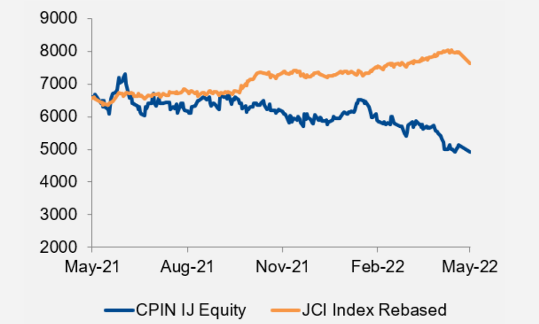
Last Price (IDR)	4,930
Price date as of	May 09, 2022
52 wk range (Hi/Lo)	7,350 / 4,890
Free float (%)	44.5
Outstanding sh.(mn)	16,398
Market Cap (IDR bn)	80,842
Market Cap (USD mn)	5,556
Avg. Trd Vol - 3M (mn)	9.6
Avg. Trd Val - 3M (bn)	52.8
Foreign Ownership (%)	9.6

Consumer Non-Cyclicals

Food and Beverages

Bloomberg	**CPIN IJ**
Reuters	**CPIN.JK**

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	-17.1%	-10.4%	-16.1%	-25.3%
Rel. Ret	-20.8%	-6.2%	-17.2%	-40.9%

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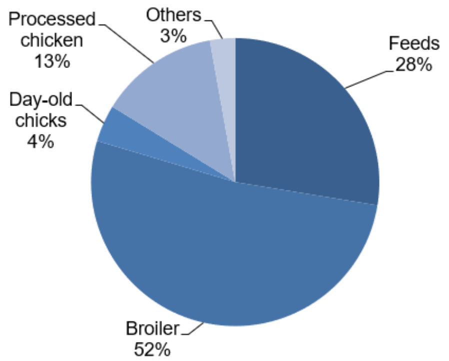
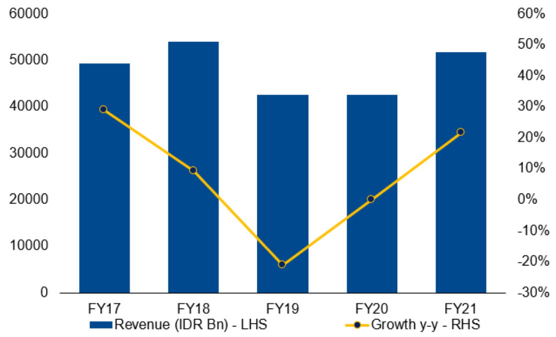
Performance Highlights

CPIN Revenue Breakdown FY21



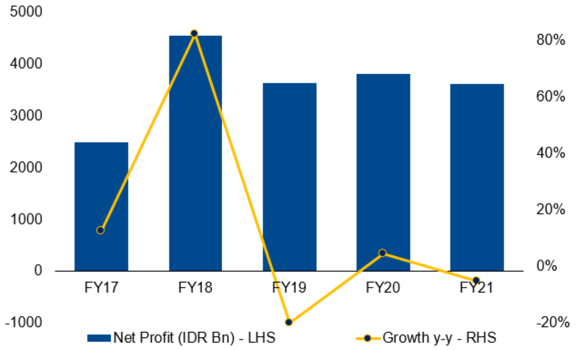
Source: Bloomberg, NHKSI Research

CPIN Net Revenue (FY17 - FY21)



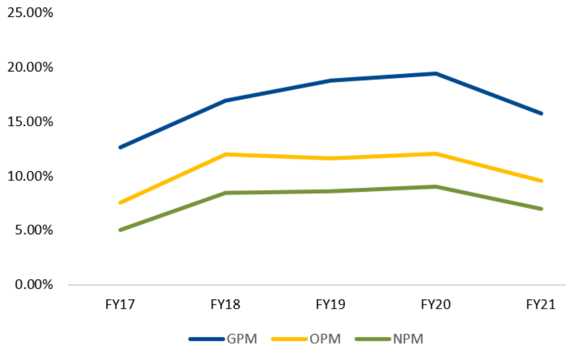
Source: Bloomberg, NHKSI Research

CPIN Net Profit (FY17 - FY21)



Source: Company Data, NHKSI Research

Margin Ratios (FY17 - FY21)

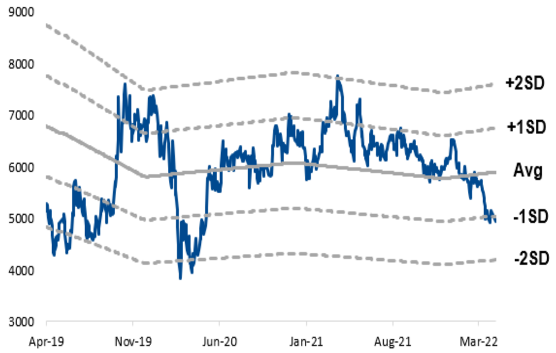


Source: Bloomberg, NHKSI Research

3-Year Forward P/E Band

Source: Company Data, NHKSI Research

3-Year Dynamic Forward P/E Band



Source: Company Data, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Sales	**51,698**	**55,198**	**59,290**	**63,968**
Growth	*21.6%*	*6.8%*	*7.4%*	*7.9%*
COGS	(43,559)	(46,060)	(49,255)	(53,086)
Gross Profit	**8,139**	**9,137**	**10,035**	**10,883**
Gross Margin	*15.7%*	*16.6%*	*16.9%*	*17.0%*
Operating Expenses	(3,204)	(3,815)	(4,056)	(4,254)
EBIT	**4,934**	**5,322**	**5,979**	**6,628**
EBIT Margin	*9.5%*	*9.6%*	*10.1%*	*10.4%*
Depreciation	8,044	1,181	1,332	1,475
EBITDA	**12,978**	**6,503**	**7,311**	**8,104**
EBITDA Margin	25.1%	11.8%	12.3%	12.7%
Interest Expenses	(240)	(321)	(310)	(290)
EBT	**4,634**	**4,936**	**5,599**	**6,263**
Income Tax	(1,015)	(1,081)	(1,226)	(1,371)
Minority Interest	2	2	2	2
Net Profit	**3,621**	**3,857**	**4,376**	**4,894**
Growth	*-5.1%*	*6.5%*	*13.4%*	*11.8%*
Net Profit Margin	*7.0%*	*7.0%*	*7.4%*	*7.7%*

PROFITABILITY & STABILITY

	2021/12A	2022/12E	2023/12E	2024/12E
ROE	14.9%	14.7%	15.3%	15.8%
ROA	10.9%	10.6%	11.2%	11.5%
ROIC	13.9%	13.2%	13.9%	14.2%
Cash Dividend (IDR bn)	1,837	1,716	1,895	2,287
Dividend Yield	1.9%	1.9%	2.1%	2.5%
Payout Ratio	48.1%	47.4%	49.1%	52.3%
DER	25.0%	22.7%	22.3%	23.3%
Net Gearing	25.0%	22.7%	22.3%	23.3%
LT Debt to Equity	6.5%	5.9%	5.8%	6.1%
Capitalization Ratio	20.0%	18.5%	18.2%	18.9%
Equity Ratio	71.0%	72.5%	72.9%	72.5%
Debt Ratio	17.7%	16.5%	16.2%	16.9%
Current Ratio	200.5%	202.3%	200.8%	197.0%
Par Value (IDR)	10	10	10	10
Total Shares (mn)	16,398	16,398	16,398	16,398
Share Price (IDR)	5,950	5,600	5,600	5,600
Market Cap (IDR tn)	97.6	91.8	91.8	91.8

BALANCE SHEET

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Cash	1,803	2,031	2,147	2,575
Receivables	1,644	1,755	1,885	2,034
Inventories	11,588	11,587	12,390	13,354
Total Current Assets	**15,715**	**16,005**	**17,080**	**18,620**
Net Fixed Assets	16,917	18,984	21,074	23,252
Other Non Current Assets	2,814	2,646	2,665	2,708
Total Assets	**35,446**	**37,635**	**40,819**	**44,580**
Payables	1,572	1,618	1,754	1,877
ST Bank Loan	4,646	4,587	4,899	5,579
LT Debt	1,637	1,616	1,726	1,965
Total Liabilities	**10,296**	**10,353**	**11,063**	**12,241**
Capital Stock & APIC	121	121	121	121
Retained Earnings	24,996	27,124	29,591	32,185
Shareholders' Equity	**25,150**	**27,282**	**29,755**	**32,339**

VALUATION INDEX

	2021/12A	2022/12E	2023/12E	2024/12E
Price /Earnings	26.9x	23.8x	21.0x	18.8x
Price /Book Value	3.9x	3.4x	3.1x	2.8x
Price/Sales	1.9x	1.7x	1.5x	1.4x
PE/EPS Growth	-5.3x	3.6x	1.6x	1.6x
EV/EBITDA	7.9x	14.8x	13.2x	11.9x
EV/EBIT	20.7x	18.0x	16.1x	14.6x
EV (IDR bn)	102,080	96,038	96,351	96,831
Sales CAGR (3-Yr)	-1.4%	9.1%	11.7%	7.4%
EPS CAGR (3-Yr)	-7.4%	1.9%	4.7%	10.6%
Basic EPS (IDR)	221	235	267	298
Diluted EPS (IDR)	221	235	267	298
BVPS (IDR)	1,534	1,664	1,815	1,972
Sales PS (IDR)	3,153	3,366	3,616	3,901
DPS (IDR)	112	105	116	139

CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Operating Cash Flow	2,122	5,109	5,032	5,521
Investing Cash Flow	(2,819)	(3,077)	(3,436)	(3,701)
Financing Cash Flow	(316)	(1,790)	(1,467)	(1,378)
Net Changes in Cash	**(1,013)**	**242**	**129**	**443**

OWNERSHIP

By Geography	%	Shareholders	%
Indonesia	90.4	CP Indonesia Group	55.5
United States	6.1	Vanguard Group	1.5
Ireland	0.8	Blackrock	1.3
Others	0.5	Flexshares Trust	0.4

Source: Bloomberg, 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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