

Buy

(Maintained)

Mayora Indah (MYOR IJ)

Expect A Double-digit FY25F Core Profit Growth Despite 1Q25 Margin Challenges; Reiterate Buy

Last Price (Rp)	2,310
Target Price (Rp)	3,050
Previous Target Price (Rp)	3,050
Upside/Downside	+32.0%

No. of Shares (mn)	22,359
Mkt Cap (Rpbn/US\$mn)	51,649/3,170
Avg, Daily T/O (Rpbn/US\$mn)	17.0/1.0
Free Float (%)	15.7

Major Shareholder (%)	
UNITA BRANINDO PT	32.9
MAYORA DHANA UTAMA PT	26.1

EPS Consensus (Rp)			
	2025F	2026F	2027F
BRIDS	149.1	164.6	186.9
Consensus	151.0	174.3	196.7
BRIDS/Cons (%)	(1.3)	(5.6)	(5.0)

- MYOR is optimistic about booking double-digit FY25 rev. growth and net profit yoy, supported by volume growth and lower input costs.
- We raised our FY25-26F est. by 3.8%-2.3%, driven by higher FY25F ASP growth amid optimized A&P spending, leading to stronger OPM.
- Amid higher gross margin base in 1Q24, we believe investors should look for growth beyond 1Q25; reiterate Buy rating with TP of Rp3,050.

Optimistic outlook for FY25 with double-digit revenue growth

In our recent meeting, MYOR cited Nielsen data indicating that FY24 FMCG volume remained flat, while value declined yoy. Despite this, MYOR gained ~100bps of market share in the Biscuit and Wafer category (exh. 3). The company continues to expand its market share by winning competitor shares and leveraging successful new product development. The management remains optimistic about 1Q25 and FY25's performance, noting that Jan-Feb25 sales growth is in line with the FY25 guidance of double-digit growth. However, raw material costs will be a critical inflection point for profitability. As a result, the company expects its FY25 gross margin to range between 23%-25%.

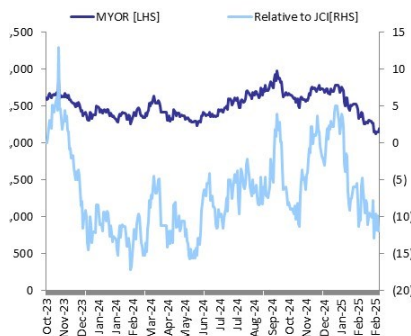
FY25/26 core profit expected to grow by 13.5%/12.5% yoy

Following the release of the FY24 results, we have adjusted our FY25-26F gross margin expectations to reflect higher input cost assumptions, particularly for CPO and cocoa. Meanwhile, as MYOR has delivered A&P spending optimization (exh. 4), we estimate lower FY25/26F A&P-to-sales ratio of 7.1%/ 7.4%, down from 8% prev. However, higher gearing – primarily to finance raw material supply – will lead to increased financing costs. Considering these factors, we revise our FY25/26F core profit forecasts upward by 3.8% and 2.3%, respectively. Therefore, we estimate MYOR's FY25/26F core profit to grow by 13.5%/ 12.5% yoy.

Attractive earnings growth beyond 1Q25; Reiterate Buy rating

While we anticipate strong 1Q25 topline growth, 1Q25 core profit growth may be more challenging since MYOR recorded a high 1Q24 gross margin of 27.8% (4Q24: 20.9%, FY24: 23%). Therefore, we believe investors should look beyond 1Q25, focusing instead on the expected core profit growth in 2Q25 and beyond, driven by revenue growth and potentially more stable input costs. We reiterate our Buy rating on attractive FY25 growth outlook with an unchanged TP of Rp3,050, implying FY25F PE of 20.5x.

MYOR relative to JCI Index



Source: Bloomberg

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Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	31,485	36,073	40,503	44,971	49,076
EBITDA (Rpbn)	5,130	4,883	5,756	6,350	6,965
EBITDA Growth (%)	56.4	(4.8)	17.9	10.3	9.7
Net Profit (Rpbn)	3,194	3,000	3,334	3,679	4,179
EPS (Rp)	142.8	134.2	149.1	164.6	186.9
EPS Growth (%)	64.4	(6.1)	11.1	10.4	13.6
BVPS (Rp)	672.6	752.3	847.4	951.9	1,072.5
DPS (Rp)	35.0	55.0	54.1	60.1	66.3
PER (x)	16.0	17.0	15.3	13.9	12.2
PBV (x)	3.4	3.0	2.7	2.4	2.1
Dividend yield (%)	1.5	2.4	2.4	2.6	2.9
EV/EBITDA	10.0	11.1	9.1	8.1	7.3

Source: MYOR, BRIDS Estimates

Expect A Double-digit FY25F Core Profit Growth Despite 1Q25 Margin Challenges; Reiterate Buy

FY24: higher input cost put pressure on earnings

In FY24, MYOR's revenue grew 14.6% yoy, driven by 16.6% yoy domestic revenue growth while export grew 12% yoy. In FY24, MYOR reported higher ASP by 4% yoy. Lower gross margin on higher input cost leading to lower net profit by 6% yoy to Rp3tr, accounting for 98% of consensus estimates (inline) and 106% of our forecast (above expectations). Core profit stood at Rp2.9tr (excluding Rp149bn Forex gain), down 12.9% yoy.

In 4Q24, revenue remained strong, supported by +22% yoy domestic revenue and +21% yoy exports, while volume rose 11% yoy (vs. 3Q24: +4% yoy, 4Q23: 0% yoy). However, higher input costs pressured the gross profit margin (GPM) to 20.9%, leading to a 4Q24 net profit decline of 15.7% yoy to Rp985bn.

Exhibit 1. MYOR's 4Q24/FY24 Earnings Summary

MYOR	FY23	FY24	yoy	4Q23	3Q24	4Q24	yoy	qoq	2024F	A/F	A/C
Revenue, Rpbn	31,485	36,073	14.6%	8,591	9,416	10,433	21.4%	10.8%	35,736	101%	103%
Gross profit	8,408	8,302	-1.3%	2,296	1,926	2,186	-4.8%	13.5%	8,358	99%	97%
Opex	4,108	4,387	6.8%	791	1,200	1,005	27.0%	-16.2%	4,626		
Operating profit	4,299	3,915	-8.9%	1,505	726	1,181	-21.5%	62.5%	3,732	105%	98%
Pretax profit	4,094	3,881	-5.2%	1,520	391	1,288	-15.2%	229.7%	3,647		
Net profit	3,194	3,000	-6.1%	1,168	298	985	-15.7%	230.7%	2,833	106%	98%
Core profit	3,310	2,883	-12.9%	1,129	502	800	-29.1%	59.4%	2,679		
Gross margin	26.7%	23.0%		26.7%	20.5%	20.9%			23.4%		
Operating margin	13.7%	10.9%		17.5%	7.7%	11.3%			10.4%		
Opex to revenue	13.0%	12.2%		9.2%	12.7%	9.6%			12.9%		
Pretax margin	13.0%	10.8%		17.7%	4.1%	12.3%			10.2%		
Net margin	10.1%	8.3%		13.6%	3.2%	9.4%			7.9%		
	FY23	FY24	yoy	4Q23	3Q24	4Q24	yoy	qoq			
Revenue breakdown - Rpbn											
Packaged food	18,999	21,865	15%	5,379	5,820	6,333	18%	8.8%			
Packaged Beverages	14,983	18,627	24%	3,946	4,993	5,248	33%	5.1%			
Operating margin - by divisions											
Packaged food	13.5%	8.4%		17.3%	4.6%	9.0%					
Packaged Beverages	11.7%	11.1%		14.5%	9.2%	11.7%					

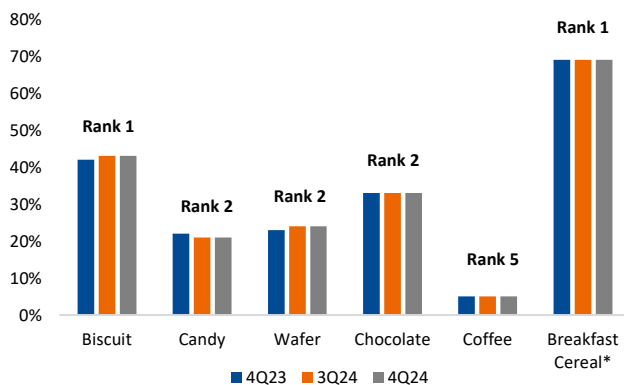
Source: Company, Bloomberg, BRIDS Estimates

Exhibit 2. MYOR’s Earnings Estimate Revision

MYOR IJ (Rpbn)	Previous			2024A	New		Changes		
	2024F	2025F	2026F		2025F	2026F	2024	2025	2026
Revenue	35,736	39,841	44,224	36,073	40,503	44,971	0.9%	1.7%	1.7%
Gross profit	8,358	9,479	10,606	8,302	9,474	10,631	-0.7%	-0.1%	0.2%
Operating profit	3,732	4,282	4,837	3,915	4,547	5,025	4.9%	6.2%	3.9%
Net profit	2,833	3,106	3,598	3,000	3,334	3,679	5.9%	7.3%	2.3%
Core profit	2,679	3,151	3,598	2,883	3,271	3,679	7.6%	3.8%	2.3%
Gross margin	23.4%	23.8%	24.0%	23.0%	23.4%	23.6%			
Opex/revenue	12.9%	13.0%	13.0%	12.2%	12.2%	12.5%			
Operating margin	10.4%	10.7%	10.9%	10.9%	11.2%	11.2%			
Net margin	7.9%	7.8%	8.1%	8.3%	8.2%	8.2%			
Key assumptions									
ASP growth	3.1%	2.5%	1.3%	4.1%	4.5%	1.3%			
Volume growth	10.1%	8.8%	9.6%	14.6%	7.5%	9.7%			
A&P/revenue	7.9%	8.0%	8.0%	7.1%	7.1%	7.4%			

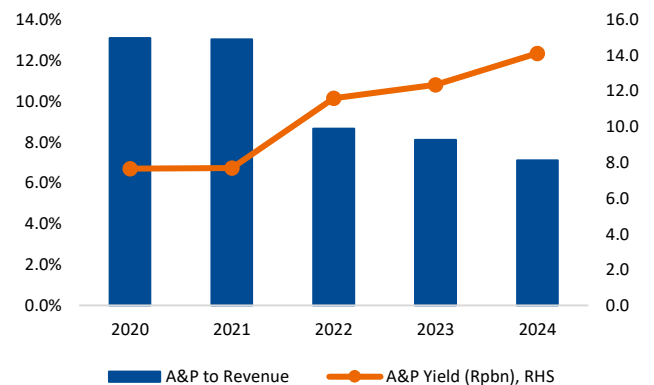
Source: Company, BRIDS Estimates

Exhibit 3. Market Share 4Q24



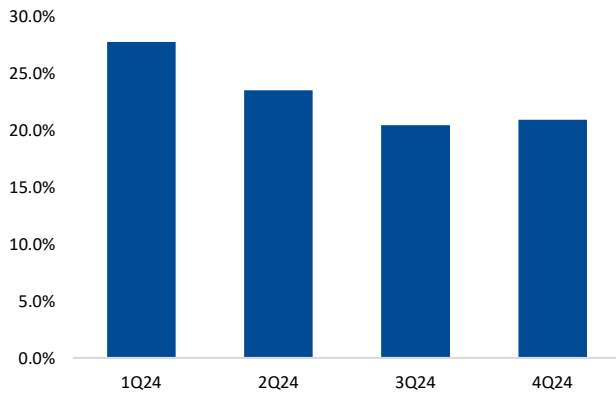
Source: Nielsen

Exhibit 4. A&P to Revenue and A&P/Revenue Yield



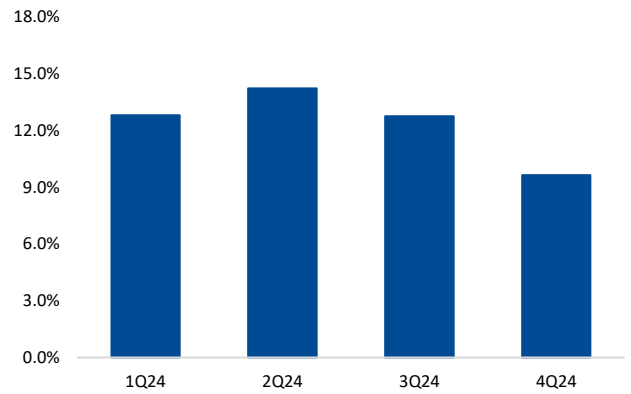
Source: Company, BRIDS

Exhibit 5. Quarterly Gross Margin, 1Q24-4Q24



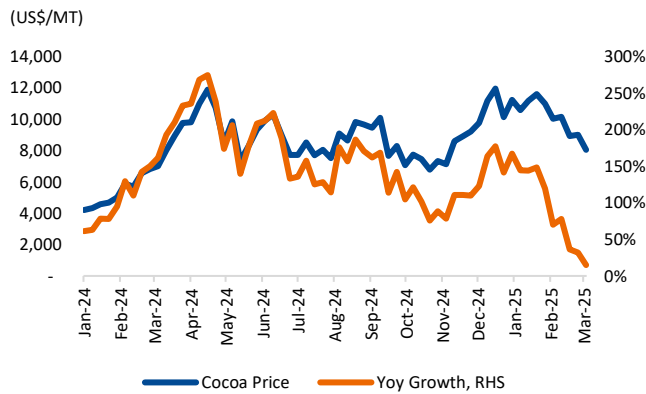
Source: Company, BRIDS

Exhibit 6. Opex to Revenue, 1Q24-4Q24



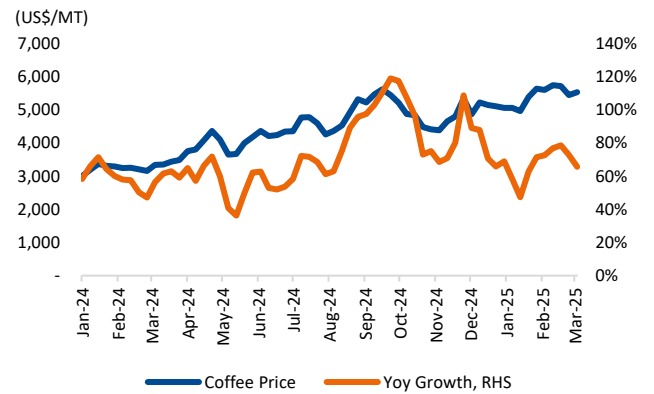
Source: Company, BRIDS

Exhibit 7. Weekly Cocoa Price



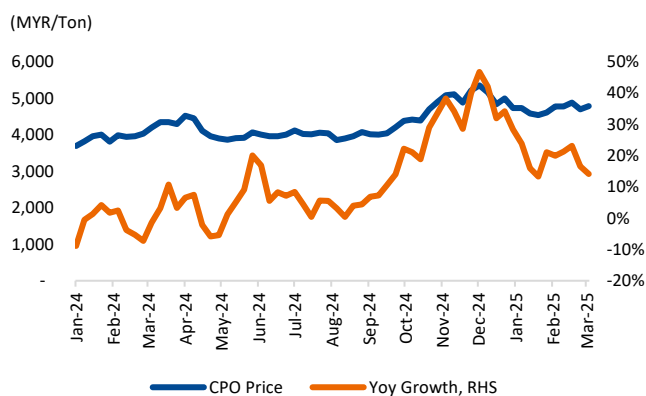
Source: Bloomberg

Exhibit 8. Weekly Coffee Price



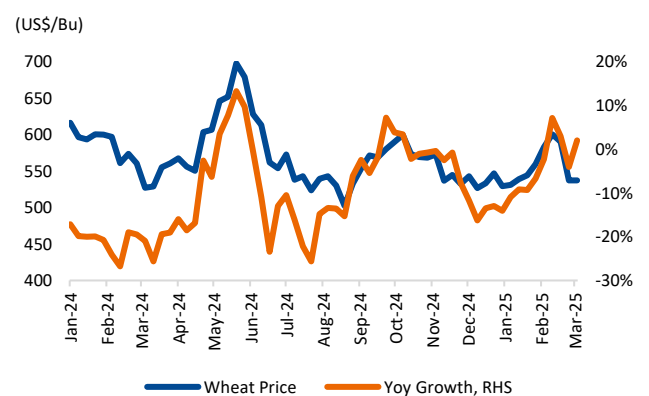
Source: Bloomberg

Exhibit 9. Weekly CPO Price



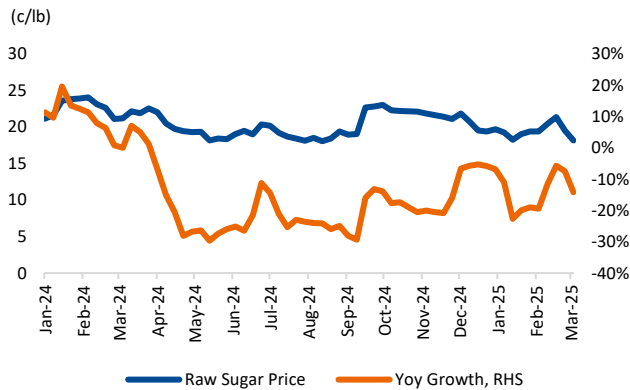
Source: Bloomberg

Exhibit 10. Weekly Wheat Price



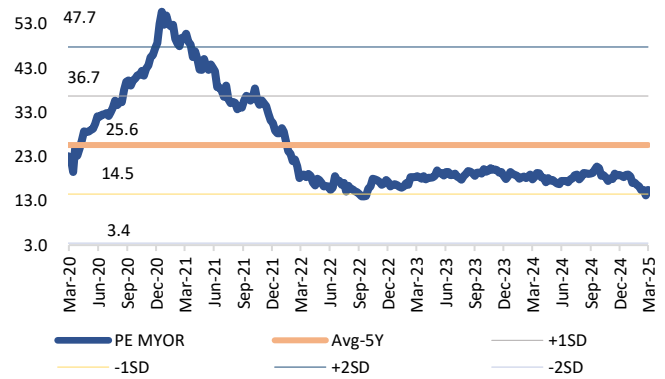
Source: Bloomberg

Exhibit 11. Weekly Raw Sugar Price



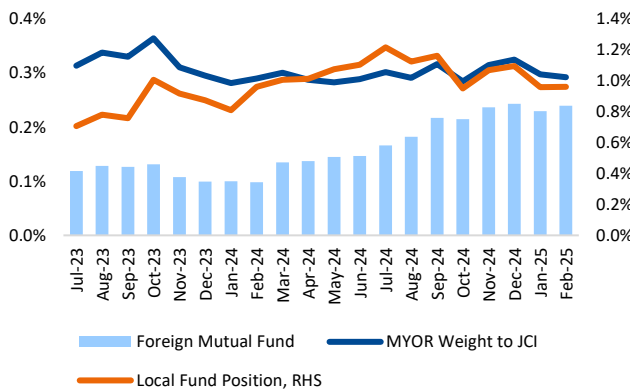
Source: Bloomberg

Exhibit 12. MYOR's PE Band



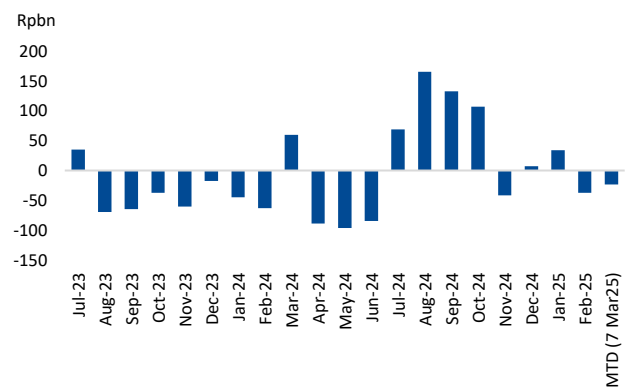
Source: Bloomberg, BRIDS Estimates

Exhibit 13. MYOR's Weighting and Fund Position



Source: KSEI, BRIDS

Exhibit 14. MYOR's Historical Foreign Flows (as of 7 Mar25)



Source: IDX, BRIDS

Exhibit 15. MYOR Peers Comparison

Ticker	Rec	Target	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend	EPS		Core profit	
		(Rp)	(Rpbm)	2025F	2026F	2025F	2026F	2025F	yield (%)	2025F	2026F	2025F	2026F
ICBP IJ	Buy	14,000	134,404	10.8	9.8	2.3	2.0	22.7	4.4	21.2	10.1	10.8	14.2
UNVR IJ	Hold	1,500	53,982	13.8	13.3	17.6	14.7	139.5	6.1	(1.7)	4.1	(1.7)	4.1
INDF IJ	Buy	8,800	65,414	5.5	5.2	0.9	0.8	16.5	5.6	14.9	5.7	9.3	9.9
KLBF IJ	Buy	1,800	52,031	16.0	14.9	2.2	2.0	14.1	3.1	7.3	7.3	8.0	7.3
MYOR IJ	Buy	3,050	51,649	15.5	14.0	2.7	2.4	18.6	2.3	11.1	10.4	14.1	13.0
SIDO IJ	Buy	640	17,250	15.4	14.2	4.9	4.8	32.1	6.0	8.6	8.8	8.8	10.5
Sector - weighted				11.9	11.0	4.4	3.8	37.1	4.5	12.9	8.1	8.7	10.7

Source: Bloomberg, BRIDS Estimates

Exhibit 16. MYOR New Products – 2024

INDONESIA



Roma Biskuit Durian



Fruta Gummy

CHINA



Kopiko Volcanic Drip



Danissa Cookies Series
Chocofello, Panettone & Abracci

Other
Countries



Malkist Double Choco



Malkist Tomyum

Source: Company

Exhibit 17. Income Statement

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Revenue	31,485	36,073	40,503	44,971	49,076
COGS	(23,077)	(27,771)	(31,029)	(34,340)	(37,411)
Gross profit	8,408	8,302	9,474	10,631	11,665
EBITDA	5,130	4,883	5,756	6,350	6,965
Oper. profit	4,299	3,915	4,547	5,025	5,596
Interest income	85	151	166	160	170
Interest expense	(303)	(425)	(479)	(424)	(363)
Forex Gain/(Loss)	(147)	149	79	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	159	91	0	0	0
Pre-tax profit	4,094	3,881	4,313	4,761	5,403
Income tax	(849)	(813)	(904)	(998)	(1,132)
Minority interest	(51)	(67)	(76)	(84)	(92)
Net profit	3,194	3,000	3,334	3,679	4,179
Core Net Profit	3,341	2,852	3,255	3,679	4,179

Exhibit 18. Balance Sheet

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	4,157	4,601	5,039	5,385	4,836
Receivables	6,197	7,252	8,712	9,673	10,556
Inventory	3,557	6,437	5,040	5,578	6,076
Other Curr. Asset	828	1,310	1,360	1,510	1,648
Fixed assets - Net	8,160	9,498	9,910	10,153	11,065
Other non-curr.asset	972	630	654	672	715
Total asset	23,870	29,729	30,715	32,971	34,897
ST Debt	729	3,825	3,643	3,052	3,320
Payables	2,063	2,728	2,624	2,904	3,164
Other Curr. Liabilities	1,221	829	931	1,034	1,128
Long Term Debt	3,533	4,123	3,009	2,977	1,437
Other LT. Liabilities	1,042	1,120	1,245	1,370	1,485
Total Liabilities	8,588	12,626	11,452	11,338	10,534
Shareholder's Funds	15,039	16,821	18,946	21,282	23,979
Minority interests	243	282	316	351	383
Total Equity & Liabilities	23,870	29,729	30,715	32,971	34,897

Exhibit 19. Cash Flow

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	3,194	3,000	3,334	3,679	4,179
Depreciation and Amort.	831	968	1,210	1,325	1,369
Change in Working Capital	1,082	(3,748)	(76)	(1,127)	(1,038)
Other Oper. Cash Flow	376	(212)	378	231	163
Operating Cash Flow	5,483	8	4,846	4,108	4,672
Capex	(2,442)	(2,006)	(1,637)	(1,577)	(2,316)
Others Inv. Cash Flow	161	151	166	160	170
Investing Cash Flow	(2,281)	(1,855)	(1,471)	(1,418)	(2,146)
Net change in debt	(1,262)	3,772	(1,285)	(612)	(1,262)
New Capital	29	41	35	35	32
Dividend payment	(783)	(1,230)	(1,209)	(1,343)	(1,482)
Other Fin. Cash Flow	(293)	(292)	(479)	(424)	(363)
Financing Cash Flow	(2,308)	2,291	(2,938)	(2,344)	(3,075)
Net Change in Cash	894	444	438	346	(549)
Cash - begin of the year	3,262	4,157	4,601	5,039	5,385
Cash - end of the year	4,157	4,601	5,039	5,385	4,836

Exhibit 20. Key Ratio

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Growth (%)					
Sales	2.7	14.6	12.3	11.0	9.1
EBITDA	56.4	(4.8)	17.9	10.3	9.7
Operating profit	76.7	(8.9)	16.1	10.5	11.4
Net profit	64.4	(6.1)	11.1	10.4	13.6
Profitability (%)					
Gross margin	26.7	23.0	23.4	23.6	23.8
EBITDA margin	16.3	13.5	14.2	14.1	14.2
Operating margin	13.7	10.9	11.2	11.2	11.4
Net margin	10.1	8.3	8.2	8.2	8.5
ROAA	13.8	11.2	11.0	11.6	12.3
ROAE	23.1	18.8	18.6	18.3	18.5
Leverage					
Net Gearing (%)	0.0	0.2	0.1	0.0	0.0
Interest Coverage (x)	14.2	9.2	9.5	11.9	15.4

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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