

BUY (Unchanged)

Target Price (IDR) 12,000 (from 12,000)
Potential Upside (%) 18.8

Price Comparison

Cons. Target Price (IDR) 12,166
SSI vs. Cons. (%) 98.6

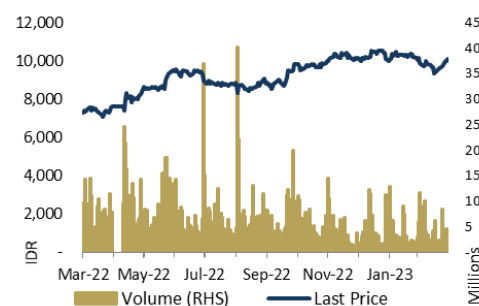
Stock Information

Last Price (IDR) 10,100
Shares Issued (Mn) 11,662
Market Cap. (IDR Bn) 116,911
52-Weeks High/Low (IDR) 10,600/7,050
3M Avg. Daily Value (IDR Bn) 45.5
Free Float (%) 19.5
Shareholder Structure:
 Indofood Sukses Makmur (%) 80.5
 Publik (%) 19.5

Stock Performance

(%)	YTD	1M	3M	12M
Absolute	0.3	(1.0)	(1.5)	37.3
JCI Return	(0.5)	(0.4)	(0.6)	(2.8)
Relative	0.8	(0.6)	(0.8)	40.1

Stock Price & Volumes, 12M



Company Background

Didirikan pada tahun 2009, PT Indofood CBP (Consumer Branded Products) Tbk merupakan anak perusahaan PT Indofood Sukses Makmur Tbk yang bergerak dalam pembuatan produk konsumen (mie instan, produk dairy, makanan ringan, penyedap makanan, nutrisi dan makanan khusus, serta minuman).



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Stay on the Right Track

FY22: Mi instan sebagai pendorong pendapatan. Pendapatan 4Q22 ICBP tumbuh +12.0% YoY dan mendorong pendapatan FY22 menjadi IDR 64.8 triliun (+14.1% YoY), sejalan dengan perkiraan kami (99.3% proyeksi FY22). Kinerja positif tersebut terutama didorong oleh pertumbuhan penjualan segmen mi instan (73.3% pendapatan ICBP) sebesar +15.8% YoY ditopang oleh naiknya ASP yang cukup signifikan (+12% YoY) guna menjaga EBIT margin saat menghadapi kenaikan harga bahan baku. Didukung dengan posisi ICBP sebagai market leader di industri mi instan nasional (pangsa pasar >70%), segmen tersebut mampu mencatatkan pertumbuhan volume penjualan (+3% YoY). Hampir semua segmen bisnis ICBP lainnya juga mencatatkan pertumbuhan volume penjualan, yaitu makanan ringan (+10% YoY), penyedap rasa (+12% YoY), nutrisi dan makanan khusus (+1% YoY), serta minuman (+5% YoY).

Pulihnya EBIT margin. Terkait margin keuntungan, EBIT margin 4Q22 ICBP mencapai 24.1% (+158bps qoq), berhasil pulih dari penurunan drastis di 2Q22 yang hanya mencapai 15.2%. Hal tersebut didorong oleh kenaikan EBIT margin hampir semua segmen bisnisnya, kecuali nutrisi dan makanan khusus (-168bps qoq) serta minuman (-322bps qoq). EBIT margin FY22 ICBP stabil di level 20.6% dengan EBIT yang naik +14.6% YoY mencapai IDR 13.4 triliun. Didukung dengan penurunan harga bahan baku, kami memperkirakan EBIT margin FY23F ICBP dapat stabil di level 20.7%.

Unrealized forex loss mencapai IDR 4 triliun. Walaupun laba bersih FY22 ICBP turun -28.3% YoY mencapai IDR 4.6 triliun, hal tersebut masih sejalan dengan perkiraan kami (101.3% proyeksi SSI). Penurunan tersebut dibebankan oleh kenaikan unrealized forex loss (IDR 4 triliun) seiring dengan pelemahan rupiah di tahun lalu (-9.3% YoY), dan tidak mencerminkan kinerja operasional ICBP. Core profit ICBP naik +7% YoY mencapai IDR 7.3 triliun. Forex loss tersebut berasal dari aktivitas pembiayaan yaitu obligasi dalam denominasi USD dollar (USD 2.75 miliar) terkait akuisisi Pinehill. Perlu dicatat penjualan FY22 target market Pinehill sendiri (Timur tengah dan Afrika) tumbuh dengan level yang lebih tinggi daripada domestik, yaitu +14.8% YoY dengan kontribusi terhadap penjualan naik menjadi 23.1% dari 22.9% di FY21. Ke depan, kami melihat Pinehill akan kembali mencatatkan kinerja positif namun dengan level pertumbuhan yang lebih rendah, mengingat masih adanya tantangan dari kondisi ekonomi target market Pinehill (tingginya inflasi dan depresiasi mata uang) yang dapat menurunkan daya beli.

BUY, TP IDR 12,000. Dengan semakin tingginya mobilitas masyarakat setelah pandemi COVID-19 dan meningkatnya jalur distribusi ICBP, kami memproyeksikan pendapatan FY23F ICBP dapat tumbuh +11.0% YoY disertai pertumbuhan EBIT +11.1% YoY. Dengan sejumlah faktor positif yang telah dijabarkan di atas, kami mempertahankan rekomendasi BUY dengan TP IDR 12,000, mencerminkan 15.1x PE FY23F.

Forecasts and Valuations (at closing price IDR 10,100 per share)

Y/E Dec	20A	21A	22A	23F	24F
Revenue (IDR bn)	46,641	56,804	64,798	71,904	78,099
EBITDA (IDR bn)	10,177	12,781	14,514	15,994	17,814
EV/EBITDA(x)	13.6	10.7	10.2	8.8	7.7
Adj. Net Profit (IDR bn)	6,587	6,388	8,624	9,571	9,929
EPS (IDR)	565	548	740	797	851
EPS Growth (%)	30.7	-3.0	35.0	7.8	6.8
P/E Ratio (x)	17.9	18.4	13.7	12.7	11.9
P/BV Ratio (x)	4.0	3.5	3.2	2.7	2.4

Table 1. ICBP 4Q22 Results

(IDR Bn)	4Q21	3Q22	4Q22	QoQ	YoY	FY21	FY22	YoY
Revenue	14,182	16,316	15,888	-2.6%	12.0%	56,804	64,798	14.1%
Gross Profit	4,755	5,584	5,806	4.0%	22.1%	20,287	21,792	7.4%
Operating Profit	2,849	3,672	3,826	4.2%	34.3%	11,674	13,378	14.6%
Net Profit	1,430	1,379	1,278	-7.3%	-10.6%	6,399	4,587	-28.3%
Gross Profit Margin	33.5%	34.2%	36.5%	232 bps	301 bps	35.7%	33.6%	-208 bps
Operating Margin	20.1%	22.5%	24.1%	158 bps	399 bps	20.6%	20.6%	10 bps
Net Margin	10.1%	8.5%	8.0%	-41 bps	-204 bps	11.3%	7.1%	-419 bps

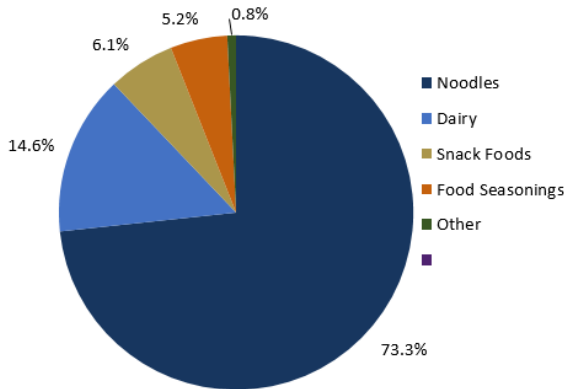
Source: Company, SSI Research

Table 2. ICBP 4Q22 Results (by Segment)

Revenue (IDR Bn)	4Q21	3Q22	4Q22	QoQ	YoY	FY21	FY22	YoY
Noodles	10,241	12,206	11,729	-3.9%	14.5%	40,991	47,476	15.8%
Dairy	2,352	2,011	2,214	10.1%	-5.9%	9,145	9,444	3.3%
Snack Foods	846	981	1,054	7.4%	24.7%	3,390	3,970	17.1%
Food Seasonings	581	839	724	-13.7%	24.6%	2,854	3,363	17.8%
Nutrition and Special Foods	284	266	308	15.8%	8.5%	1,048	1,161	10.8%
Beverages	339	414	376	-9.2%	11.0%	1,342	1,545	15.1%
Operating Profit (IDR Bn)	4Q21	3Q22	4Q22	QoQ	YoY	FY21	FY22	YoY
Noodles	2,560	3,131	3,063	-2.2%	19.7%	9,962	10,875	9.2%
Dairy	64	65	221	238.9%	245.4%	772	670	-13.3%
Snack Foods	42	82	110	33.5%	164.6%	314	314	-0.2%
Food Seasonings	95	76	80	5.0%	-15.2%	374	396	6.0%
Nutrition and Special Foods	33	24	23	-5.7%	-31.2%	84	85	1.1%
Beverages	13	23	9	-60.9%	-28.4%	29	75	157.7%
OPM	4Q21	3Q22	4Q22	QoQ	YoY	FY21	FY22	YoY
Noodles	25.0%	25.6%	26.1%	47 bps	112 bps	24.3%	22.9%	-140 bps
Dairy	2.7%	3.2%	10.0%	674 bps	726 bps	8.4%	7.1%	-135 bps
Snack Foods	4.9%	8.4%	10.4%	204 bps	552 bps	9.3%	7.9%	-137 bps
Food Seasonings	16.3%	9.1%	11.1%	198 bps	-520 bps	13.1%	11.8%	-132 bps
Nutrition and Special Foods	11.5%	9.0%	7.3%	-168 bps	-422 bps	8.0%	7.3%	-70 bps
Beverages	3.8%	5.6%	2.4%	-322 bps	-134 bps	2.2%	4.9%	270 bps

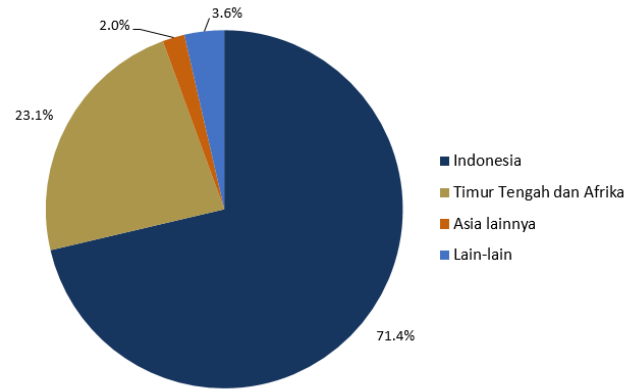
Source: Company, SSI Research

Figure 1. Revenue Mix FY22 (Business Segments)



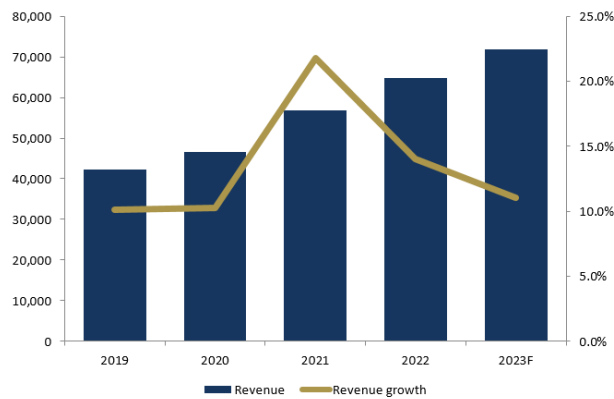
Source: Company, SSI Research

Figure 2. Revenue Mix FY22 (Geographic)



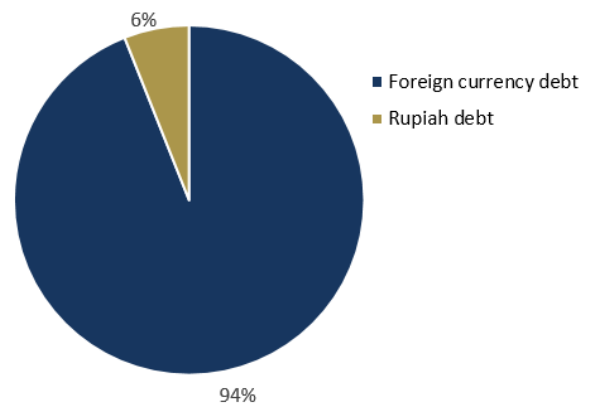
Source: Company, SSI Research

Figure 3. Revenue Growth



Source: Bloomberg, SSI Research

Figure 4. Debt Composition



Source: Company, SSI Research

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