

Japfa Comfeed Indonesia Tbk (JPFA)

Laba Bersih 2Q23 Mampu Berbalik Positif



Company Report | August 11, 2023

HOLD

Target Price	1,400
Consensus Price (IDR)	1,418
TP to Consensus Price	-1.3%
Potential Upside	+4.5%

Shares data

Last Price (IDR)	1,340
Price date as of	August 10, 2023
52 wk range (Hi/Lo)	1,635 / 1,015
Free float (%)	43.1
Outstanding sh.(mn)	11,726.6
Market Cap (IDR bn)	15,713.6
Market Cap (USD mn)	1,034.9
Avg. Trd Vol - 3M (mn)	18.2
Avg. Trd Val - 3M (bn)	23.0
Foreign Ownership (%)	97.7

Consumer Non-Cyclicals

Food and Beverages

Bloomberg	JPFA IJ
Reuters	JPFA.JK

JPFA berhasil membukukan pendapatan sebesar Rp12,4 triliun pada 2Q23 dengan segmen Peternakan Komersial memimpin pertumbuhan penjualan sebesar 7,6% YoY menjadi Rp5,4 triliun diikuti oleh segmen Pengolahan Hasil Peternakan dan Produk Konsumen yang tercatat Rp1,9 triliun atau tumbuh +4,1% YoY. Laba bersih 2Q23 mampu berbalik positif dari 1Q23 yaitu tercatat Rp331,9 miliar (vs 1Q23: -Rp249,9 miliar) dan secara kumulatif 6M23 tercatat Rp82,0 miliar. Adapun NPM 2Q23 tercatat 2,7% mampu berbalik positif dari 1Q23 sebesar -2,1% namun masih lebih rendah dari 2Q22 yang tercatat sebesar 4,1%.

Peternakan Komersial Memimpin Pertumbuhan Penjualan

- JPFA berhasil membukukan pendapatan sebesar Rp12,4 triliun pada 2Q23 (+5,4% QoQ; +0,5% YoY) namun sepanjang 6M23 penjualan tercatat turun 1,3% YoY menjadi Rp24,2 triliun (vs 6M22: Rp24,5 triliun).
- Pada 2Q23, segmen Peternakan Komersial memimpin pertumbuhan dengan mencatatkan penjualan sebesar Rp5,4 triliun (+20,4% QoQ; +7,6% YoY) diikuti oleh segmen Pengolahan Hasil Peternakan dan Produk Konsumen yang tercatat Rp1,9 triliun (+4,9% QoQ; +4,1% YoY).
- Adapun segmen Pakan Ternak mencatatkan penurunan menjadi Rp3,0 triliun (-14,4% QoQ; -7,7% YoY). Penjualan domestik sendiri tercatat naik tipis pada 2Q23 sebesar 0,2% YoY menjadi Rp12,2 triliun dan secara kumulatif 6M23 turun 1,6% YoY menjadi Rp23,7 triliun.
- Tantangan yang dialami seperti adanya ketidakseimbangan antara permintaan dan pasokan pada DOC dan ayam pedaging mengakibatkan melemahnya harga unggas. Namun, pada 2Q23 telah terjadi penyesuaian pasokan yang tercermin dari adanya peningkatan harga unggas serta profitabilitas yang mengalami rebound.

Margin Tampak Rebound

- Tingginya biaya bahan baku menjadi tantangan yang dihadapi sehingga beban pokok penjualan naik 2,6% YoY pada 2Q23 dan menyebabkan laba kotor 2Q23 terkontraksi 8,6% YoY menjadi Rp2,1 triliun dan secara kumulatif 6M23 tercatat turun 23,7% YoY menjadi Rp3,4 triliun. GPM pada 2Q23 mampu mencatatkan angka lebih tinggi secara QoQ menjadi 16,7% (vs 1Q23: 10,9%) namun masih lebih rendah secara YoY (vs 2Q22: 18,4%).
- OPM 2Q23 mampu berbalik positif dari 1Q23 (-0,6%) dengan tercatat 6,0% namun masih lebih rendah dari periode 2Q22 sebesar 7,5%. Hal ini terlihat dari laba usaha yang mengalami penurunan sebesar 38,3% YoY menjadi Rp574,3 miliar pada 2Q23 akibat meningkatnya beban penjualan dan pemasaran (+2,6% QoQ; +16,5% YoY). Adapun sepanjang 6M23, laba usaha terkontraksi 66,1% YoY menjadi Rp656,0 miliar.
- Laba bersih 2Q23 mampu berbalik positif dari 1Q23 yaitu tercatat Rp331,9 miliar (vs 1Q23: -Rp249,9 miliar) namun masih lebih rendah dari 2Q22 yang tercatat Rp508,0 miliar. Adapun secara kumulatif 6M23, laba bersih terkontraksi 92,6% YoY menjadi Rp82,0 miliar (vs 6M22: Rp1,1 triliun). Adapun NPM 2Q23 tercatat 2,7% mampu berbalik positif dari 1Q23 sebesar -2,1% namun masih lebih rendah dari 2Q22 yang tercatat sebesar 4,1%.
- Sementara itu, untuk memperkuat kinerjanya, Perseroan akan terus memperkuat bisnis downstreamnya melalui segmen Pengolahan Hasil Peternakan dan Produk Konsumen dan mendorong pertumbuhan penjualan ritelnya baik offline maupun online.

Rekomendasi HOLD dengan TP Rp1.400

- Kami memberikan rekomendasi HOLD untuk JPFA dengan target price Rp1.400/lembar yang merefleksikan P/E 9,6x dengan potensi kenaikan sebesar 4,5%. Adapun, risiko dari rekomendasi kami adalah kenaikan harga bahan baku, daya beli konsumen, dan penurunan permintaan produk.

Japfa Comfeed Indonesia Tbk | Summary (IDR Bn)

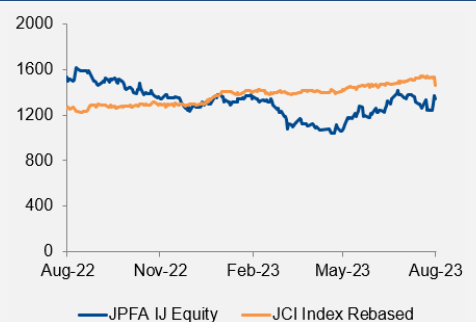
	2022	2023F	2024F	2025F
Revenue	48,972	52,980	55,772	59,019
Growth	9.1%	8.2%	5.3%	5.8%
Net Profit	1,420	1,484	1,789	1,869
Growth	-29.8%	4.5%	20.5%	4.5%
EPS (IDR)	121	127	153	159
P/E	10.7x	11.1x	9.2x	8.8x
P/BV	1.1x	1.1x	1.0x	0.9x
EV/EBITDA	6.9x	6.4x	5.9x	5.9x
ROE	10.6%	10.5%	11.8%	11.2%
ROA	4.6%	4.4%	5.1%	5.0%
Dividend Yield	3.8%	3.7%	3.9%	4.1%

Source: Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret	0.0%	-1.1%	25.8%	-10.7%
Rel. Ret	-0.6%	-3.5%	24.6%	-7.9%

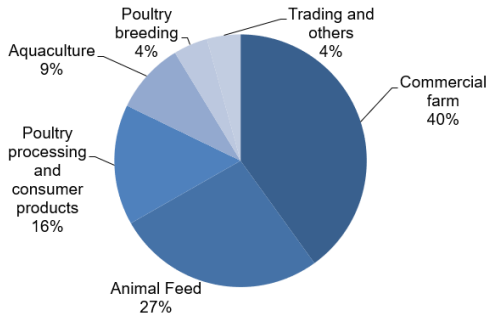
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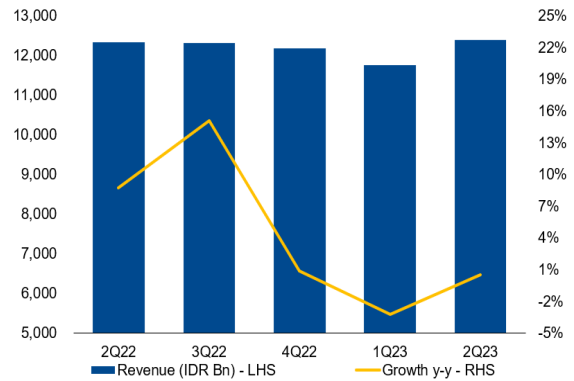
Performance Highlights

JPFA Revenue Breakdown



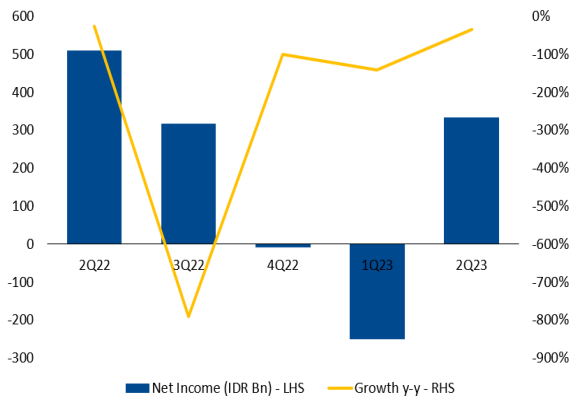
Source: Bloomberg, NHKSI Research

JPFA Net Revenue (2Q22 - 2Q23)



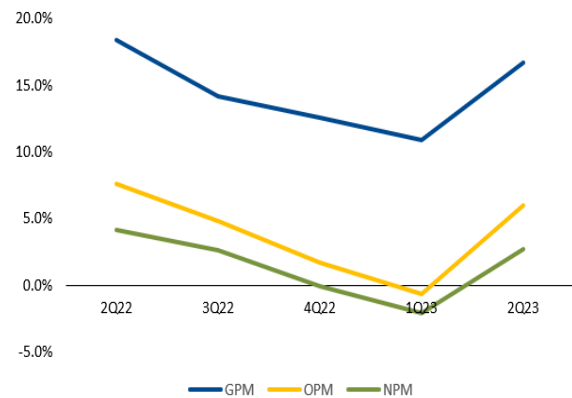
Source: Bloomberg, NHKSI Research

JPFA Net Profit (2Q22 - 2Q23)



Source: Bloomberg, NHKSI Research

Margin Ratios (2Q22 - 2Q23)



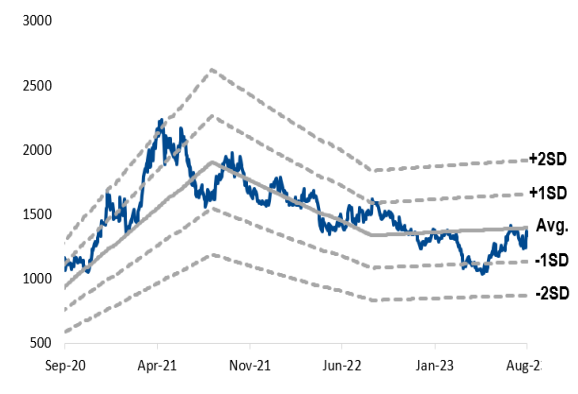
Source: Bloomberg, NHKSI Research

3-Year Forward P/E Band



Source: Bloomberg, NHKSI Research

3-Year Dynamic Forward P/E Band



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2022/12A	2023/12E	2024/12E	2025/12E
Sales	48,972	52,980	55,772	59,019
Growth	9.1%	8.2%	5.3%	5.8%
COGS	(41,289)	(44,682)	(46,727)	(49,431)
Gross Profit	7,683	8,298	9,045	9,587
Gross Margin	15.7%	15.7%	16.2%	16.2%
Operating Expenses	(4,956)	(5,362)	(5,645)	(5,973)
EBIT	2,727	2,936	3,400	3,614
EBIT Margin	5.6%	5.5%	6.1%	6.1%
Depreciation	1,052	1,180	1,116	1,116
EBITDA	3,779	4,116	4,516	4,730
EBITDA Margin	7.7%	7.8%	8.1%	8.0%
Interest Expenses	677	676	714	706
EBT	1,955	2,043	2,463	2,573
Income Tax	(464)	(485)	(584)	(610)
Minority Interest	(71)	(74)	(90)	(94)
Net Profit	1,420	1,484	1,789	1,869
Growth	-29.8%	4.5%	20.5%	4.5%
Net Profit Margin	2.9%	2.8%	3.2%	3.2%

PROFITABILITY & STABILITY

	2022/12A	2023/12E	2024/12E	2025/12E
ROE	10.6%	10.5%	11.8%	11.2%
ROA	4.6%	4.4%	5.1%	5.0%
ROIC	9.7%	8.6%	10.0%	9.9%
Cash Dividend (IDR bn)	581	611	638	680
Dividend Yield	3.8%	3.7%	3.9%	4.1%
Payout Ratio	28.7%	43.0%	43.0%	38.0%
DER	90.1%	78.0%	76.0%	73.0%
Net Gearing	101.5%	87.7%	85.0%	83.5%
LT Debt to Equity	61.7%	53.5%	52.1%	50.0%
Capitalization Ratio	47.4%	43.8%	43.2%	42.2%
Equity Ratio	41.8%	42.3%	43.7%	45.2%
Debt Ratio	37.6%	33.0%	33.2%	33.0%
Financial Leverage	105.7%	107.0%	97.4%	94.7%
Current Ratio	180.6%	169.2%	174.6%	177.7%
Inventory Turnover	3.3x	3.5x	3.5x	3.5x
Total Shares (mn)	11,727	11,727	11,727	11,727
Share Price (IDR)	1,295	1,400	1,400	1,400
Market Cap (IDR tn)	15.2	16.4	16.4	16.4

BALANCE SHEET

(IDR bn)	2022/12A	2023/12E	2024/12E	2025/12E
Cash	1,811	2,125	2,452	2,177
Receivables	2,405	2,763	2,850	3,020
Inventories	12,456	12,808	13,315	14,264
Total Current Assets	17,001	18,110	18,989	19,854
Net Fixed Assets	13,584	14,364	15,263	16,322
Other Non Current Asset	2,105	2,039	1,980	2,595
Total Assets	32,691	34,513	36,232	38,771
Payables	3,444	3,586	3,645	3,773
ST Bank Loan	3,869	3,582	3,782	4,026
LT Debt	8,429	7,803	8,240	8,770
Total Liabilities	19,036	19,917	20,413	21,242
Capital Stock & APIC	3,028	3,028	3,028	3,028
Retained Earnings	10,231	11,105	12,256	13,445
Shareholders' Equity	13,655	14,597	15,818	17,529

VALUATION INDEX

	2022/12A	2023/12E	2024/12E	2025/12E
Price /Earnings	10.7x	11.1x	9.2x	8.8x
Price /Book Value	1.1x	1.1x	1.0x	0.9x
Price/Sales	0.3x	0.3x	0.3x	0.3x
PE/EPS Growth	-0.4x	2.4x	0.4x	2.0x
EV/EBITDA	6.9x	6.4x	5.9x	5.9x
EV/EBIT	9.6x	8.9x	7.8x	7.8x
EV (IDR bn)	26,069	26,142	26,521	28,092
Sales CAGR (3-Yr)	8.0%	12.7%	7.5%	6.4%
EPS CAGR (3-Yr)	-7.0%	17.4%	-4.0%	9.6%
Basic EPS (IDR)	121	127	153	159
Diluted EPS (IDR)	121	127	153	159
BVPS (IDR)	1,164	1,245	1,349	1,495
Sales PS (IDR)	4,176	4,518	4,756	5,033
DPS (IDR)	50	52	54	58

CASH FLOW STATEMENT

(IDR bn)	2022/12A	2023/12E	2024/12E	2025/12E
Operating Cash Flow	1,439	3,447	2,326	1,897
Investing Cash Flow	(2,202)	(1,678)	(2,067)	(2,788)
Financing Cash Flow	1,406	(1,455)	69	616
Net Changes in Cash	643	314	328	(275)

OWNERSHIP

By Geography	% Shareholders	%
Singapore	86.6	Japfa Ltd 55.4
United States	2.6	Vanguard Group 1.9
Indonesia	2.3	FIL Ltd 1.7
Luxembourg	2.3	Dimensional Fund Adv. 1.1

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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