

# Indofood CBP Sukses Makmur Tbk (ICBP IJ)

## Kinerja 9M22 Ditopang Semua Segmen

Sepanjang 9M22, pendapatan ICBP mengalami pertumbuhan dengan semua segmen kompak tumbuh ditopang oleh tingginya volume dan harga jual rata-rata. Namun, tingginya *unrealized fx loss* dari aktivitas pendanaan pada 9M22 menyebabkan laba periode berjalan yang dapat diatribusikan ke pemilik entitas induk terkontraksi 33,4% YoY. Adapun, pada 3Q22 mampu berbalik positif dari 2Q22 yaitu Rp1,4 triliun (vs 2Q22: -Rp10,8 miliar).

### Unrealized Fx Loss Membebani Kinerja

- Sepanjang 9M22, pendapatan ICBP mengalami pertumbuhan 14,8% YoY menjadi Rp48,9 triliun (vs 9M21: Rp42,6 triliun). Semua segmen kompak mengalami pertumbuhan pada 9M22 yang ditopang oleh tingginya volume dan harga jual rata-rata dengan segmen Minuman memimpin pertumbuhan sebesar 16,5% YoY. Adapun pada 3Q22, ICBP membukukan pendapatan Rp16,3 triliun (+5,9% QoQ; +13,1% YoY).
- Secara geografi, pendapatan di beberapa negara pada 9M22 kompak tumbuh dengan pertumbuhan paling tinggi yaitu di Timur Tengah dan Afrika sebesar 17,0% YoY diikuti oleh Asia lainnya (+14,9% YoY), dan Indonesia (+12,7% YoY). Namun, secara kuartalan pendapatan di Timur Tengah dan Afrika turun 1,7% YoY sementara lainnya tumbuh.
- Laba kotor 9M22 mampu tumbuh 2,9% YoY ke Rp16,0 triliun di tengah kenaikan biaya produksi sebesar 22,2% akibat naiknya harga bahan baku yang digunakan. Sementara itu, ditengah kenaikan beban usaha, ICBP mampu membukukan kenaikan laba usahanya di 9M22 sebesar 8,2% YoY menjadi Rp9,5 triliun. Adapun pada 3Q22, laba kotor tercatat Rp5,6 triliun (+23,4% QoQ; +9,5% YoY) dan laba usaha tercatat Rp3,7 triliun (+8,2% YoY).
- Tingginya *unrealized fx loss* dari aktivitas pendanaan pada 9M22 menyebabkan laba periode berjalan yang dapat diatribusikan ke pemilik entitas induk terkontraksi 33,4% YoY menjadi Rp3,3 triliun (vs 9M21: 5,0 triliun). Namun, pada 3Q22 mampu berbalik positif dari 2Q22 yaitu Rp1,4 triliun (vs 2Q22: -Rp10,8 miliar).

### Margin Tumbuh dari Kuartal Sebelumnya

- Tingginya biaya bahan baku akibat kenaikan harga komoditas menyebabkan GPM pada 3Q22 tercatat lebih rendah yaitu 34,2% (vs 3Q21: 35,3%) diikuti oleh NPM yang turun ke 8,4% (vs 3Q21: 12,1%) dan hanya EBIT margin yang mencatatkan kenaikan ke 21,6% (vs 3Q21: 18,4%).
- Namun dilihat secara kuartalan, margin kompak mengalami pertumbuhan dari kuartal sebelumnya (vs 2Q22 GPM: 29,4%; EBIT margin: 13,8%; dan NPM: -0,1%).
- Sepanjang 9M22, EBIT margin untuk segmen Nutrisi dan Makanan Khusus serta segmen Minuman mencatatkan angka yang lebih tinggi yaitu masing-masing 7,3% dan 5,7% (vs 9M21: 6,7% dan 1,6%). Adapun pendapatan dari kedua segmen tersebut tumbuh dimana segmen Minuman untuk semua kategori produknya mengalami peningkatan.
- Segmen Mie Instan yang memiliki kontribusi paling besar terhadap penjualan yaitu 74,8% mencatatkan EBIT margin yang lebih rendah di 9M22 yaitu 21,9% (vs 9M21: 24,1%) namun penjualan untuk segmen ini mengalami pertumbuhan 16,2% YoY.
- Adapun, segmen Dairy, Makanan Ringan, dan Penyedap Makanan mengalami penurunan pada EBIT marginnya yaitu masing-masing 6,2%, 7,0%, dan 12,0% (vs 9M21: 10,4%; 10,7%; dan 12,3%).

### Rekomendasi OVERWEIGHT dengan TP Rp11,400

- Kami memberikan rekomendasi OVERWEIGHT untuk ICBP dengan target harga Rp11,400/saham (P/E 19,2x) dengan potensi kenaikan sebesar 10,1%. Adapun, risiko utama dari rekomendasi kami adalah depresiasi mata uang rupiah, daya beli konsumen yang belum optimal, dan penurunan permintaan produk.

### Indofood CBP Sukses Makmur Tbk | Summary (IDR bn)

	2021A	2022F	2023F	2024F
Sales	56,804	64,827	71,629	80,583
Growth	21.8%	14.1%	10.5%	12.5%
Net Profit	6,388	5,354	6,927	8,161
Growth	-3.0%	-16.2%	29.4%	17.8%
EPS (IDR)	548	459	594	700
P/E	15.9x	24.8x	19.2x	16.3x
P/BV	1.9x	2.3x	2.1x	2.0x
EV/EBITDA	10.8x	13.3x	11.3x	9.7x
ROE	12.7%	9.8%	12.0%	13.0%
ROA	6.2%	4.5%	5.8%	6.4%
Dividend Yield	2.5%	1.9%	2.0%	2.2%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

## OVERWEIGHT

Target Price (IDR)	11,400
Consensus Price (IDR)	11,402
TP to Consensus Price	0.0%
Potential upside	10.1%

### Shares data

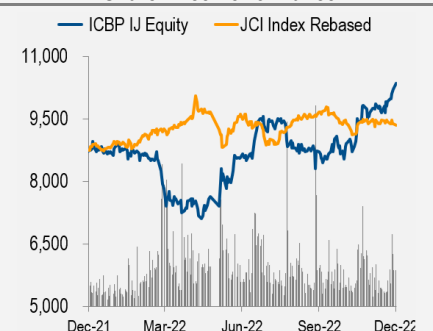
Last Price (IDR)	10,350
Price date as of	Dec 5, 2022
52 wk range (Hi/Lo)	10,350/7,050
Free float (%)	19.5
Outstanding sh.(mn)	11,662
Market Cap (IDR bn)	120,700
Market Cap (USD mn)	7,798
Avg. Trd Vol - 3M (mn)	6.3
Avg. Trd Val - 3M (bn)	58.6
Foreign Ownership	4.8%

### Consumer Non Cyclical

### Packaged Foods & Beverages

Bloomberg	ICBP IJ
Reuters	ICBP.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	20.0%	6.2%	19.0%	18.3%
Rel. Ret.	15.2%	7.8%	22.4%	11.6%

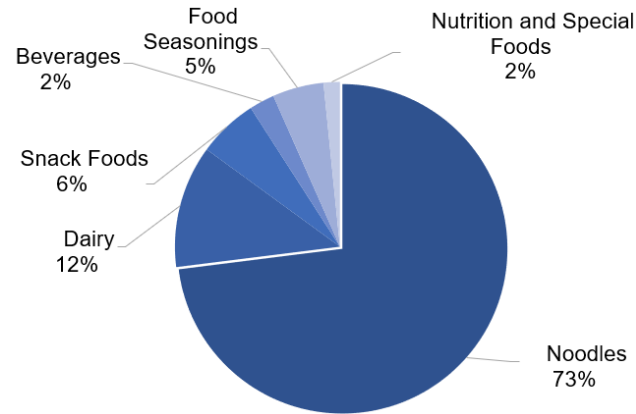
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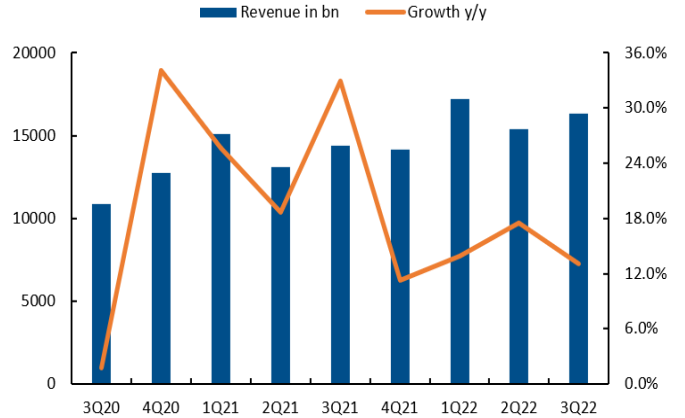
# Performance Highlights

## Revenue Breakdown | 3Q22



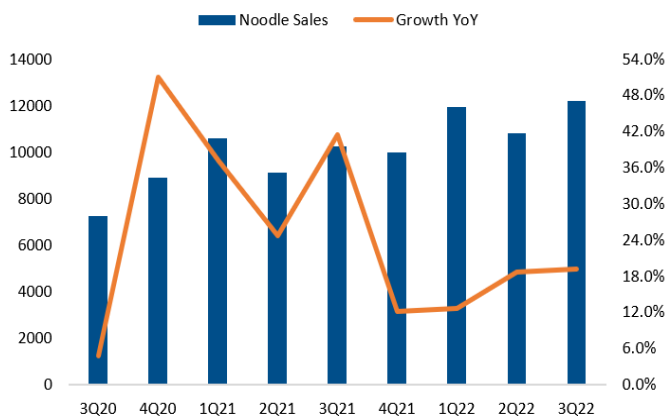
Source: Company, NHKSI Research

## Revenue | 3Q20-3Q22



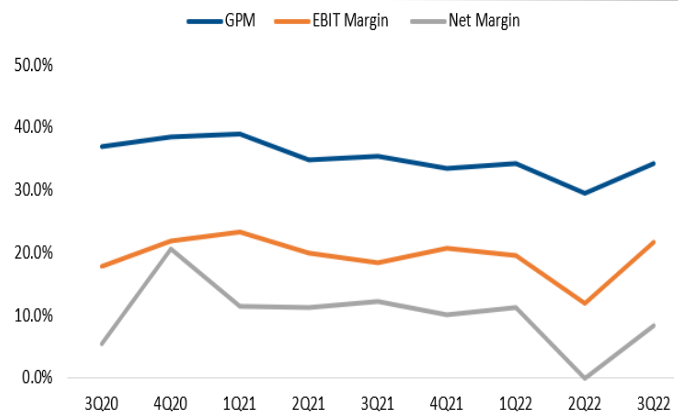
Source: Company, NHKSI Research

## Noodle Sales | 3Q20-3Q22



Source: Company, NHKSI Research

## Profitability Margin | 3Q20-3Q22



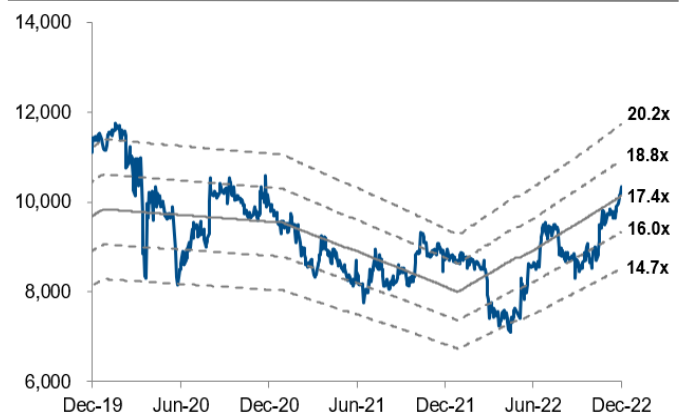
Source: Company, NHKSI Research

## Forward P/E Band | Last 3 Years



Source: Company, NHKSI Research

## Dynamic Forward P/E Band | Last 3 Years



Source: Company, NHKSI Research

## Summary of Financials

### INCOME STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
<b>Sales</b>	<b>56,804</b>	<b>64,827</b>	<b>71,629</b>	<b>80,583</b>
Growth	21.8%	14.1%	10.5%	12.5%
COGS	(36,526)	(43,743)	(47,057)	(52,583)
<b>Gross Profit</b>	<b>20,277</b>	<b>21,084</b>	<b>24,572</b>	<b>28,000</b>
Gross Margin	35.7%	32.5%	34.3%	34.7%
Operating Expenses	(8,574)	(9,494)	(10,490)	(11,922)
<b>EBIT</b>	<b>11,703</b>	<b>11,590</b>	<b>14,082</b>	<b>16,078</b>
EBIT Margin	20.6%	17.9%	19.7%	20.0%
Depreciation	1,604	1,947	1,661	1,737
<b>EBITDA</b>	<b>13,307</b>	<b>13,536</b>	<b>15,743</b>	<b>17,815</b>
EBITDA Margin	23.4%	20.9%	22.0%	22.1%
Interest Expenses	(1,837)	(2,131)	(1,984)	(2,057)
<b>EBT</b>	<b>9,935</b>	<b>8,720</b>	<b>11,281</b>	<b>13,102</b>
Income Tax	(2,035)	(2,019)	(2,612)	(2,917)
Minority Interest	(1,512)	(1,347)	(1,743)	(2,024)
<b>Net Profit</b>	<b>6,388</b>	<b>5,354</b>	<b>6,927</b>	<b>8,161</b>
Growth	-3.0%	-16.2%	29.4%	17.8%
Net Profit Margin	11.2%	8.3%	9.7%	10.1%

### BALANCE SHEET

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Cash	20,662	19,484	24,930	33,543
Receivables	6,401	6,947	7,874	8,747
Inventories	5,857	6,620	7,333	8,076
<b>Total Current Assets</b>	<b>33,998</b>	<b>34,612</b>	<b>41,456</b>	<b>51,806</b>
Net Fixed Assets	14,384	14,483	17,307	18,822
Other Non Current Assets	69,685	69,624	69,655	69,640
<b>Total Non Current Asset</b>	<b>84,069</b>	<b>84,108</b>	<b>86,962</b>	<b>88,461</b>
<b>Total Assets</b>	<b>118,067</b>	<b>118,720</b>	<b>128,418</b>	<b>140,267</b>
Payables	3,586	4,319	4,712	5,206
ST Bank Loan	1,198	757	1,099	1,042
<b>Total Current Liabilities</b>	<b>18,896</b>	<b>13,603</b>	<b>14,897</b>	<b>17,201</b>
LT Debt	40,838	43,881	47,242	51,492
<b>Total Liabilities</b>	<b>63,343</b>	<b>61,082</b>	<b>65,743</b>	<b>72,294</b>
Capital Stock	6,569	6,569	6,569	6,569
Retained Earnings	26,917	29,381	34,642	39,829
<b>Shareholders' Equity</b>	<b>54,724</b>	<b>57,638</b>	<b>62,674</b>	<b>67,973</b>

### CASH FLOW STATEMENT

(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E
Operating Cash Flow	7,989	12,303	8,142	10,522
Investing Cash Flow	(3,100)	(1,567)	(3,497)	(3,276)
Financing Cash Flow	5,906	(11,914)	801	1,367
<b>Net Changes in Cash</b>	<b>10,850</b>	<b>(1,178)</b>	<b>5,445</b>	<b>8,613</b>

Source: Company Data, Bloomberg

### PROFITABILITY & STABILITY

	2021/12A	2022/12E	2023/12E	2024/12E
ROE	12.7%	9.8%	12.0%	13.0%
ROA	6.2%	4.5%	5.8%	6.4%
Inventory Turnover	6.2x	6.6x	6.4x	6.5x
Receivable Turnover	8.9x	9.3x	9.1x	9.2x
Payables Turnover	10.2x	10.1x	10.0x	10.1x
Dividend Yield	2.5%	1.9%	2.0%	2.2%
Payout Ratio	38.1%	39.2%	50.0%	42.4%
DER	0.8x	0.8x	0.8x	0.8x
Net Gearing	1.5x	1.5x	1.4x	1.3x
Equity Ratio	46.3%	48.5%	48.8%	48.5%
Debt Ratio	35.6%	37.6%	37.6%	37.5%
Financial Leverage	2.1x	2.1x	2.1x	2.1x
Current Ratio	1.8x	2.5x	2.8x	3.0x
Quick Ratio	1.5x	2.1x	2.3x	2.5x
Par Value (IDR)	50	50	50	51
Total Shares (mn)	11,662	11,662	11,662	11,662
Share Price (IDR)	8,700	11,400	11,400	11,400
Market Cap (IDR tn)	101.5	132.9	132.9	132.9

### VALUATION INDEX

	2021/12A	2022/12E	2023/12E	2024/12E
Price /Earnings	15.9x	24.8x	19.2x	16.3x
Price /Book Value	1.9x	2.3x	2.1x	2.0x
PE/EPS Growth	-5.3x	-1.5x	0.7x	0.9x
EV/EBITDA	10.8x	13.3x	11.3x	9.7x
EV/EBIT	12.3x	15.5x	12.6x	10.8x
EV (IDR bn)	144,071	179,787	177,820	173,514
Sales CAGR (3-Yr)	13.9%	15.3%	15.4%	12.4%
Net Income CAGR (3-Yr)	11.8%	2.0%	1.7%	8.5%
Basic EPS (IDR)	548	459	594	700
BVPS (IDR)	4,693	4,942	5,374	5,829
DPS (IDR)	215	215	230	252

### OWNERSHIP

Shareholders	%
First Pacific Co Ltd	80.5
Vanguard Group Inc	0.7
FIL Ltd	0.5
Blackrock Inc	0.5
<b>By Geography</b>	<b>%</b>
Indonesia	95.2
United States	2.3
Luxembourg	1.0
United Kingdom	0.4

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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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