

Indofood CBP Sukses Makmur Tbk (ICBP IJ)

Strong Results pada 4Q22

ICBP mencatatkan pendapatan 4Q22 sebesar Rp15,9 triliun sehingga membawa pendapatan FY22 tumbuh 14,1% YoY menjadi Rp64,8 triliun. Semua segmen pada FY22 kompak tumbuh didorong oleh tingginya volume dan ASP dengan segmen Food Seasonings memimpin pertumbuhan yaitu 17,8% YoY. Akibat tingginya unrealized forex loss, laba bersih pada 4Q22 tercatat melemah menjadi Rp1,3 triliun (-7,3% QoQ; -10,6% YoY).

Pendapatan Menunjukkan Kinerja yang Solid

- ICBP mencatatkan pendapatan 4Q22 sebesar Rp15,9 triliun (-2,6% QoQ; +12,0% YoY) sehingga membawa pendapatan FY22 tumbuh 14,1% YoY menjadi Rp64,8 triliun (vs FY21: Rp56,8 triliun).
- Semua segmen pada FY22 kompak tumbuh didorong oleh tingginya volume dan ASP dengan segmen Food Seasonings memimpin pertumbuhan yaitu 17,8% YoY sementara segmen Noodles (kontribusi terbesar terhadap pendapatan yaitu 73,3%) tumbuh 15,8% YoY.
- Pada FY22, penjualan ke Timur Tengah dan Afrika tumbuh 14,8% YoY, Asia Lainnya tumbuh 20,7% YoY, serta penjualan di dalam negeri juga tumbuh yaitu 12,3% walaupun pada 4Q22 penjualan domestik secara QoQ berkontraksi.
- Akibat tingginya unrealized forex loss, laba bersih pada 4Q22 tercatat melemah menjadi Rp1,3 triliun (-7,3% QoQ; -10,6% YoY), sehingga secara kumulatif laba bersih FY22 berkontraksi 28,3% YoY menjadi Rp4,6 triliun (vs FY21: Rp6,4 triliun).
- Tingginya biaya bahan baku akibat kenaikan harga komoditas menyebabkan GPM pada FY22 tercatat lebih rendah yaitu 33,6% (vs FY21: 35,7% YoY), EBIT margin tercatat stabil di level 20,6%, sementara NPM tercatat 7,1% (vs FY21: 11,3%).

Varian Produk Baru Diharapkan Mendorong Kinerja Ke Depan

- Segmen Noodles mengalami kenaikan volume 3% pada FY22 dikontribusi baik domestik maupun overseas. EBIT margin tercatat lebih rendah pada FY22 yaitu 22,9% (vs FY21: 24,3%) namun pada 4Q22 terlihat adanya perbaikan EBIT Margin yang tercatat 26,1% (vs 3Q22: 25,6%). Adapun dari segmen ini, ICBP merilis varian baru mie instan yaitu Premium Collection Japanese Ramen yang diharapkan dapat meningkatkan volume penjualan.
- Adanya tekanan pada segmen produk susu cair menyebabkan segmen Dairy mengalami penurunan volume sebesar 10% pada FY22. EBIT margin mengalami penurunan menjadi 7,1% pada FY22 (vs FY21: 8,5%) yang diakibatkan oleh tingginya harga komoditas. Namun dengan dilirisnya Susu UHT Korean Series diharapkan mampu mendorong kinerja segmen ini selanjutnya.
- EBIT Margin untuk segmen Beverages pada FY22 tercatat lebih tinggi yaitu 4,9% (vs FY21: 2,2%) sementara tingginya biaya bahan baku akibat kenaikan harga komoditas masih menyebabkan EBIT margin untuk segmen Snack Foods, Food Seasonings, dan Nutrition & Special Foods tercatat lebih rendah yaitu masing-masing 7,9%, 11,8% dan 7,3% (vs FY21: 9,3%, 13,2%, dan 8,0%).

Rekomendasi BUY dengan TP Rp12.000

- Kami memberikan rekomendasi BUY untuk ICBP dengan target harga Rp12.000/saham (P/E 17,1x) dengan potensi kenaikan sebesar 20,3%. Pendapatan dan laba bersih 2023F kami proyeksikan masing-masing Rp72,6 triliun dan Rp7,5 triliun. Adapun, risiko utama dari rekomendasi kami adalah depresiasi mata uang rupiah, kenaikan harga bahan baku, dan penurunan permintaan produk.

Indofood CBP Sukses Makmur Tbk | Summary (IDR bn)

	2022A	2023F	2024F	2025F
Sales	64,798	72,569	82,078	90,912
Growth	14.1%	12.0%	13.1%	10.8%
Net Profit	4,587	7,540	8,276	9,359
Growth	-28.2%	64.4%	9.8%	13.1%
EPS (IDR)	393	647	710	803
P/E	25.4x	18.6x	16.9x	15.0x
P/BV	2.0x	2.2x	2.1x	1.9x
EV/EBITDA	11.8x	10.8x	9.9x	8.5x
ROE	8.4%	13.1%	13.2%	13.8%
ROA	3.9%	6.5%	6.5%	6.7%
Dividend Yield	2.1%	1.6%	2.1%	2.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

BUY

Target Price (IDR)	12,000
Consensus Price (IDR)	12,188
TP to Consensus Price	-1.5%
Potential upside	20.3%

Shares data

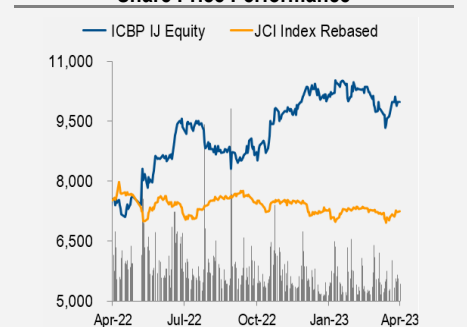
Last Price (IDR)	9,975
Price date as of	April 3, 2023
52 wk range (Hi/Lo)	10,600/7,050
Free float (%)	19.5
Outstanding sh.(mn)	11,662
Market Cap (IDR bn)	116,327
Market Cap (USD mn)	7,771
Avg. Trd Vol - 3M (mn)	4.6
Avg. Trd Val - 3M (bn)	46.6
Foreign Ownership	5.2%

Consumer Non Cyclical

Packaged Foods & Beverages

Bloomberg	ICBP IJ
Reuters	ICBP.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-1.7%	2.6%	-2.0%	32.1%
Rel. Ret.	-1.4%	2.4%	-1.1%	36.2%

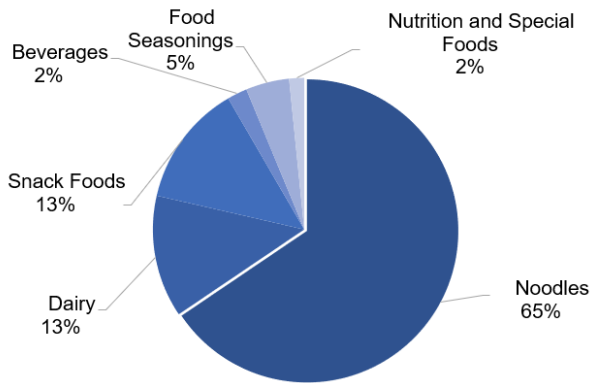
Cindy Alicia Ramadhania

+62 21 5088 9129

cindy.alicia@nhsec.co.id

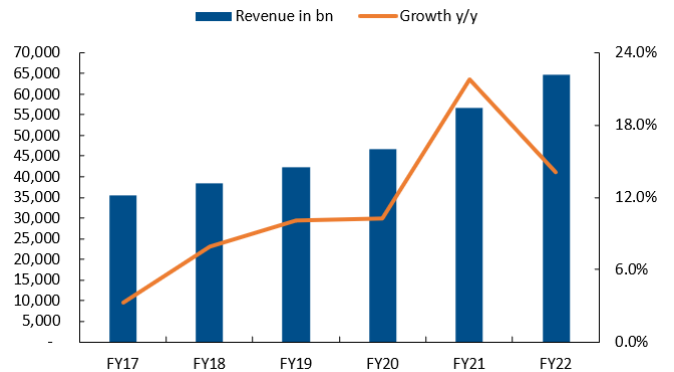
Performance Highlights

Revenue Breakdown | FY22



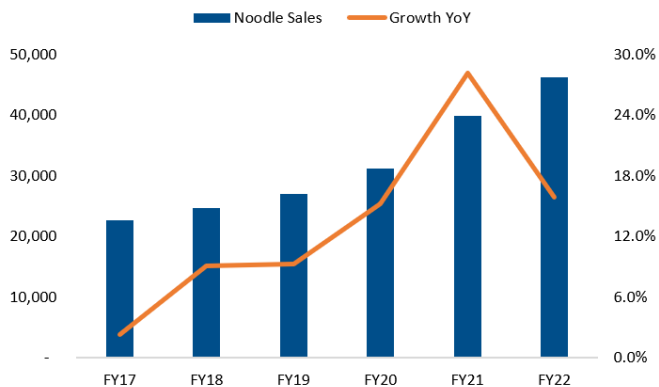
Source: Company, NHKSI Research

Revenue | FY17–FY22



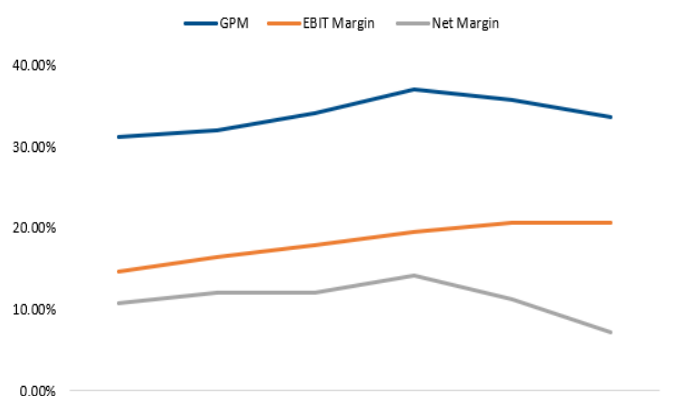
Source: Company, NHKSI Research

Noodle Sales | FY17–FY22



Source: Company, NHKSI Research

Profitability Margin | FY17–FY22



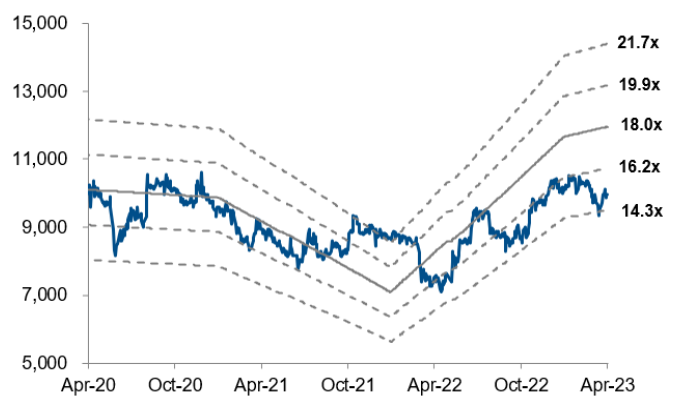
Source: Company, NHKSI Research

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)	2022/12A	2023/12E	2024/12E	2025/12E
Sales	64,798	72,569	82,078	90,912
<i>Growth</i>	14.1%	12.0%	13.1%	10.8%
COGS	(43,005)	(46,293)	(53,018)	(58,601)
Gross Profit	21,792	26,275	29,060	32,311
<i>Gross Margin</i>	33.6%	36.2%	35.4%	35.5%
Operating Expenses	(9,193)	(10,296)	(11,893)	(12,990)
EBIT	12,599	15,980	17,167	19,321
<i>EBIT Margin</i>	19.4%	22.0%	20.9%	21.3%
Depreciation	1,676	1,156	1,233	1,408
EBITDA	14,276	17,136	18,400	20,730
<i>EBITDA Margin</i>	22.0%	23.6%	22.4%	22.8%
Interest Expenses	(2,149)	(2,159)	(2,203)	(2,247)
EBT	7,525	12,369	13,323	15,256
Income Tax	(1,803)	(2,964)	(3,038)	(3,597)
Minority Interest	(1,135)	(1,865)	(2,009)	(2,301)
Net Profit	4,587	7,540	8,276	9,359
<i>Growth</i>	-28.2%	64.4%	9.8%	13.1%
<i>Net Profit Margin</i>	7.1%	10.4%	10.1%	10.3%

PROFITABILITY & STABILITY

	2022/12A	2023/12E	2024/12E	2025/12E
ROE	8.4%	13.1%	13.2%	13.8%
ROA	3.9%	6.5%	6.5%	6.7%
Inventory Turnover	6.0x	6.1x	6.1x	6.1x
Receivable Turnover	9.4x	9.1x	9.3x	9.2x
Payables Turnover	11.6x	10.4x	10.7x	10.9x
Dividend Yield	2.1%	1.6%	2.1%	2.5%
Payout Ratio	39.2%	50.0%	39.0%	42.7%
DER	0.8x	0.8x	0.8x	0.8x
Net Gearing	1.5x	1.4x	1.3x	1.2x
Equity Ratio	49.8%	49.0%	48.6%	48.4%
Debt Ratio	39.6%	38.3%	38.3%	38.0%
Financial Leverage	2.0x	2.1x	2.1x	2.1x
Current Ratio	3.1x	2.9x	3.2x	3.4x
Quick Ratio	2.4x	2.4x	2.7x	2.8x
Par Value (IDR)	50	50	51	52
Total Shares (mn)	11,662	11,662	11,662	11,662
Share Price (IDR)	10,000	12,000	12,000	12,000
Market Cap (IDR tn)	116.6	139.9	139.9	139.9

BALANCE SHEET

(IDR bn)	2022/12A	2023/12E	2024/12E	2025/12E
Cash	15,741	24,942	33,572	42,664
Receivables	6,876	7,939	8,844	9,871
Inventories	7,132	7,551	8,720	9,598
Total Current Assets	31,070	41,567	52,364	63,315
Net Fixed Assets	14,725	16,470	17,908	19,405
Other Non Current Assets	69,510	69,597	69,554	69,576
Total Non Current Asset	84,235	86,068	87,462	88,980
Total Assets	115,306	127,634	139,826	152,295
Payables	3,703	4,441	4,952	5,380
ST Bank Loan	1,054	1,259	1,308	1,452
Total Current Liabilities	10,034	14,179	16,428	18,897
LT Debt	44,605	47,564	52,194	56,361
Total Liabilities	57,833	65,144	71,919	78,608
Capital Stock	6,569	6,569	6,569	6,569
Retained Earnings	29,343	34,522	39,857	45,678
Shareholders' Equity	57,473	62,490	67,907	73,687

CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12E	2024/12E	2025/12E
Operating Cash Flow	8,804	11,340	9,542	11,234
Investing Cash Flow	(1,506)	(2,848)	(2,730)	(2,875)
Financing Cash Flow	(12,826)	709	1,818	734
Net Changes in Cash	(5,527)	9,201	8,630	9,092

VALUATION INDEX

	2022/12A	2023/12E	2024/12E	2025/12E
Price /Earnings	25.4x	18.6x	16.9x	15.0x
Price /Book Value	2.0x	2.2x	2.1x	1.9x
PE/EPS Growth	-0.9x	0.3x	1.7x	1.1x
EV/EBITDA	11.8x	10.8x	9.9x	8.5x
EV/EBIT	13.3x	11.6x	10.6x	9.1x
EV (IDR bn)	168,098	185,224	181,353	176,533
Sales CAGR (3-Yr)	15.3%	15.9%	13.1%	11.9%
Net Income CAGR (3-Yr)	-3.1%	4.6%	9.0%	26.8%
Basic EPS (IDR)	393	647	710	803
BVPS (IDR)	4,928	5,359	5,823	6,319
DPS (IDR)	215	197	252	303

OWNERSHIP

Shareholders	%
First Pacific Co Ltd	80.5
FIL Ltd	0.8
Vanguard Group Inc	0.8
Blackrock Inc	0.5
By Geography	%
Indonesia	94.8
United States	2.5
Luxembourg	1.2
United Kingdom	0.4

Source: Company Data, 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. All rights reserved by PT NH Korindo Sekuritas Indonesia.