

UNVR 2Q24 Results: (IDR Bn)									
	2Q24	2Q23	QoQ (%)	YoY (%)	6M24	6M23	YoY (%)	SSI (%)	Cons (%)
Revenue	8,964	9,687	-11.1	-7.5	19,044	20,292	-6.2	48.6	51.4
Gross Profit	4,435	4,887	-11.9	-9.2	9,468	10,117	-6.4	-	-
Operating Profit	1,308	1,769	-30.5	-26.1	3,191	3,627	-12.0	-	-
Net Profit	1,018	1,354	-29.7	-24.8	2,467	2,759	-10.6	49.0	54.4
Key Ratios									
GPM (%)	49.5	50.5	-	-	49.7	49.9	-	-	-
OPM (%)	14.6	18.3	-	-	16.8	17.9	-	-	-
NPM (%)	11.4	14.0	-	-	13.0	13.6	-	-	-

SWOT Analysis of the Results (In-Line with Ours; Below Cons.)

Strength

Manageable raw material prices partly due to Unilever's global procurement program helped the company maintain a relatively stable 2Q24 gross margin at 49.5% (1Q24: 49.9%; 2Q23: 50.3%)

Weakness

Revenue slipped to IDR 8.9tn in 2Q24 (-11.1% QoQ; -7.5% YoY), with both HPC and FnR segments reporting soft numbers (-9.4% and -14.1% QoQ), mainly due to downtrading and anti-Israel boycott

Opportunity

Product portfolio expansion may help offset the impact of consumer downtrading while severe market underperformance may provide stock-trading opportunities, particularly on further share price weakness

Threat

Intense competition with the likes of Wings and worse-than-expected consumer spending due to weak purchasing power and the possibility of prolonged boycott

Peer Comparables

Company Ticker	Market		TP (IDR)	P/B (x)	P/E (x)	2024F		
	Cap (IDR Tn)	Rating				Div. Yield (%)	EPS Gwt (%)	ROE (%)
ICBP IJ	125.1	BUY	13,000	2.6	15.5	2.9	13.0	21.2
INDF IJ	53.6	BUY	8,000	0.8	5.3	5.5	24.5	16.1
KLBF IJ	73.8	BUY	1,800	2.9	21.5	2.0	14.1	14.3
SIDO IJ	21.9	BUY	830	3.4	21.1	7.5	24.0	32.5
UNVR IJ	104.1	HOLD	2,700	30.0	20.4	4.5	4.8	131.0
Sector	378.5			10.0	16.9	3.8	13.2	50.0

Relative YTD Performance vs JCI

