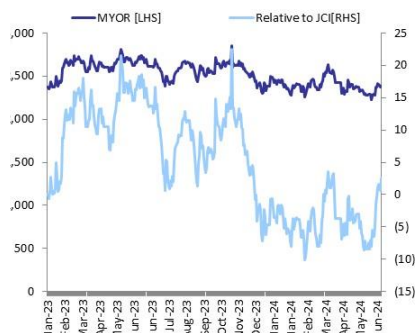


Buy

(Maintained)

Last Price (Rp)	2,350
Target Price (Rp)	3,200
Previous Target Price (Rp)	3,200
Upside/Downside	+36.2%
No. of Shares (mn)	22,359
Mkt Cap (Rpbn/US\$mn)	52,543/3,198
Avg, Daily T/O (Rpbn/US\$mn)	19.0/1.2
Free Float (%)	15.7
Major Shareholder (%)	
UNITA BRANINDO PT	32.9
MAYORA DHANA UTAMA PT	26.1
EPS Consensus (Rp)	
	2024F 2025F 2026F
BRIDS	150.5 162.6 182.1
Consensus	151.0 162.9 184.8
BRIDS/Cons (%)	(0.3) (0.2) (1.5)

MYOR relative to JCI Index



Source: Bloomberg

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Mayora Indah (MYOR II)

Steady indicative 2Q24 sales growth, with intact margin outlook

- MYOR's management expects robust sales growth in 2Q24 off a low base in 2Q23 after double-digit growth (mom and yoy) in Apr-May24.
- Higher raw material costs led to lower margins in 2Q24. As such, MYOR will gradually adjust ASP at the consumer level.
- Maintain Buy with an unchanged TP of Rp3,200 (implying FY24F PE of 21x).

Expect robust 2Q24 sales growth: export markets starting to revive

In our recent meeting, MYOR's management indicated that May24's monthly sales still grew at a "double-digit" rate mom and yoy following solid growth in Apr24 sales off a low base in 2Q23. Nonetheless, sales growth in Jun24 may slow due to school holidays and seasonal factors (i.e. Eid Al-Adha holidays). Furthermore, MYOR's management also indicated that export sales to Malaysia and China had begun to revive, adding that 2H24 sales would be aided by seasonal events (i.e. Mooncake Festival in 3Q24). Against this backdrop, we expect MYOR to attain our FY24F sales target (+7.8% yoy), given the larger expected contribution from export markets (FY23: 44%).

MYOR plans to steadily increase ASP to offset higher raw material prices

MYOR indicated that it had started to adjust the ASP of several products in 2Q24. The prices of chocolate products have already been raised at the retailer level, while the prices of coffee products will initially be adjusted in export markets (in Malaysia, China, Europe and the US) within a range of 5-6%, while for the domestic market MYOR will give 1-2 months consideration after the market leader (Kapal Api) adjusted its prices in May24. For 2Q24, MYOR is expected to record lower margins qoq owing to the impact of higher raw material prices. Since May24, MYOR has utilized coffee and cocoa inventory at higher prices (coffee and cocoa prices in May24: US\$4,120/MT and US\$9,331/MT; May23: US\$2,256/MT and US\$3,007/MT). Nonetheless, MYOR plans to gradually increase the ASP at the consumer level after the "back-to-school" period in July-August. Furthermore, the management sees room for a higher market share in wafers and candy, with additional capacity from new factories and new product launches (5 to 10 products).

Maintain Buy with an unchanged TP of Rp3,200

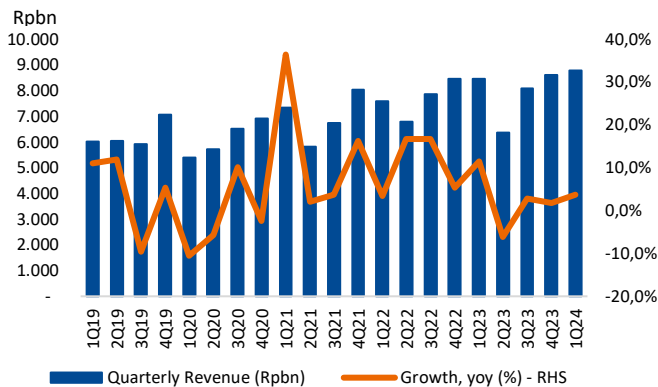
We maintain our Buy rating with an unchanged TP of Rp3,200 (implying FY24F PE of 21.3x, at -0.5x SD to the avg 5-y PE) as we see support for earnings from greater exposure to exports (45% to revenue) versus its peers (5-8%) to sustain sales volume growth going forward, supported by ASP increases and offsetting potential downside from currency weakness. Key risks to our view include higher raw material prices in addition to lower-than-expected sales volume in domestic and export markets.

Key Financials

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Revenue (Rpbn)	30,669	31,485	33,946	36,904	40,594
EBITDA (Rpbn)	3,281	5,130	5,317	5,961	6,721
EBITDA Growth (%)	25.4	56.4	3.6	12.1	12.8
Net Profit (Rpbn)	1,942	3,194	3,365	3,636	4,072
EPS (Rp)	86.9	142.8	150.5	162.6	182.1
EPS Growth (%)	63.7	64.4	5.3	8.1	12.0
BVPS (Rp)	564.8	672.6	752.8	854.5	970.9
DPS (Rp)	21.0	35.1	71.4	60.9	65.8
PER (x)	27.1	16.5	15.6	14.5	12.9
PBV (x)	4.2	3.5	3.1	2.8	2.4
Dividen yield (%)	0.9	1.5	3.0	2.6	2.8
EV/EBITDA	16.7	10.3	10.0	8.6	7.6

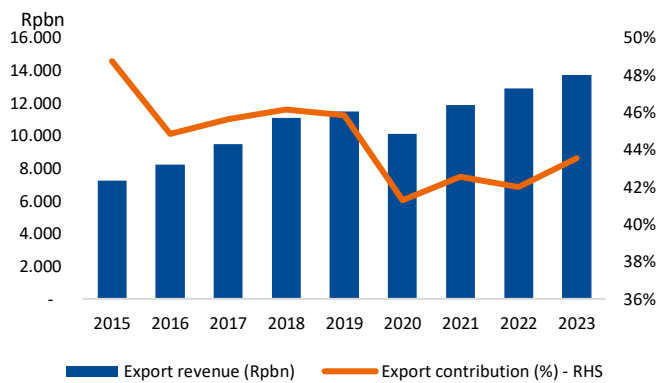
Source: MYOR, BRIDS Estimates

Exhibit 1. Quarterly revenue and yoy growth, 2019 – 1Q24



Source: Company, BRIDS

Exhibit 2. Yearly export revenue contribution, 2015 - 2023



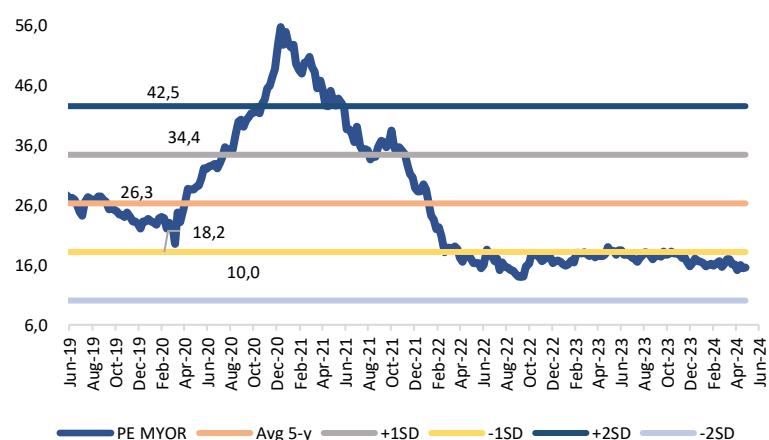
Source: Company, BRIDS

Exhibit 3. Consumer sector valuation comparison

Ticker	Rec	Target	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend yield (%)	EPS growth (%)	
		(Rp)	(RpBn)	2024F	2025F	2024F	2025F	2024F	2024F	2024F	2025F
UNVR IJ	Sell	2,300	114,831	25.8	25.5	34.4	34.3	133.8	3.9	(5.5)	1.1
ICBP IJ	Buy	12,900	121,573	12.1	10.9	2.5	2.2	22.3	3.9	40.3	11.7
KLBF IJ	Buy	1,600	71,015	25.6	23.6	3.2	3.0	12.9	2.0	3.0	8.3
INDF IJ	Buy	8,000	53,780	5.4	4.8	0.8	0.7	15.5	5.6	19.0	11.4
MYOR IJ	Buy	3,200	51,201	16.0	14.8	3.2	2.8	21.1	3.0	5.3	8.1
SIDO IJ	Hold	710	21,000	19.9	18.3	6.2	6.1	31.8	4.6	15.0	8.5
Sector - weighted				17.9	16.9	11.0	10.8	19.4	3.7	14.1	7.8

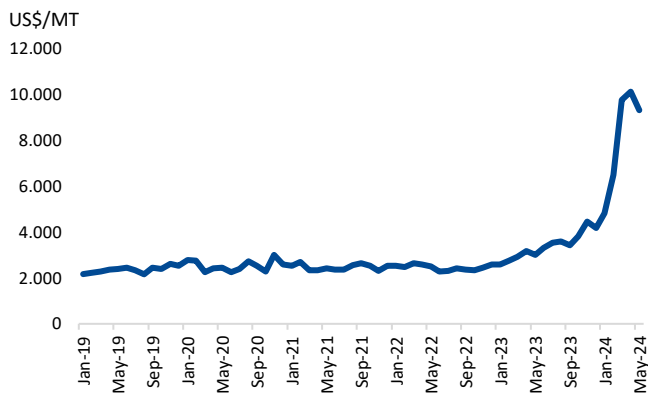
Source: BRIDS Estimates, Bloomberg

Exhibit 4. MYOR PE band – 5 years



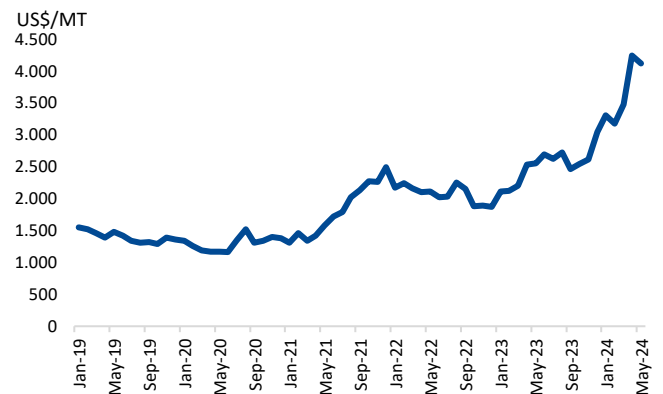
Source: Bloomberg, BRIDS Estimates

Exhibit 5. Monthly cocoa price (US\$/MT)



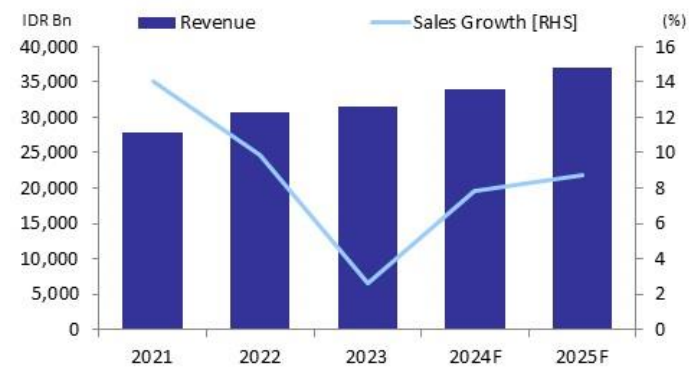
Source: Bloomberg

Exhibit 6. Monthly coffee price (US\$/MT)



Source: Bloomberg

Exhibit 7. Revenue and Growth



Source: Company, BRIDS Estimates

Exhibit 8. Net Profit and Growth



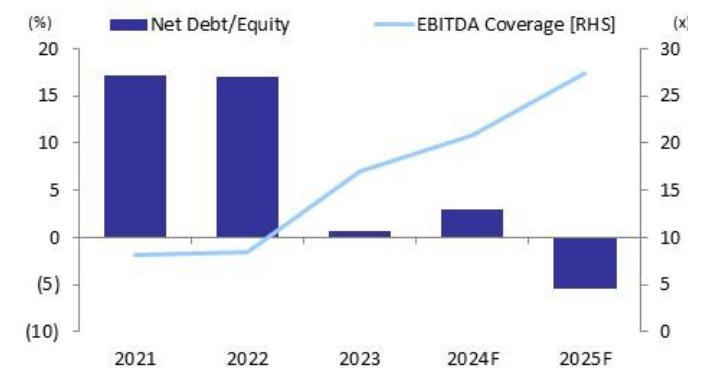
Source: Company, BRIDS Estimates

Exhibit 9. Margins



Source: Company, BRIDS Estimates

Exhibit 10. Gearing Level



Source: Company, BRIDS Estimates

Exhibit 11. Income Statement

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Revenue	30,669	31,485	33,946	36,904	40,594
COGS	(23,830)	(23,077)	(25,111)	(27,217)	(29,934)
Gross profit	6,839	8,408	8,835	9,687	10,660
EBITDA	3,281	5,130	5,317	5,961	6,721
Oper. profit	2,433	4,299	4,390	4,817	5,303
Interest income	31	85	84	64	84
Interest expense	(389)	(303)	(256)	(218)	(167)
Forex Gain/(Loss)	360	(147)	97	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	71	159	0	0	0
Pre-tax profit	2,506	4,094	4,314	4,662	5,220
Income tax	(536)	(849)	(895)	(967)	(1,082)
Minority interest	(28)	(51)	(55)	(60)	(66)
Net profit	1,942	3,194	3,365	3,636	4,072
Core Net Profit	1,582	3,341	3,268	3,636	4,072

Exhibit 12. Balance Sheet

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Cash & cash equivalent	3,262	4,157	3,137	3,722	4,092
Receivables	6,605	6,197	7,299	7,935	8,728
Inventory	3,870	3,557	4,079	4,421	4,862
Other Curr. Asset	959	828	893	971	1,068
Fixed assets - Net	6,645	8,160	8,844	8,897	9,860
Other non-curr.asset	859	972	1,052	1,067	1,181
Total asset	22,276	23,870	25,304	27,013	29,791
ST Debt	2,629	729	1,067	731	473
Payables	2,016	2,063	2,124	2,302	2,532
Other Curr. Liabilities	992	1,221	1,316	1,431	1,574
Long Term Debt	2,811	3,533	2,581	1,937	1,848
Other LT. Liabilities	994	1,042	1,123	1,221	1,343
Total Liabilities	9,441	8,588	8,211	7,622	7,771
Shareholder's Funds	12,628	15,039	16,831	19,106	21,708
Minority interests	206	243	262	284	313
Total Equity & Liabilities	22,276	23,870	25,304	27,013	29,791

Exhibit 13. Cash Flow

Year to 31 Dec (Rpbn)	2022A	2023A	2024F	2025F	2026F
Net income	1,942	3,194	3,365	3,636	4,072
Depreciation and Amort.	848	831	928	1,144	1,418
Change in Working Capital	(805)	1,082	(1,467)	(686)	(862)
Other Oper. Cash Flow	196	376	182	166	97
Operating Cash Flow	2,181	5,483	3,006	4,260	4,725
Capex	(1,427)	(2,442)	(1,661)	(1,204)	(2,484)
Others Inv. Cash Flow	(45)	161	84	64	84
Investing Cash Flow	(1,472)	(2,281)	(1,577)	(1,140)	(2,400)
Net change in debt	475	(1,262)	(615)	(979)	(346)
New Capital	(28)	29	19	23	28
Dividend payment	(470)	(786)	(1,597)	(1,361)	(1,470)
Other Fin. Cash Flow	(433)	(290)	(256)	(218)	(167)
Financing Cash Flow	(456)	(2,308)	(2,449)	(2,535)	(1,954)
Net Change in Cash	253	894	(1,020)	585	370
Cash - begin of the year	3,009	3,262	4,157	3,137	3,722
Cash - end of the year	3,262	4,157	3,137	3,722	4,092

Exhibit 14. Key Ratio

Year to 31 Dec	2022A	2023A	2024F	2025F	2026F
Growth (%)					
Sales	9.9	2.7	7.8	8.7	10.0
EBITDA	25.4	56.4	3.6	12.1	12.8
Operating profit	37.3	76.7	2.1	9.7	10.1
Net profit	63.7	64.4	5.3	8.1	12.0
Profitability (%)					
Gross margin	22.3	26.7	26.0	26.2	26.3
EBITDA margin	10.7	16.3	15.7	16.2	16.6
Operating margin	7.9	13.7	12.9	13.1	13.1
Net margin	6.3	10.1	9.9	9.9	10.0
ROAA	9.2	13.8	13.7	13.9	14.3
ROAE	16.4	23.1	21.1	20.2	20.0
Leverage					
Net Gearing (x)	0.2	0.0	0.0	(0.1)	(0.1)
Interest Coverage (x)	6.3	14.2	17.1	22.1	31.8

Source: MYOR, BRIDS Estimates

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INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

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