

Unilever Indonesia Tbk (UNVR)

Kenaikan Biaya Input Membebani Kinerja

Kenaikan harga komoditas masih membebani kinerja UNVR dalam hal kenaikan biaya input. UNVR membukukan penjualan 9M22 sebesar Rp31,5 triliun atau tumbuh 5,0% YoY. Laba bersih (+5,3% YoY) 9M22 tercatat Rp4,6 triliun. Namun secara kuartalan, laba bersih terkontraksi menjadi Rp1,2 triliun (-16,1% QoQ; -11,4% YoY).

Company Report | November 4, 2022

Segmen Food & Refreshment Memimpin Pertumbuhan

- UNVR membukukan penjualan 9M22 sebesar Rp31,5 triliun atau tumbuh 5,0% YoY (vs 9M21: Rp30,0 triliun). Secara kuartalan, penjualan 3Q22 tercatat Rp10,1 triliun (-5,2% QoQ; +2,3% YoY) di mana penjualan baik domestik maupun ekspor tumbuh masing-masing 1,9% YoY dan 11,0% YoY.
- Selama 3Q22, semua segmen kompak mengalami pertumbuhan dengan segmen Food and Refreshment tumbuh paling besar yaitu 5,6% YoY menjadi Rp3,5 triliun sementara segmen Home and Personal Care tumbuh tipis yaitu 0,6% YoY menjadi Rp6,6 triliun.
- Kenaikan harga komoditas menyebabkan kenaikan pada biaya input UNVR sehingga sepanjang 9M22 laba kotor terkontraksi 1,0% YoY menjadi Rp14,9 triliun sementara laba kotor pada 3Q22 tercatat Rp4,6 triliun (-9,3% QoQ; -5,1% YoY).
- Pada 9M22, laba operasi (+3,6% YoY) dan laba bersih (+5,3% YoY) masing-masing tercatat Rp6,0 triliun dan Rp4,6 triliun. Namun secara kuartalan baik laba usaha maupun laba bersih terkontraksi pada 3Q22, di mana laba usaha tercatat Rp1,5 triliun (-16,6% QoQ; -13,4% YoY) dan laba bersih tercatat Rp1,2 triliun (-16,1% QoQ; -11,4% YoY).
- Kenaikan harga komoditas turut menekan GPM pada 3Q22 yang turun menjadi 45,7% (vs 3Q21: 49,2%), serta OPM dan NPM tercatat lebih rendah yaitu masing-masing 15,3% dan 11,7% (vs 3Q21 OPM: 18,0% dan NPM: 13,5%).

Pertumbuhan Sell-Out Terlihat pada Semua Segmen

- Kami melihat segmen Food and Refreshment masih akan terus menjadi mesin pertumbuhan, apalagi hingga Desember ini, diiringi oleh meningkatnya mobilitas masyarakat dan libur akhir tahun. Segmen ini mencatatkan pertumbuhan *sell-out* sebesar 4% di tengah perlanjutan pertumbuhan kuat pada Savoury serta mempertahankan kepemimpinan pasarnya dalam makanan.
- Segmen Home Care mencatatkan pertumbuhan *sell-out* sebesar 11% di mana Fabric Cleaning mencatatkan pertumbuhan penjualan *double-digit* yang dipimpin oleh pertumbuhan harga dan volume.
- Segmen Beauty and Personal Care akan terus fokus mendorong *core and market development* yang lebih kuat, terutama dalam produk Oral Care, Deo, dan Hair Care. Segmen ini mencatatkan pertumbuhan *sell-out* sebesar 5% di mana menunjukkan pertumbuhan *single digit* yang tinggi pada Skin Care serta melanjutkan pertumbuhan yang kuat pada Deo.
- Pertumbuhan terlihat pada bisnis *e-Commerce* dan Unilever Foods Solution (UFS) yaitu lebih dari 50% pada 3Q22. Adapun pada segmen Unilever Foods Solution, pertumbuhan *sell-out* tercatat 57% ditengah adanya pertumbuhan yang kuat pada 10 produk teratasnya, terutama didorong oleh meningkatnya penetrasi yang dipimpin oleh Bango, Knorr & Royco.
- Selain itu, mulai 3Q22 UNVR mengurangi stok di sisi trade dan akan berlanjut pada 4Q22. Hal ini dilakukan dalam program inovasi produk terbaru UNVR agar dapat diserap dan dijangkau oleh konsumen lebih cepat.

Rekomendasi Overweight dengan TP Rp4.850

- Kami memberikan rekomendasi Overweight untuk UNVR dengan target price Rp4.850/saham yang memiliki potensi kenaikan 7,5%. Adapun, risiko dari rekomendasi kami adalah kenaikan harga komoditas, daya beli konsumen, dan penurunan permintaan produk.

Unilever Indonesia Tbk | Summary (IDR bn)

	2021A	2022F	2023F	2024F
Sales	39,546	41,542	42,920	44,508
Growth	-8.0%	5.0%	3.3%	3.7%
Net Profit	5,758	6,140	6,589	6,875
Growth	-19.6%	6.6%	7.3%	4.3%
EPS (IDR)	151	161	173	180
P/E	27.2x	30.1x	28.1x	26.9x
P/BV	36.3x	38.1x	32.9x	28.8x
EV/EBITDA	17.7x	19.6x	18.4x	17.6x
ROE	133.3%	126.4%	117.1%	106.9%
DER	0.4x	0.0x	0.1x	0.0x
Dividend Yield	4.0%	3.1%	3.3%	3.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

OVERWEIGHT

Target Price (IDR)	4,850
Consensus Price (IDR)	4,756
TP to Consensus Price	+2.0%
vs. Last Price	+7.5%

Shares data

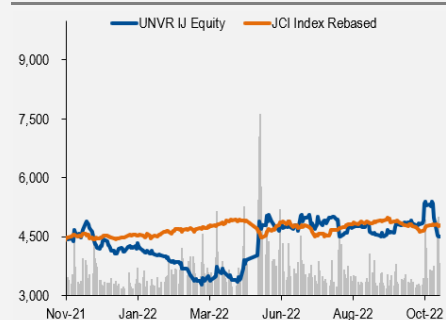
Last Price (IDR)	4,510
Price date as of	November 3, 2022
52 wk range (Hi/Lo)	5,475 / 3,280
Free float (%)	15.0
Outstanding sh.(mn)	38,150
Market Cap (IDR bn)	172,056
Market Cap (USD mn)	10,964
Avg. Trd Vol - 3M (mn)	21.64
Avg. Trd Val - 3M (bn)	103.9
Foreign Ownership	4.1%

Consumer Staples

Household & Personal Products

Bloomberg	UNVR IJ
Reuters	UNVR.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	6.6%	-7.0%	-1.7%	1.3%
Rel. Ret.	1.1%	-7.4%	-1.6%	-6.0%

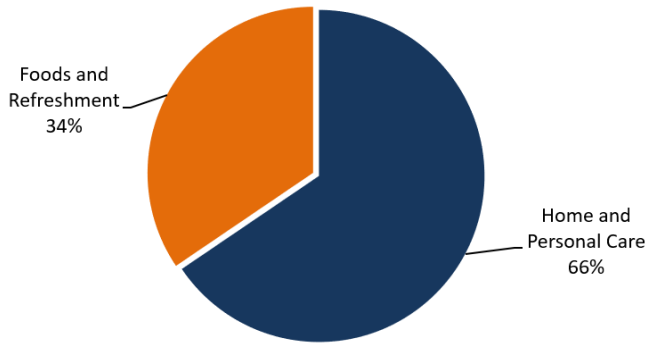
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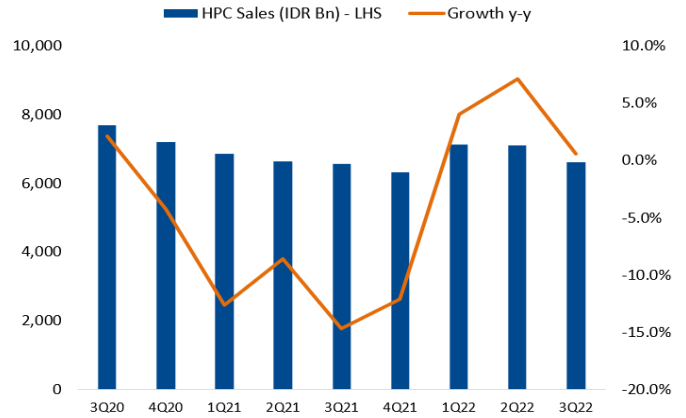
Performance Highlights

UNVR's Revenue Breakdown



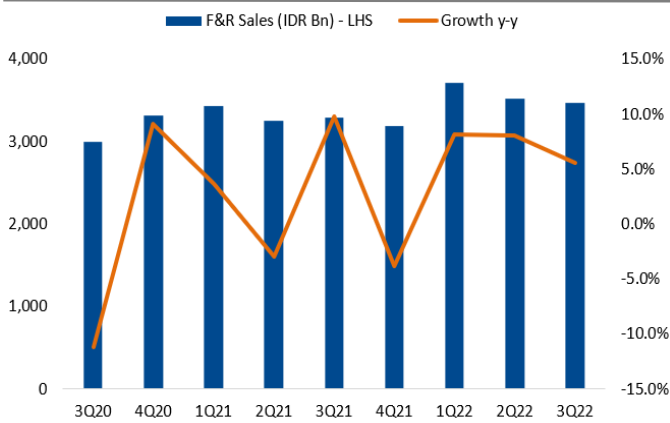
Source: Company, NHKSI Research

HPC Division Sales



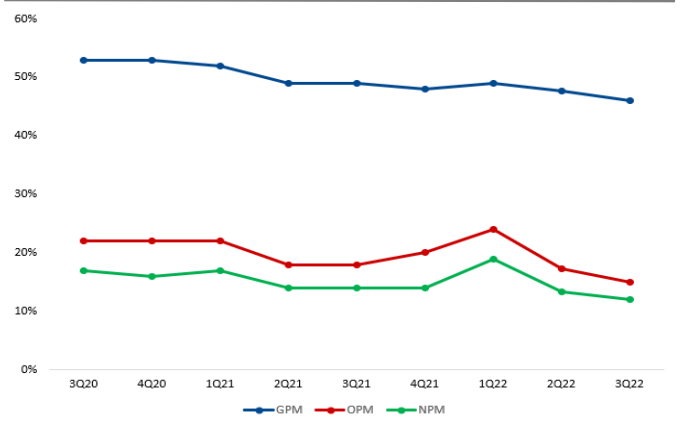
Source: Company, NHKSI Research

F&R Division Sales



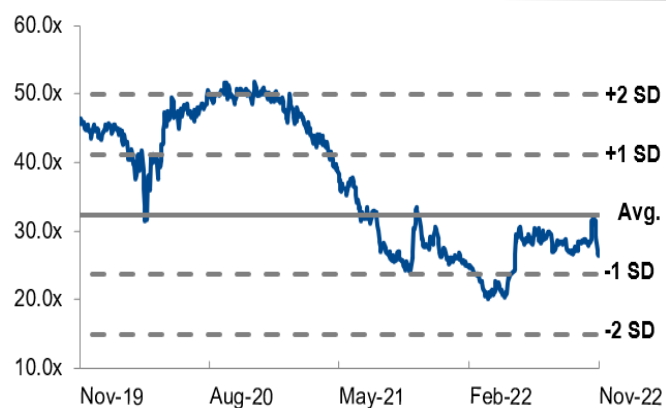
Source: Company, NHKSI Research

UNVR's Margin Profitability



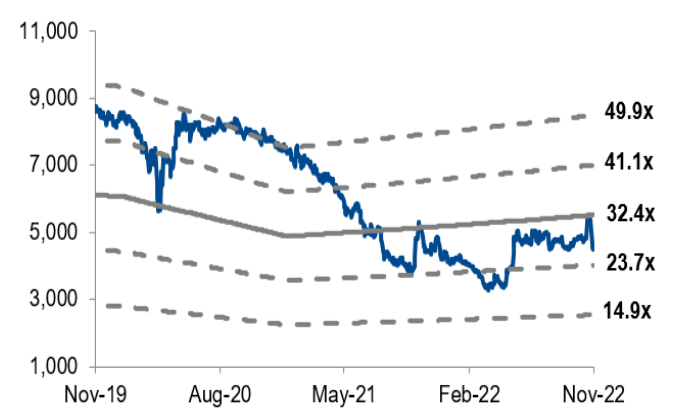
Source: Company, NHKSI Research

Forward P/E Band | Last 3 Years



Source: NHKSI Research

Dynamic Forward P/E Band | Last 3 Years



Source: NHKSI Research

Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY				
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E		2021/12A	2022/12E	2023/12E	2024/12E
Sales	39,546	41,542	42,920	44,508	ROE	133.3%	126.4%	117.1%	106.9%
<i>Growth</i>	-8.0%	5.0%	3.3%	3.7%	ROA	30.2%	32.6%	32.3%	32.2%
COGS	(19,920)	(21,508)	(21,404)	(22,219)	Inventory Turnover	8.1x	8.3x	7.8x	8.1x
Gross Profit	19,626	20,034	21,516	22,289	Receivable Turnover	8.8x	10.8x	8.0x	9.1x
<i>Gross Margin</i>	49.6%	48.2%	50.1%	50.1%	Payables Turnover	4.4x	4.6x	4.8x	4.8x
Operating Expenses	(11,948)	(11,976)	(12,777)	(13,176)	Dividend Yield	4.0%	3.1%	3.3%	3.5%
EBIT	7,679	8,058	8,739	9,113	Payout Ratio	110.0%	92.8%	93.6%	94.2%
<i>EBIT Margin</i>	19.4%	19.4%	20.4%	20.5%	DER	0.4x	0.0x	0.1x	0.0x
Depreciation	1,034	1,115	1,084	1,078	Net Gearing	0.4x	0.0x	0.1x	0.0x
EBITDA	8,713	9,173	9,823	10,191	Equity Ratio	22.7%	25.8%	27.6%	30.1%
<i>EBITDA Margin</i>	22.0%	22.1%	22.9%	22.9%	Debt Ratio	9.7%	0.0%	3.5%	1.1%
Interest Expenses	(185)	(73)	(169)	(142)	Financial Leverage	4.1x	4.1x	3.9x	3.5x
EBT	7,496	7,989	8,574	8,976	Current Ratio	61.4%	66.8%	83.9%	94.5%
Income Tax	(1,738)	(1,849)	(1,985)	(2,100)	Quick Ratio	0.4x	0.4x	0.6x	0.7x
Minority Interest	-	-	-	-	Par Value (IDR)	10	10	10	10
Net Profit	5,758	6,140	6,589	6,875	Total Shares (mn)	38,150	38,150	38,150	38,150
<i>Growth</i>	-19.6%	6.6%	7.3%	4.3%	Share Price (IDR)	4,110	4,850	4,850	4,850
<i>Net Profit Margin</i>	14.6%	14.8%	15.4%	15.4%	Market Cap (IDR tn)	156.8	185.0	185.0	185.0
BALANCE SHEET					VALUATION INDEX				
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E		2021/12A	2022/12E	2023/12E	2024/12E
Cash	325	743	1,292	3,021	Price /Earnings	27.2x	30.1x	28.1x	26.9x
Receivables	4,517	3,846	5,335	4,912	Price /Book Value	36.3x	38.1x	32.9x	28.8x
Inventories	2,454	2,577	2,748	2,751	PE/EPS Growth	-1.4x	4.6x	3.8x	6.2x
Total Current Assets	7,642	7,847	9,889	11,281	EV/EBITDA	17.7x	19.6x	18.4x	17.6x
Net Fixed Assets	10,821	10,358	9,929	9,512	EV/EBIT	20.1x	22.4x	20.7x	19.7x
Other Non Current Assets	605	603	556	559	EV (IDR bn)	154,325	180,172	180,806	179,560
Total Non Current Asset	11,426	10,962	10,485	10,071	Sales CAGR (3-Yr)	-1.8%	-1.1%	0.0%	4.0%
Total Assets	19,069	18,809	20,375	21,352	Net Income CAGR (3-Yr)	-14.1%	-6.0%	-2.7%	6.1%
Payables	4,571	4,690	4,463	4,633	Basic EPS (IDR)	151	161	173	180
ST Bank Loan	1,850	-	704	241	BVPS (IDR)	113	127	148	169
Total Current Liabilities	12,445	11,742	11,794	11,943	DPS (IDR)	166	149	162	170
LT Debt	-	-	-	3					
Total Liabilities	14,747	13,951	14,746	14,919	OWNERSHIP				
Capital Stock	172	172	172	172	Top Shareholders				%
Retained Earnings	4,149	4,686	5,456	6,260	Unilever Indonesia Holding BV				85.0
Shareholders' Equity	4,321	4,858	5,629	6,432	Blackrock Inc				0.7
					Vanguard Grup Inc				0.6
					JPMorgan Chase & Co				0.2
CASH FLOW STATEMENT					By Geography				
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E	Indonesia				95.9
Operating Cash Flow	7,902	8,758	5,529	8,902	United States				1.9
Investing Cash Flow	(681)	(538)	(213)	(252)	Luxembourg				0.6
Financing Cash Flow	(7,740)	(7,803)	(4,766)	(6,921)	Ireland				0.4
Net Changes in Cash	(519)	418	549	1,729					

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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