UNVR IJ

PT Unilever Indonesia Tbk

Undemanding Valuation

SSI SUMMARY - UNVR's valuations are now quite undemanding trading at 13.1x 26F P/E, 18% discount to the global peers while offering superior ROE of 130.7% (peers: 34.5%). Additionally, the stock has underperformed the local index by nearly 10% in 1M, paving the way for an attractive entry level for investors. Finally, its dominance in market share and bulk purchases should help cushion performance amid current challenging operating conditions.

SSI RATING

BUY

TARGET PRICE	UPSIDE
IDR 2,100	▲ 23.9%

(Based on 16.3x 2026F P/E)

Cons. TP (IDR)	2,060
Last Price (IDR)	1,695
52-Week High/Low (IDR)	2,840/1,485
3M avg daily value (IDRbn)	37.6
Market cap (IDRtn)	64.7
Unilever Indonesia Holding B.V (%)	85.0
Public (%)	15.0

2Q26 Top-line

1H26 revenues declined to IDR16.9 tn (-7.2% YoY) on the back of the Sariwangi divestment (below 5% of total top line) on 2 March 2026, inline with ours and cons (SSI: 50.5%; cons: 50.6%).

2Q26 Bottom-line

1H26 core profit reached IDR2.3 tn (+4.9% YoY), inline with our estimate (SSI: 45.9%; Cons: 50.1%) although input cost increases had occurred during the period due to higher commodity prices and IDR depreciation.

Operational Data

2Q26 underlying volume growth still rose +12.7% YoY across all business categories while underlying prices experienced -1.7% decline. However, UNVR had raised ASPs by 3-5% in June 2026 on selected portofolios.

3Q26/26F Preview

3Q26 revenue expected at IDR8.2 tn (-13% YoY) with core profit to reach IDR1.4 tn (+21.6% YoY) helped by lower transformation costs at both COGS and Opex. This strong profit growth should help support sentiment on UNVR.

Positive Catalysts

UNVR's bulk-purchases, strong market share (30.8% for FMCG), and asset-light business approach in Indonesia should facilitate FCF and support margins from higher input costs and current IDR depreciation.

Negative Sentiments

Further IDR depreciation, various elevated raw materials prices, and downtrading by customers may continue to weigh on profitability.

Share-Price Relative

Stock Performance				
(%)	YTD	1M	3M	12M
Absolute	(34.8)	(4.2)	7.6	9.0
JCI Return	(29.6)	4.6	(14.2)	(20.0)
Relative	(5.3)	(8.9)	21.8	29.0

Company Background

Established in 1933, UNVR is Indonesia's largest listed home and personal care FMCG company, managing over 40+ brands and 1,000 SKUs through a nationwide network of 600+ distributors (previously 800).

SOURCES UNVR 2Q26 results & company filings; SSI Research. Analysts: Jonathan Guyadi.

Figure 1. UNVR's 2Q26 Results

(IDRbn)	2Q26	QoQ %	YoY %	1H25	1H26	y-y %	vs FY26F	vs cons
Revenue	**8,457**	**0.2**	**(15.4)**	**18,205**	**16,900**	**(7.2)**	**50.5**	**50.6**
Gross Profit	3,805	(6.5)	(20.5)	8,758	7,875	(10.1)	45.7	49.7
Operating Profit	**935**	**(41.5)**	**(36.1)**	**2,902**	**2,533**	**(12.7)**	**40.5**	**49.0**
Net Profit	829	(61.3)	(9.7)	2,156	2,970	37.8	60.8	72.0
Core Profit	**765**	**(48.9)**	**(16.8)**	**2,157**	**2,263**	**4.9**	**45.9**	**50.1**
Key ratios (%)								
GPM (%)	*45.0*	–	–	*48.1*	*46.6*	–	–	–
OPM(%)	*11.1*	–	–	*15.9*	*15.0*	–	–	–
NPM(%)	*9.8*	–	–	*11.8*	*17.6*	–	–	–

Sources: Company, SSI Research

Figure 2. Peer Comparables

Company	Market	PER (x)		PBV (x)		ROE (%)		Div Yield (%)		Net Gearing
Ticker	Cap (USD Mn)	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	Current
ICBP IJ	4479.9	8.8	7.7	1.4	1.3	15.8	16.7	4.6	5.0	21.4
INDF IJ	3,349	5.3	4.8	0.7	0.7	14.2	14.8	5.0	5.8	10.5
UNVR IJ	3574.2	14.7	14.9	26.0	21.5	130.7	163.4	10.6	9.0	-113.1
MYOR IJ	2,126	11.5	10.1	1.9	1.7	16.9	17.5	3.3	4.2	13.8
KLBF IJ	1798.3	8.8	8.1	1.3	1.2	14.8	15.0	5.4	5.9	-16.8
SIDO IJ	600	9.1	8.6	3.4	3.3	36.8	38.4	10.8	10.8	-14.7
CMRY IJ	2061.3	16.5	13.8	4.9	4.4	29.8	31.6	4.1	4.4	-25.1
ULTJ IJ	775.9	8.5	7.6	1.7	1.5	19.8	20.8	5.9	6.6	-37.5
URC PM	2,092	10.7	10.0	1.0	1.0	9.6	10.0	6.6	7.0	11.7
MONDE PM	2089.8	12.5	11.6	1.9	1.8	16.5	16.9	4.8	4.8	-18.7
CNPF PM	1,809	14.6	13.2	2.6	2.3	18.2	18.1	3.3	3.5	17.4
VNM VN	4809.4	14.3	12.8	4.1	3.8	29.8	30.7	7.1	7.3	-41.3
BJC TB	1,939	15.0	13.7	0.5	0.5	3.7	3.8	4.1	4.4	123.1
CPF TB	5336.7	9.5	8.4	0.7	0.7	8.1	8.6	4.6	5.0	195.9
NESZ MK	5,585	36.5	33.5	41.1	40.6	105.2	110.8	2.6	2.9	165.9
DABUR IN	7869.8	36.0	32.3	6.2	5.8	17.7	18.6	1.9	2.0	-32.7
HMN IN	1,857	21.1	19.0	5.4	4.8	26.5	26.8	2.8	3.0	-24.6
Weighted AVERAGE	52,352	18.1	16.4	8.5	8.0	34.5	37.8	4.6	4.8	26.0

Sources: Company, SSI Research

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