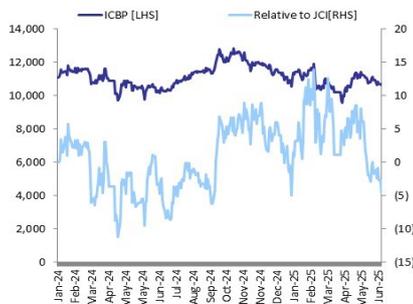


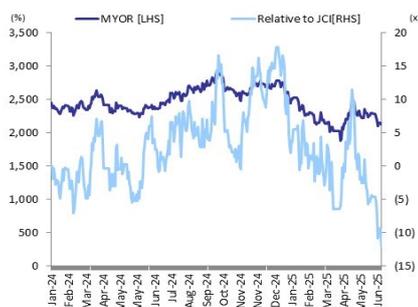
# Overweight

(Reinitiated)

## ICBP relative to JCI Index



## MYOR relative to JCI Index



Source: Bloomberg

### BRI Danareksa Sekuritas Analysts

#### Christy Halim

(62-21) 5091 4100 ext. 3512  
christy.halim@brids.co.id

#### Sabela Nur Amalina

(62-21) 5091 4100 ext. 4202  
sabela.amalina@brids.co.id

# Consumer

## A Laggard Sector with Potential Catalysts to Support Growth; Resuming Coverage with OW

- We expect govt's economic stimulus and stronger IDR to support purchasing power and Consumer companies' earnings in 2H25.
- We foresee a decent +6.4%/+5.2% rev/core net profit growth in FY25F, supported by ongoing cost efficiencies to help limit EBIT margin decline.
- Resuming our coverage with an Overweight rating given the resilient sector's growth outlook. Our top pick is ICBP (Buy, TP Rp14,000).

### Deceleration in domestic demand may lead to another soft 2Q25 growth

Slowing GDP growth with soft 1Q25 earnings despite the Lebaran season highlighted the weakening domestic demand and ongoing consumer downtrading. While Apr25 run-rate for some Consumer companies shows some encouragement, we think May-Jun25 performance will be key in assessing the sustainability of the improvement in Apr. We conservatively expect 2Q25F topline growth of 3-10% yoy except for UNVR, with negative qoq growth mainly due to the high base figures in 1Q25.

### Potential catalysts to support growth beyond 2Q25

We see some major potential catalysts that may help to boost consumption and support Consumer companies' earnings:

- 1) IDR strengthening. We believe IDR's appreciation (~4% from its peak in Apr25) will help ease margin pressure for Consumer companies given their high USD exposure in raw material costs (>50% of raw materials) and USD-denominated debt.
- 2) Govt's five economic stimulus (Exh. 5) that has been rolled out since early Jun25. While the most anticipated two-month electricity subsidy has been cancelled, we think the wage subsidy assistance (BSU) still has the potential to boost purchasing power, as it directly increases their disposable income by Rp300k/month for two months for 17.3mn workers with <Rp3.5mn salaries/ < min. wage.
- 3) Larger coverage of MBG. We see potential for incentives for students (more disposable income) and job creation assuming Govt to increase the no. of kitchen starting 3Q25.

### Resilient growth outlook despite margin pressures

We project aggregate Consumer companies under our coverage to post +6.7% revenue growth in FY25F. Despite our expectation of 60bps GPM contraction this year due to soft commodity prices volatility, we expect ongoing cost efficiencies such as salary & employee benefits and freight & handling, to cushion margin impact, hence limiting EBIT margin decline to only 20bps. We project aggregate core profit growth of +5.2% yoy in FY25F, before improving to +8.7% in FY26F, driven by better purchasing power.

### Resuming coverage on Consumer with OW; preferred pick on ICBP

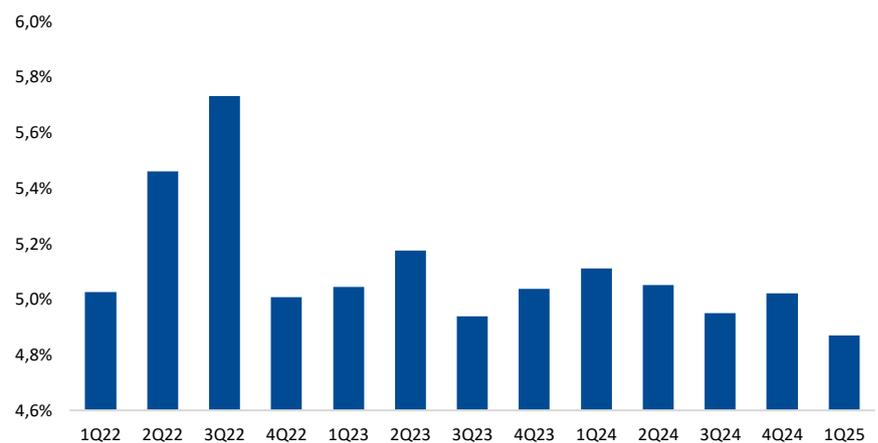
We are resuming coverage on Consumer sector with an Overweight rating given the resilient sector's growth outlook even during downturn period such as in 3Q21 and 2Q23-3Q23. We think the current sector's valuation at 12.7x PE FY25F remains attractive while the sector has also remained laggard (-8.4% ytd). We favor ICBP (BUY, TP Rp14,000) as our top pick in the sector given its resilient topline growth outlook. ICBP currently trades at 12.3x PE FY25F. Key risks to our call are: 1) weaker purchasing power in the upcoming quarters, 2) higher soft commodity prices than expected, which may further compress margin.

Company	Ticker	Rec	Target	Market	P/E (x)		P/BV (x)		ROE (%)
			Price (Rp)	Cap. (RpBn)	2025F	2026F	2025F	2026F	2026F
Indofood CBP	ICBP IJ	BUY	14,000	124,782.4	12.3	10.4	2.5	2.2	21.9
MAYORA	MYOR IJ	BUY	2,800	48,294.8	15.1	13.1	2.6	2.3	18.4
INDOFOOD	INDF IJ	BUY	9,500	74,633.6	6.8	5.8	1.0	0.9	16.3
Unilever Indonesia	UNVR IJ	SELL	1,500	61,612.3	18.6	17.9	23.7	19.8	120.7

## Deceleration in domestic demand

1Q25 GDP growth data and earnings indicated a deceleration in domestic demand, even with the Lebaran season occurring in 1Q this year. Our 1Q25 GDP came in at 4.87% yoy, marking the weakest performance since 3Q21. Meanwhile, the middle-income class has been reducing their spending, especially the discretionary items, and increasingly opting for more affordable products, which has become the key highlights in the 1Q25 results.

**Exhibit 1. Quarterly GDP Growth**



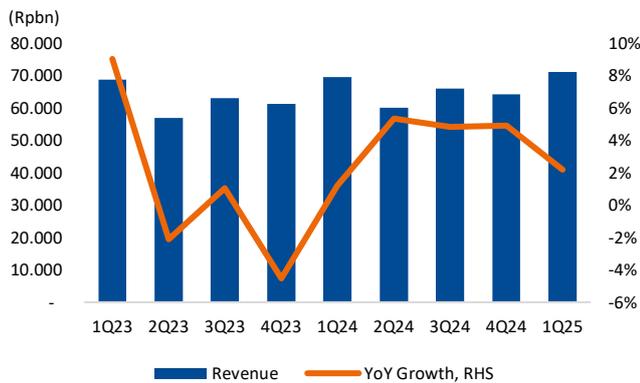
Source: BPS

**A quick recap on 1Q25** – aggregate Consumer companies under our coverage reported +2.2% yoy and -3.0% yoy topline and core profit growth in 1Q25, respectively. We have seen some of the input costs that remain elevated (e.g coffee and cocoa, while coconut oil prices have also started to rise this year) continuing to pressure the margins of the companies. Nonetheless, some of the impact has been partially offset by opex efficiencies.

Few takeaways that we observed:

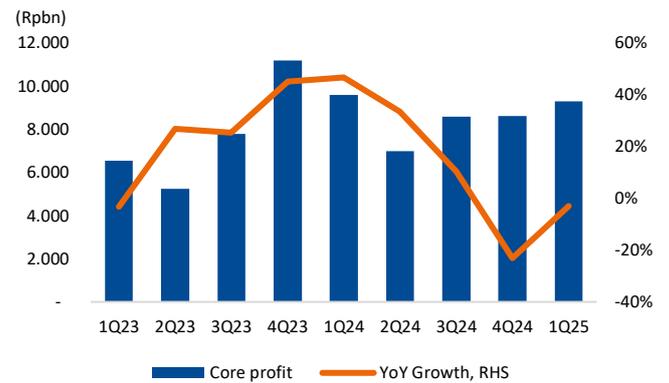
- Higher number of holidays during this year’s Eid (less trading days) has impacted on operational days of consumer companies.
- Continuous signs of customer downtrading, includes KLBF’s premium nutritional products segment remain challenging compared to its more affordable products, CMRY’s more affordable products were also doing better than the premium ones.

**Exhibit 2. Quarterly Revenue & Yoy Growth (ICBP, MYOR, UNVR, INDF), 1Q23-1Q25**



Source: Company, BRIDS

**Exhibit 3. Quarterly Core Profit & Yoy Growth (ICBP, MYOR, UNVR, INDF), 1Q23-1Q25**



Source: Company, BRIDS

BRI’s SME business index in 1Q25 also confirmed our view on the deceleration of domestic demand, with most provinces experiencing a business slowdown during this year’s Eid festive compared to last year, except for several provinces in Sumatera, Sulawesi, and Kalimantan (see table below).

**Exhibit 4. Yearly SMEs Business Performance (This Year vs Last Year’s Eid) by Region**

Provinsi	Selisih IAB <sup>+3</sup>	Provinsi	Selisih IAB <sup>+3</sup>	Provinsi	Selisih IAB <sup>+3</sup>
01. Aceh	-7,3	12. Jabar	-5,4	23. Kaltim	0,4
02. Sumut	-14,5	13. Jateng	-2,3	24. Sulut	-3,1
03. Sumbar	-4,5	14. D.I. Yogya	-16,2	25. Sulteng	-5,2
04. Riau	-10,1	15. Jatim	-7,8	26. Sulsel	-1,7
05. Jambi	2,9	16. Banten	-1,1	27. Sultra	-14,4
06. Sumsel	0,2	17. Bali	-13,8	28. Gorontalo	11,8
07. Bengkulu	4,0	18. NTB	1,5	29. Sulbar	-2,7
08. Lampung	2,6	19. NTT	-23,2	30. Maluku	-10,2
09. Kep. Babel	7,2	20. Kalbar	4,9	31. Maluku	-12,7
10. Kepri	2,1	21. Kalteng	-5,4	32. Papbar	-15,6
11. Jakarta	-11,4	22. Kalsel	-13,2	33. Papua	-21,2

**\*) Selisih IAB = Indeks Bisnis UMKM pada Ramadhan dan Idulfitri 2025 - 2024**

Source: BRI UMKM Business Index

## 2Q25F growth may remain weak...

We see several few factors that could affect Consumer companies’ growth in 2Q25F, including 1) the shift in Eid season (fewer Ramadan days in 2Q this year), 2) expiry of electricity subsidy in Feb25 and the five Govt’s incentives package will only starts in Jun25 (the impact can be seen earliest in end of Jun/early July in our view), and 3) persistently high layoffs and thus unemployment rate across industry. Nonetheless, we realized that investors may already have lowered their expectations compared to during 1Q25.

Therefore, we think Consumer companies will likely report negative qoq growth in 2Q25F due to the high base figures in 1Q25 given the Eid festive, while we still estimate positive +3-10% yoy growth in 2Q25F (except for UNVR). On the operating level, we estimate INDF to report slight positive growth of +1% yoy, flattish for ICBP and negative growth for MYOR and UNVR. Nonetheless, we view its Jun25 sales run rate will be crucial to assess whether the improvement in Apr25 and May25 is sustainable.

**5M25 run rate** – Our recent check to some Consumer companies somewhat confirmed that Apr25 sales were likely to provide mom improvement, with the potential for this trend to continue to May25. MYOR indicated that its sales saw ~5-7% yoy increase in May25, with its domestic sales showing some improvement compared to Apr25. We believe the sluggish domestic sales in Apr25 were partly due to the wholesalers/retailers that were still flushing out their leftover Eid inventory. Based on this, we think ICBP's instant noodle volume may show positive growth in Apr25 as well as in May25.

### ...yet there are potential catalysts to support growth beyond 2Q25

Despite the possible soft 2Q25 growth figures, we see few possible catalysts beyond 2Q25 that could help drive consumption.

#### **IDR strengthening**

IDR has appreciated ~4% from its peak in Apr25 despite the recent BI rate cut. Our economic team forecasts that IDR could hover around Rp16,180-16,700 level until the end of year. We believe this should translate to less margin pressure to Consumer companies given their raw materials have high USD exposure with USD denominated debt as well.

#### **Govt's economic stimulus**

The Govt has recently announced five economic stimulus measures to support consumption, especially during the new academic year and school holiday (see table below). While the most anticipated two-month electricity subsidy has been cancelled, we think the wage subsidy assistance (BSU) still has the potential to boost purchasing power, as it directly increases their disposable income by Rp300k/month for two months for 17.3mn workers with <Rp3.5mn salaries/ < min. wage.

**Exhibit 5. Five Incentives Packages Launched to Support Consumption**

No	Programs	Description
1	<b>Food Assistance</b>	The government is distributing additional food aid—Rp200,000 in cash and 10 kg of rice per household—to 18.3mn beneficiaries (KPM) for the June–July 2025 period. The aid will be disbursed in a single distribution in June, with a total budget of Rp11.93tr.
2	<b>Wage Subsidy Assistance (BSU)</b>	The government will give a Rp300,000 wage subsidy in Jun25 to 17.9mn low-income workers and honorary teachers, with a total budget of Rp10.72tr.
3	<b>Transportation discounts during the school holiday period</b>	The government has allocated Rp940bn to fund transportation discounts, including a 30% discount on train tickets, 50% on sea transport tickets, and a 6% VAT subsidy (DTP) on airline tickets.
4	<b>Toll road fee discounts</b>	The government will provide a 20% toll discount for 110 mn drivers during the June–July 2025 school holiday, with a total budget of Rp650bn.
5	<b>Discounted premium program for Work Accident Insurance (JKK) for workers in labor-intensive industries.</b>	The government will extend a 50% JKK premium discount for 2.7mn workers in labor-intensive industries for six months, funded by Rp200bn from non-APBN sources.

Source: Ministry of Finance

**Exhibit 6. Social Assistance in 2Q25**

No	Programs	Amount	Total Recipients
1	<b>Family Hope Program (PKH) Phase 2</b>	Total budget: Rp28.7tr	10mn beneficiary families with realization of Rp7.3tr as of Apr25 (vs Apr24: Rp10.5tr)
	Pregnant Women and Postpartum Period	Rp750,000/phase or Rp3,000,000/year	
	Toddlers (0-6 years)	Rp750,000/phase or Rp3,000,000/year	
	Elementary School Students	Rp225,000/phase or Rp900,000/year	
	Junior High School Students	Rp375,000/phase or Rp1,500,000/year	
	Senior High School Students	Rp500,000/phase or Rp2,000,000/year	
	Elderly (70 years and above)	Rp600,000/phase or Rp2,400,000/year	
Persons with Severe Disabilities	Rp600,000/phase or Rp2,400,000/year		
2	<b>Non-Cash Food Assistance (BPNT) Basic Food</b>	Rp200,000/month	18.8 million beneficiary families
3	<b>Free Nutritious Meal Program (MBG)</b>	Realization of Rp3tr as of 21 May25	3.98mn beneficiary
4	<b>Smart Indonesia Program Phase 2 (May25)</b>		Realization: Rp1.5tr (as of Apr25)
	Elementary School Students (SD/SDLB/Package A Program)		
	Grades I-V	Rp450,000/year	
	Grade VI	Rp225,000/year	
	Junior High School Students (SMP/SMPLB/Package B Program)		
	Grades VII and VIII	Rp750,000/year	
Grade IX	Rp375,000/year		
Senior High School/Vocational School Students (SMA/SMK/SMALB/Package C Program)			
Grades X and XI	Rp1.8mn/year		
Grade XII	Rp900,000/year		
5	<b>Health Insurance Contribution Assistance (PBI JK)</b>	Rp42,000/month will be covered by the government	
6	<b>Orphan Assistance</b>	Rp200,000/month	

Source: Various Source

We performed a simple calculation to estimate the potential impact of the electricity subsidy, assuming it had been provided for two months. It suggests the electricity subsidy could help **~79.3mn households to have a maximum additional disposable income of ~Rp60-600k/month** that could be reallocated elsewhere, assuming they spend the maximum kWh per month.

**Exhibit 7. Estimated Disposable Income Impact of Electricity Discounts**

No	Electricity Capacity (VA)	Total Households (mn)	Fee/kWh (Rp)	Max Amount of Purchase (kWh)	Max Discount per Month (Rp)
1	450	24.7	415	324	67,230
2	900 (Subsidized)	8.0	605	648	196,020
3	900 (Non Subsidized)	30.0	1,352	648	438,048
4	1,300	14.1	1,445	936	676,260
	<b>Weighted average</b>				<b>337,311</b>

Source: BRIDS Estimates

**Larger coverage of the free nutritious food program (MBG)**, which is targeted to cover ~17.9mn students by year-end and gradually increasing to 83mn students’ coverage in the next 5 years. Assuming the Govt’s plan to increase the no. of kitchen starting on 3Q25 can be executed, then we may start to see incentives for students (for having more disposable income) and job creation (trained staff on nutritionist and admin/accountant).

**Last month’s MoF announcement on unblocking the Rp86.6tr budget allocations for 99 ministries/institutions.** While this merely focus to drive the Govt consumption growth, we think there should still be some spillover effect to SMEs and thus, household consumption, assuming the unblocked money is spent.

## Financial Outlook

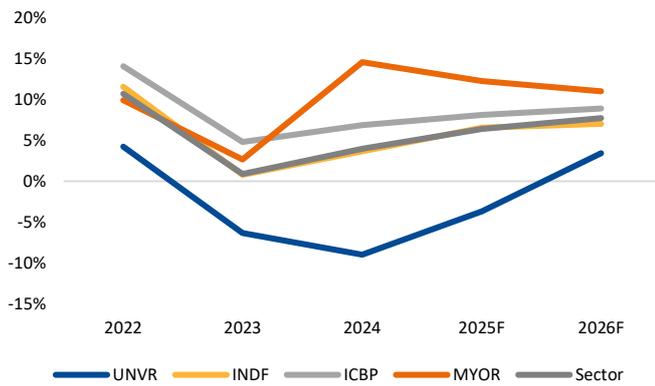
**FY25F Outlook: Decent +6.4% revenue growth with +5.2% core net profit growth.**

We estimate aggregate Consumer companies under our coverage to grow their revenue by 6.4% yoy in FY25F. We expect majority of the topline growth will come from higher volume (ICBP’s +4.5% yoy, MYOR’s +7.5%, INDF’s Bogasari +4.5%, except for UNVR still expected to post negative volume growth), while ASP can still grow modestly (ICBP’s +3.6%, MYOR’s +4.5%, INDF’s Bogasari +1%, UNVR’ +0.3%).

Given the volatility in the soft commodity prices, we see some of Consumer companies’ GPM could still be further pressured this year. We expect aggregate GPM to contract by 60bps from 35.5% in FY24 to 35.0% in FY25F. Nonetheless, we expect the ongoing cost efficiencies, as shown by lower salary & employee benefits and freight & handling costs, should help partially offset the impact of lower GPM. And thus, we are seeing EBIT margin to only decrease by 20bps from 18.2% to 18.0%.

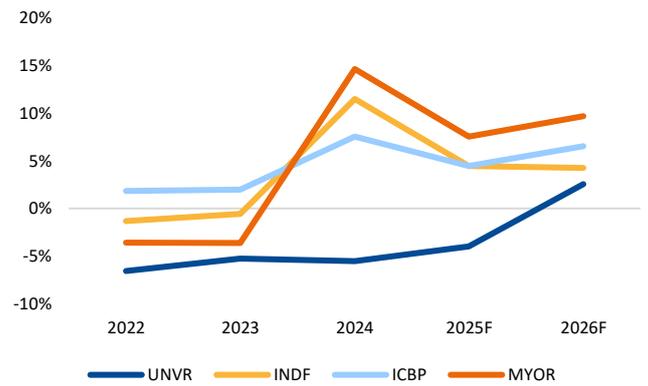
On the bottom line, we forecast aggregate net profit growth of +25.2% yoy with core profit growth of +5.2% yoy.

**Exhibit 8. Revenue Growth YoY, 2022-26F**



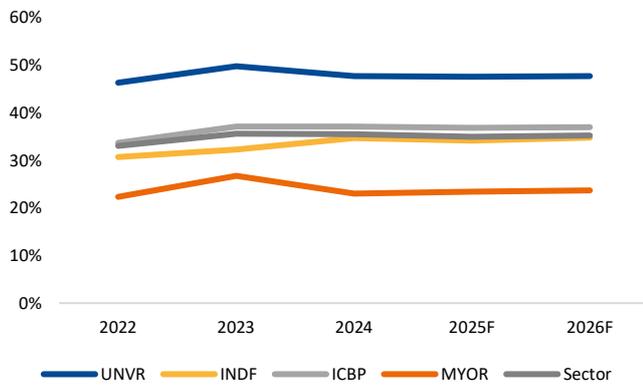
Source: Company, BRIDS Estimates

**Exhibit 9. Volume Growth YoY, 2022-26F**



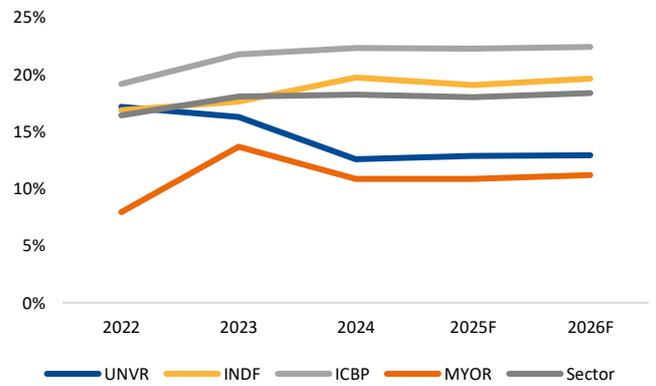
Source: Company, BRIDS Estimates

**Exhibit 10. Gross Profit Margin, 2022-26F**



Source: Company, BRIDS Estimates

**Exhibit 11. EBIT Margin, 2022-26F**



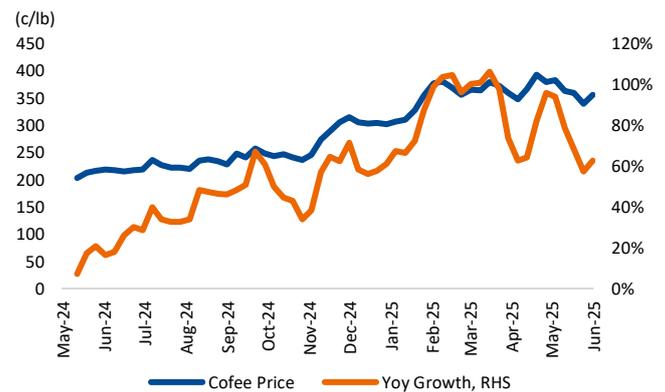
Source: Company, BRIDS Estimates

**Exhibit 12. Weekly Cocoa Price**



Source: Bloomberg

**Exhibit 13. Weekly Coffee Price**



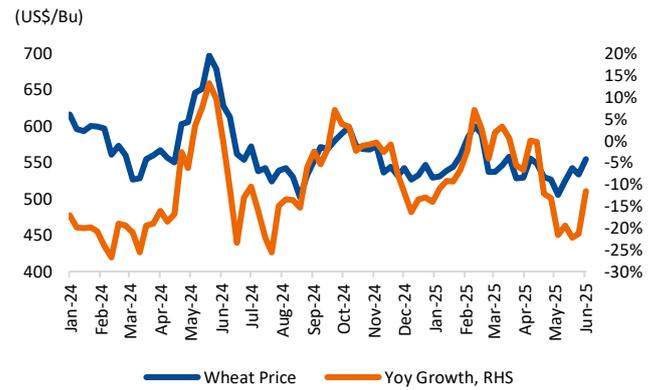
Source: Bloomberg

**Exhibit 14. Weekly CPO Price**



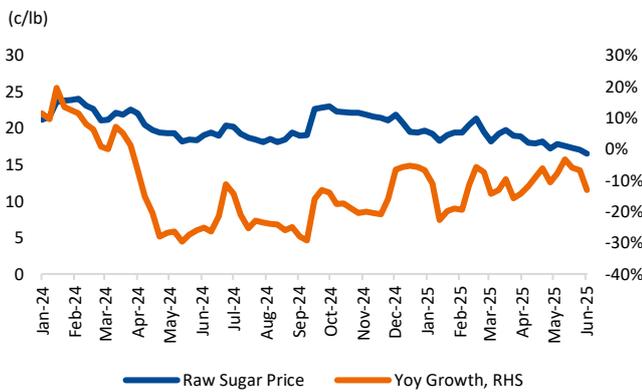
Source: Bloomberg

**Exhibit 15. Weekly Wheat Price**



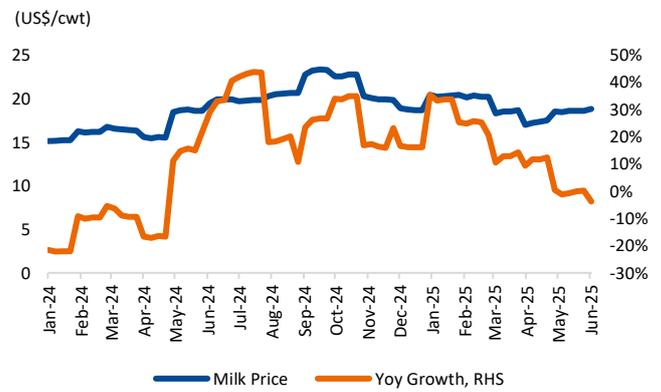
Source: Bloomberg

**Exhibit 16. Weekly Raw Sugar Price**



Source: Bloomberg

**Exhibit 17. Weekly Milk Price**

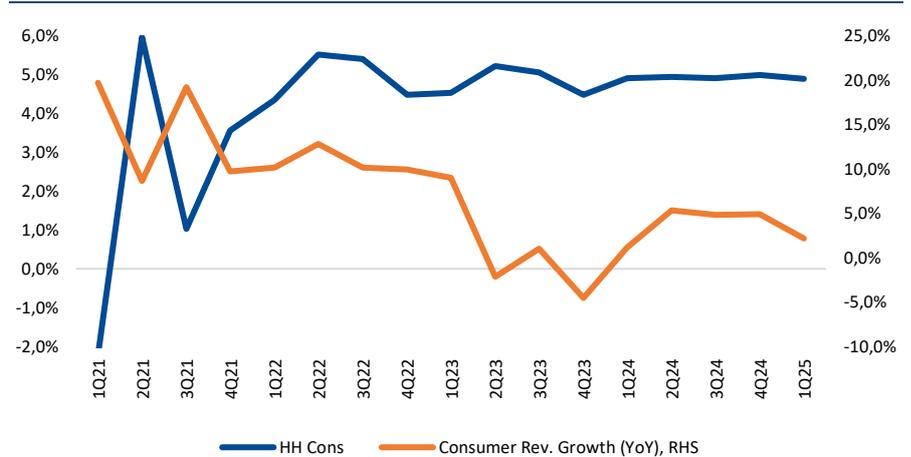


Source: Bloomberg

**Sector and stock recommendations**

We are resuming the coverage on Consumer sector with an Overweight rating on the back of 1) attractive valuations, 2) revenue and earnings growth resiliency even during soft purchasing power (see Exhibit 18), and 3) available catalyst to support growth in 2H25.

**Exhibit 18. Household Consumption vs Consumer Rev YoY Growth**



Source: BPS, Company

We think +6.4% aggregate sector’s revenue growth this year should be relatively decent given the current weak purchasing power backdrop, with lesser margins contractions compared to last year.

**We favor ICBP (BUY TP Rp14,000, +30.8% upside) as our top pick in the Consumer space, followed by MYOR, INDF, and UNVR.** We project both MYOR and ICBP to post the highest topline growth in the sector of +12.3% and +8.1% yoy, yet we believe ICBP’s instant noodle as the most affordable meal product option should prove to be more resilient in the upcoming quarters. We also like MYOR for its strong topline growth, yet we think the risk on margin contractions may linger given the raw materials’ price volatility especially on coffee, cocoa, and coconut.

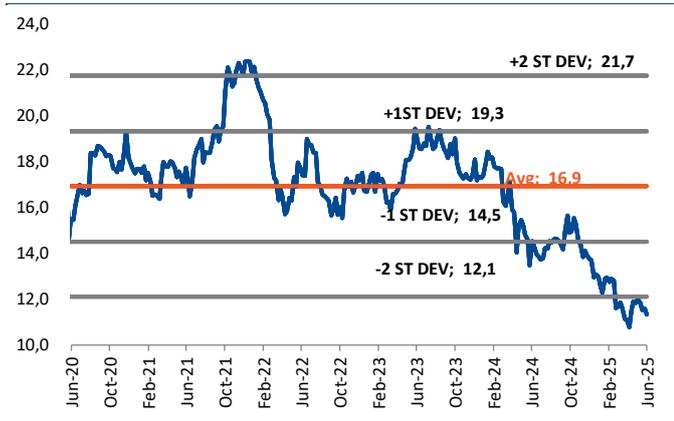
The overall Consumer sector remain laggard ytd (-8.4% ytd) despite having rebounded from the bottom in early Apr25. Currently, ICBP trades at 12.3x PE FY25F, which still looks attractive at -2SD of its 5-year mean, in our view, given the resilient outlook despite having re-rated from 12.8x in mid-Apr25. Meanwhile, MYOR’s current 15.1x PE, slightly above -1SD of its 5-year mean which we believe should have priced in the risk on margins.

**Exhibit 19. Consumer Sector Valuation Table**

Ticker	Rec	Target Price	Market Cap	P/E (x)		P/BV (x)		ROE (%)	Dividend Yield (%)	EPS Growth (%)		Core Profit Growth (%)	
		(Rp)	(Rpbn)	2025F	2026F	2025F	2026F	2025F	2025F	2025F	2026F	2025F	2026F
ICBP IJ	Buy	14,000	124,782	12.3	10.4	2.4	2.1	21.0	3.0	43.3	18.7	2.5	10.3
UNVR IJ	Sell	1,500	61,612	18.6	17.9	23.7	19.8	139.5	4.6	(1.7)	4.1	(1.7)	4.1
INDF IJ	Buy	9,500	74,634	6.8	5.8	1.0	0.9	15.8	3.3	27.2	16.1	7.4	7.4
MYOR IJ	Buy	2,800	48,294.8	15.1	13.1	2.6	2.3	18.0	2.5	6.8	14.8	14.7	12.4
<b>Sector - weighted</b>				<b>12.7</b>	<b>11.2</b>	<b>6.3</b>	<b>5.4</b>	<b>42.9</b>	<b>3.3</b>	<b>24.8</b>	<b>14.5</b>	<b>4.7</b>	<b>8.7</b>

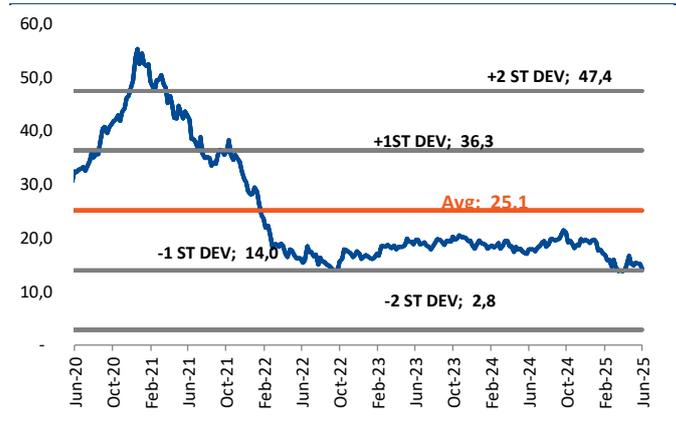
Source: BRIDS Estimates

**Exhibit 20. PE Band - ICBP**



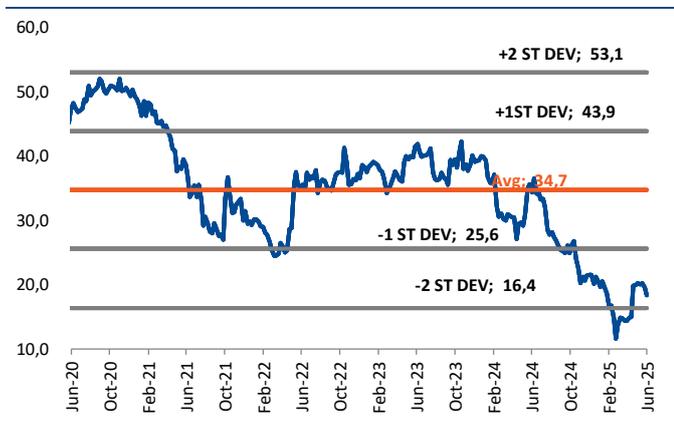
Source: Bloomberg, BRIDS Estimates

**Exhibit 21. PE Band - MYOR**



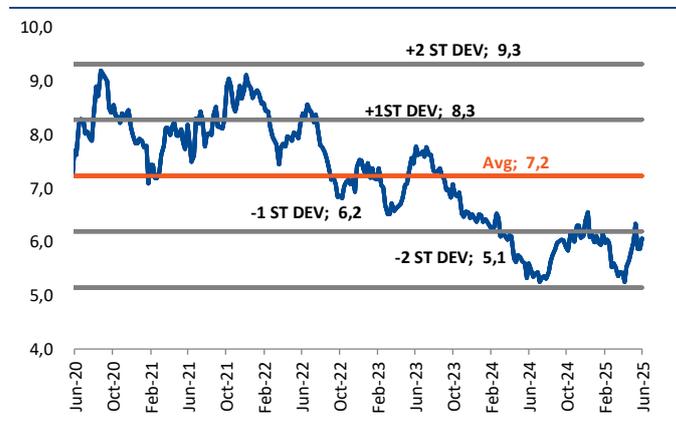
Source: Bloomberg, BRIDS Estimates

**Exhibit 22. PE Band - UNVR**



Source: Bloomberg, BRIDS Estimates

**Exhibit 23. PE Band - INDF**



Source: Bloomberg, BRIDS Estimates

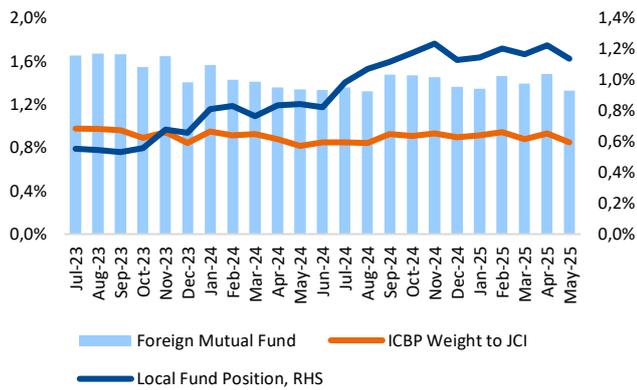
### Fund Flows

Within Consumer sector, we observed that local funds continued to have an overweight position in the sector, but we saw they are reducing some position in May25, particularly in ICBP, INDF, and MYOR.

For foreign investors, we also note outflows across the sector in May25, particularly in ICBP and MYOR.

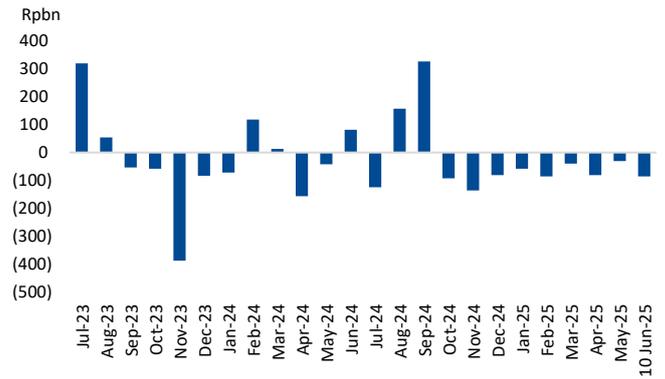
In terms of share price performance, we believe most Consumer names under our coverage are still lagging ytd, with MYOR the biggest underperformer (-23.7% ytd) followed by UNVR (-14.3%) and ICBP (-5.9%).

**Exhibit 24. Weighting and Fund Position - ICBP**



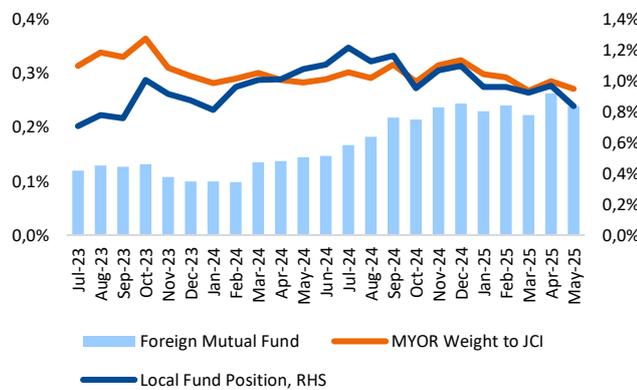
Source: KSEI, BRIDS

**Exhibit 25. Historical Foreign Flows - ICBP**



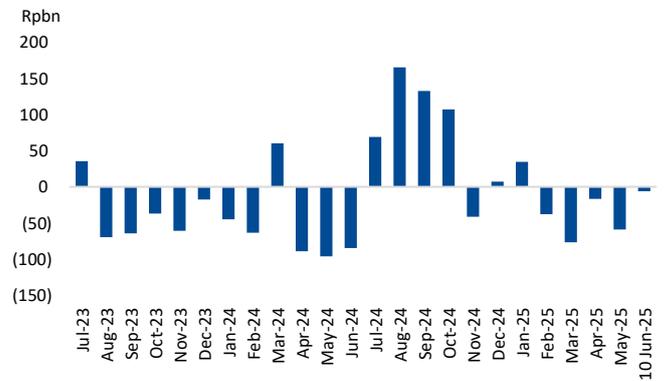
Source: IDX, BRIDS

**Exhibit 26. Weighting and Fund Position - MYOR**



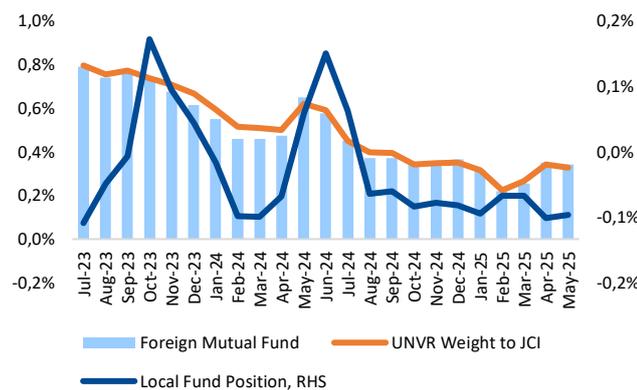
Source: KSEI, BRIDS

**Exhibit 27. Historical Foreign Flows - MYOR**



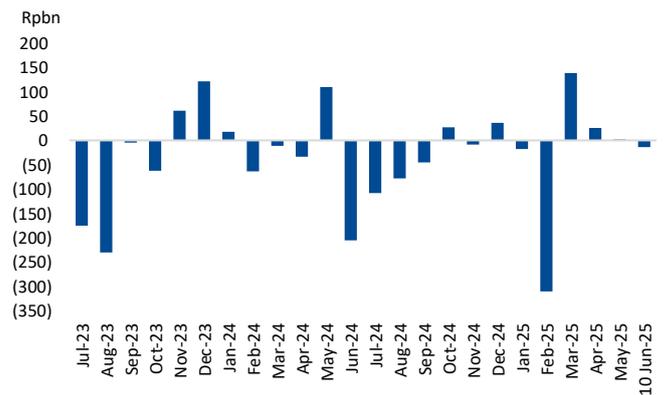
Source: IDX, BRIDS

**Exhibit 28. Weighting and Fund Position - UNVR**



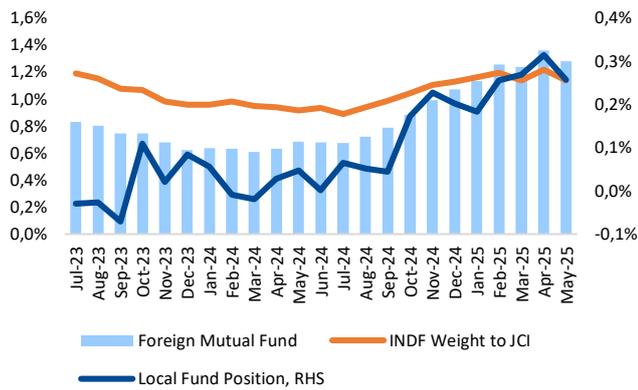
Source: KSEI, BRIDS

**Exhibit 29. Historical Foreign Flows - UNVR**



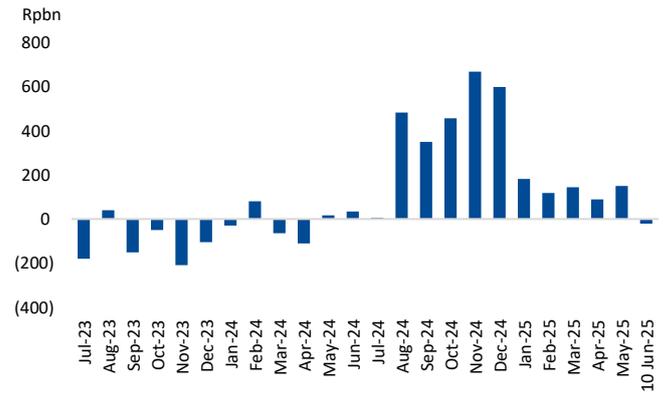
Source: IDX, BRIDS

**Exhibit 30. Weighting and Fund Position - INDF**



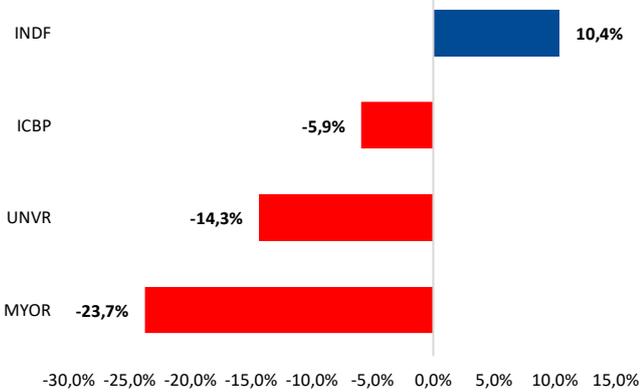
Source: KSEI, BRIDS

**Exhibit 31. Historical Foreign Flows - INDF**



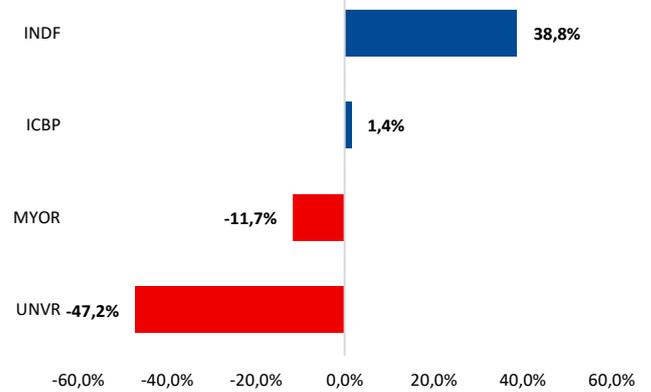
Source: IDX, BRIDS

**Exhibit 32. Share Price Performance - YTD**



Source: Bloomberg

**Exhibit 33. Share Price Performance – 12M**



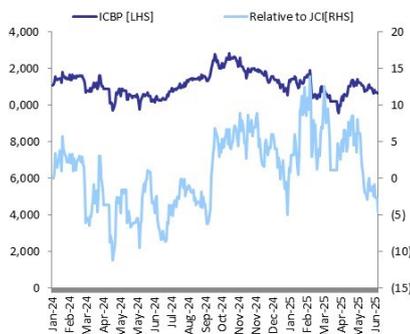
Source: Bloomberg

# Buy

(Reinitiated)

Last Price (Rp)	10,700
Target Price (Rp)	14,000
Previous Target Price (Rp)	14,000
Upside/Downside	+30.8%
No. of Shares (mn)	11,662
Mkt Cap (Rpbn/US\$m)	124,782/7,674
Avg, Daily T/O (Rpbn/US\$m)	46.8/2.9
Free Float (%)	80.5
Major Shareholder (%)	
Indofood Sukses Makmur Tbk	80.5
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	870.0 1,032.4 1,154.9
Consensus	857.3 966.7 1,093.6
BRIDS/Cons (%)	1.5 6.8 5.6

## ICBP relative to JCI Index



Source: Bloomberg

### BRI Danareksa Sekuritas Analysts

#### Christy Halim

(62-21) 5091 4100 ext. 3512  
christy.halim@brids.co.id

#### Sabela Nur Amalina

(62-21) 5091 4100 ext. 4202  
sabela.amalina@brids.co.id

## Indofood CBP Sukses Makmur (ICBP IJ) Attractively Valued Amid a Resilient FY25F outlook

- Following soft 1Q25 topline growth, our checks indicated improvements in Apr25.
- We expect a resilient FY25F earning outlook, with 8.1% revenue and 2.5% core profit growth, driven by 4.5% volume growth.
- Resume our coverage on ICBP with a Buy rating and our DCF-based TP Rp14,000. ICBP is our top pick in the sector.

### Soft 1Q25 topline with some indicative improvements in Apr25

ICBP’s total noodles sales volume grew by +4% yoy in 1Q25, which the company indicated was higher compared to domestic growth alone. Both dairy and beverages division reported negative volume growth in 1Q25 given the continuation of downtrading trend. Nonetheless, our recent check with the management suggested Apr25 noodles sales volume showed improvement and indicated to be in positive growth territory. We believe the recent noodle ASP adjustment (~3-4%) implemented on Feb25 will only have full impact in 2Q25 and thus should also support revenue growth in 2Q25.

### A resilient FY25F earnings outlook

We expect ICBP’s revenue to grow by 8.1% in FY25F, in line with the company’s guidance of 7-9% yoy. This is expected to be driven by volume growth of 4.5%, while the remaining 3.6% came from ASP hike. We expect Noodles (73% of the company’s revenue) to grow its volume by 4.4%. On the bottom line, we expect a +2.5% yoy core profit growth as we conservatively account for margin contraction in FY25F.

### 1Q25 new launches to support product diversification

ICBP has recently entered the yoghurt segment with the launch of Indomilk Kids Yoghurt, positioning the product within the growing low-sugar category. The company also launched several new Indomie’s flavors, Chitato’s lite new flavors and Indomilk’s sweetened condensed milk in durian flavor as part of its yearly innovation strategy. While contribution from new products will be small, we believe ICBP’s consistent product launches underscore its commitment to sustaining growth through portfolio diversification.

### Top pick in the sector; resuming our coverage with a Buy rating

Amid current weak purchasing power, we believe ICBP remains best positioned to benefit, as its instant noodles continue to offer one of the most affordable options for consumers. We believe its current valuation at 12.3x PE FY25F remains attractive given its resilient earnings outlook. We resume our coverage on ICBP with a BUY and our DCF-based TP of Rp14,000, implying 16.1x FY25F PE. Key risk is weaker purchasing power which may potentially affect sales volume.

### Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	67,910	72,597	78,508	85,483	92,909
EBITDA (Rpbn)	16,151	17,656	18,983	20,680	22,442
EBITDA Growth (%)	17.5	9.3	7.5	8.9	8.5
Net Profit (Rpbn)	6,991	7,079	10,146	12,040	13,469
EPS (Rp)	599.4	607.1	870.0	1,032.4	1,154.9
EPS Growth (%)	52.4	1.3	43.3	18.7	11.9
BVPS (Rp)	3,494.2	3,877.4	4,423.2	5,005.9	5,613.6
DPS (Rp)	276.6	317.7	321.7	461.1	547.2
PER (x)	17.9	17.6	12.3	10.4	9.3
PBV (x)	3.1	2.8	2.4	2.1	1.9
Dividend yield (%)	2.6	3.0	3.0	4.3	5.1
EV/EBITDA	9.3	8.2	7.4	6.5	5.7

Source: ICBP, BRIDS Estimates

**Exhibit 1. ICBP’s Earnings Estimates Revision**

ICBP (Rpbn)	Previous			New			Changes	
	2025F	2026F	2027F	2025F	2026F	2027F	2025	2026
Revenue	79,142	86,182	93,676	78,508	85,483	92,909	-0.8%	-0.8%
Gross profit	29,315	31,936	34,735	28,893	31,589	34,362	-1.4%	-1.1%
Operating profit	17,780	19,391	21,185	17,448	19,145	20,922	-1.9%	-1.3%
Net profit	10,390	12,222	13,664	10,146	12,040	13,469	-2.4%	-1.5%
Core profit	10,952	11,997	13,397	10,711	11,819	13,206	-2.2%	-1.5%
Gross margin	37.0%	37.1%	37.1%	36.8%	37.0%	37.0%		
Operating margin	22.5%	22.5%	22.6%	22.2%	22.4%	22.5%		
Net margin	13.1%	14.2%	14.6%	12.9%	14.1%	14.5%		
<b>Changes in assumption</b>								
USD IDR	15,477	15,477	16,600	16,600	16,600	16,600		
<b>Sales volume</b>								
Noodles	6.2%	6.6%	7.1%	<b>4.4%</b>	<b>7.3%</b>	<b>7.0%</b>		
Dairy	4.0%	4.0%	4.0%	5.0%	4.0%	4.0%		
Snack	3.0%	4.0%	1.5%	1.0%	1.5%	1.5%		
Beverages	5.0%	5.0%	4.0%	3.0%	3.0%	4.0%		
Nutritional	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%		
Seasoning	7.0%	7.0%	11.0%	10.0%	11.0%	11.0%		
A&P/sales	3.6%	3.5%	3.4%	3.6%	3.5%	3.4%		
Blended ASP	2.2%	2.3%	2.2%	3.6%	2.2%	2.2%		
Blended volume	5.7%	6.1%	6.4%	4.5%	6.5%	6.4%		

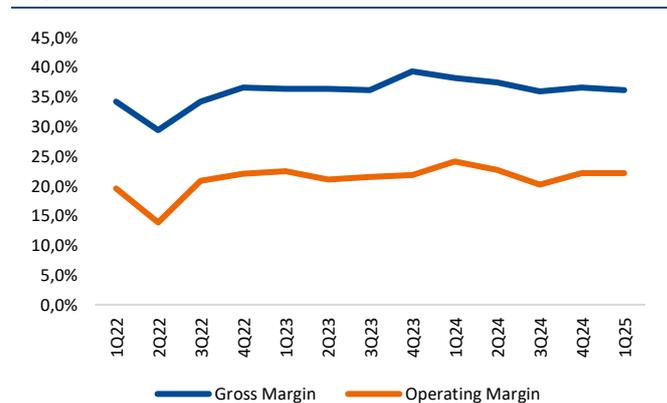
Source: BRIDS Estimates

**Exhibit 2. Quarterly Revenue and YoY Growth, 1Q22 – 1Q25**



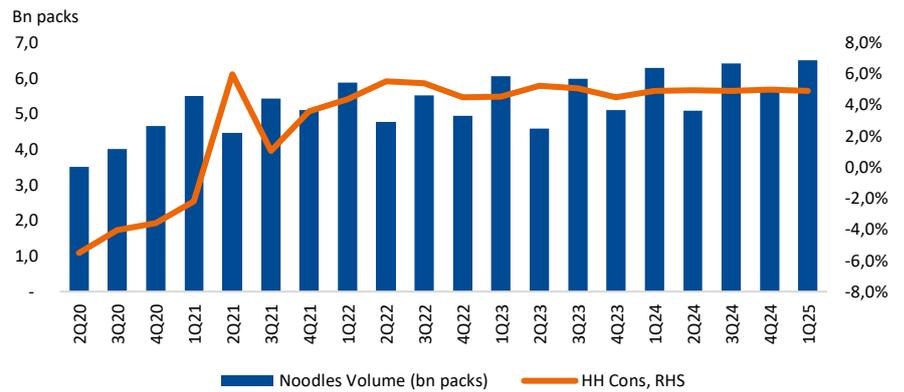
Source: Company, BRIDS

**Exhibit 3. Quarterly Gross and Operating Margin, 1Q22 – 1Q25**



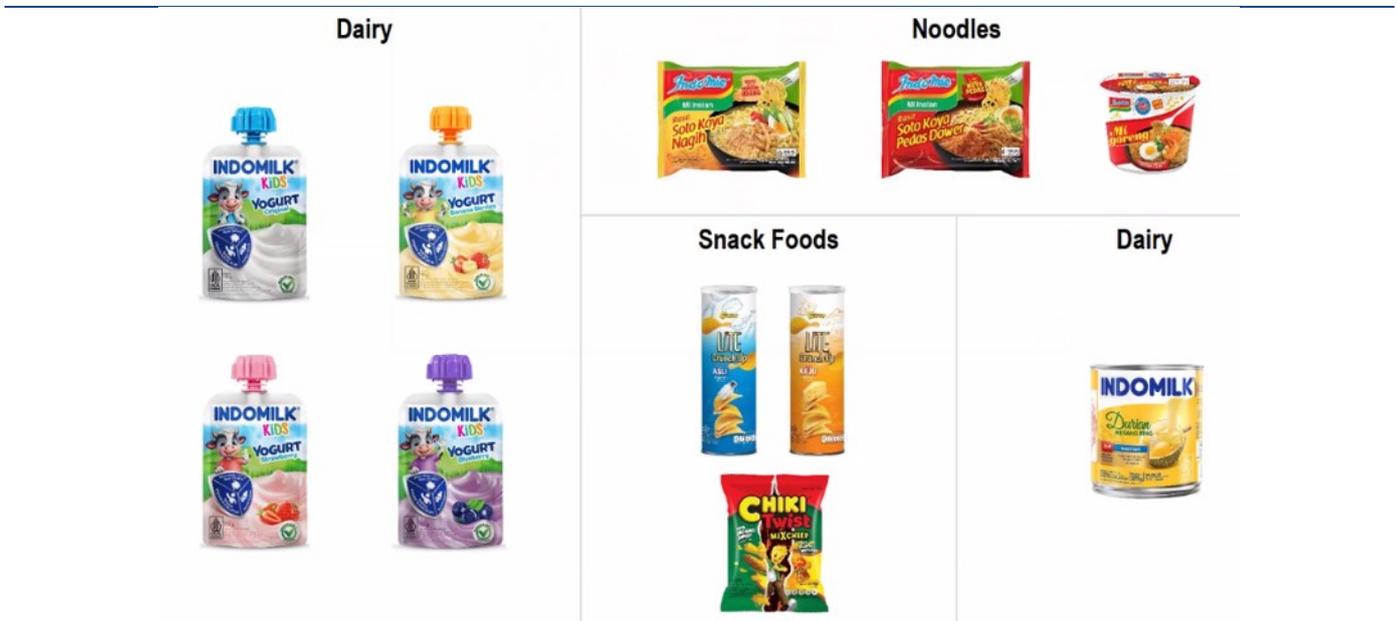
Source: Company, BRIDS

**Exhibit 4. Quarterly Noodle Sales Volume and HH Consumption Growth**



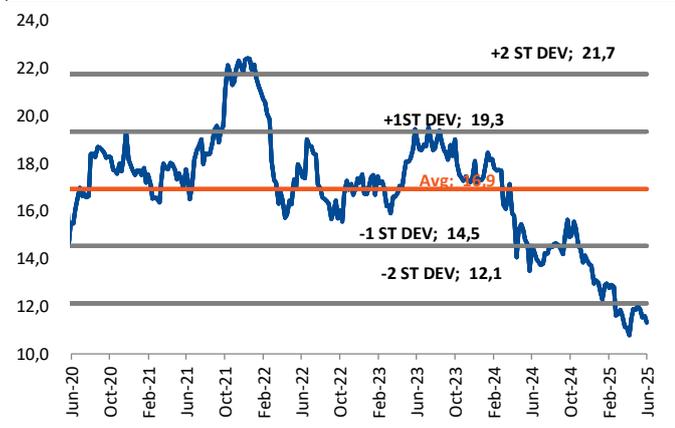
Source: Company, BPS, BRIDS

**Exhibit 5. ICBP's New Product Launch**



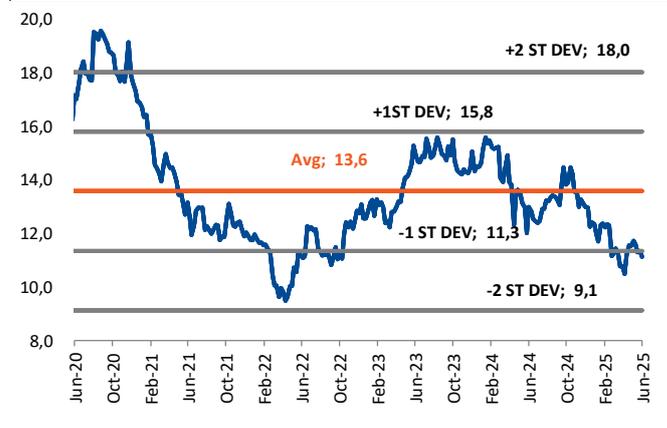
Source: Company

**Exhibit 6. PE Band – Net Profit**



Source: Bloomberg, BRIDS Estimates

**Exhibit 7. PE Band – Core Profit**



Source: Bloomberg, BRIDS Estimates

**Exhibit 8. Income Statement**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
<b>Revenue</b>	<b>67,910</b>	<b>72,597</b>	<b>78,508</b>	<b>85,483</b>	<b>92,909</b>
COGS	(42,784)	(45,704)	(49,615)	(53,894)	(58,547)
<b>Gross profit</b>	<b>25,126</b>	<b>26,893</b>	<b>28,893</b>	<b>31,589</b>	<b>34,362</b>
<b>EBITDA</b>	<b>16,151</b>	<b>17,656</b>	<b>18,983</b>	<b>20,680</b>	<b>22,442</b>
<b>Oper. profit</b>	<b>14,775</b>	<b>16,191</b>	<b>17,448</b>	<b>19,145</b>	<b>20,922</b>
Interest income	523	824	1,182	1,406	1,675
Interest expense	(2,025)	(2,142)	(2,381)	(2,399)	(2,390)
Forex Gain/(Loss)	875	(2,113)	(738)	0	0
Income From Assoc. Co's	(2,316)	(1,390)	155	168	183
Other Income (Expenses)	(387)	130	18	53	79
<b>Pre-tax profit</b>	<b>11,445</b>	<b>11,499</b>	<b>15,685</b>	<b>18,373</b>	<b>20,469</b>
Income tax	(2,980)	(2,686)	(3,664)	(4,292)	(4,781)
Minority interest	(1,475)	(1,734)	(1,875)	(2,042)	(2,219)
<b>Net profit</b>	<b>6,991</b>	<b>7,079</b>	<b>10,146</b>	<b>12,040</b>	<b>13,469</b>
<b>Core Net Profit</b>	<b>9,307</b>	<b>10,457</b>	<b>10,711</b>	<b>11,819</b>	<b>13,206</b>

**Exhibit 9. Balance Sheet**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	19,353	25,293	29,493	35,679	41,969
Receivables	7,524	8,792	9,508	10,352	11,252
Inventory	6,329	7,060	7,664	8,325	9,043
Other Curr. Asset	1,232	1,106	1,196	1,303	1,416
Fixed assets - Net	14,949	15,504	17,081	18,239	19,381
Other non-curr.asset	67,544	65,870	65,508	65,214	65,043
<b>Total asset</b>	<b>119,267</b>	<b>126,041</b>	<b>132,866</b>	<b>141,529</b>	<b>150,521</b>
ST Debt	113	185	185	185	185
Payables	4,952	5,167	5,609	6,093	6,619
Other Curr. Liabilities	4,511	4,646	5,025	5,471	5,946
Long Term Debt	43,878	45,439	45,763	45,904	45,973
Other LT. Liabilities	3,712	3,559	3,860	4,195	4,558
<b>Total Liabilities</b>	<b>57,164</b>	<b>58,997</b>	<b>60,442</b>	<b>61,848</b>	<b>63,281</b>
Shareholder's Funds	40,749	45,217	51,583	58,378	65,465
Minority interests	21,354	21,827	20,842	21,303	21,775
<b>Total Equity &amp; Liabilities</b>	<b>119,267</b>	<b>126,041</b>	<b>132,866</b>	<b>141,529</b>	<b>150,521</b>

**Exhibit 10. Cash Flow**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	6,991	7,079	10,146	12,040	13,469
Depreciation and Amort.	1,377	1,465	1,535	1,535	1,521
Change in Working Capital	1,191	(1,493)	(614)	(710)	(760)
Other Oper. Cash Flow	764	730	1,726	1,211	1,132
<b>Operating Cash Flow</b>	<b>10,321</b>	<b>7,781</b>	<b>12,793</b>	<b>14,076</b>	<b>15,361</b>
Capex	(1,413)	(1,802)	(3,140)	(2,561)	(2,663)
Others Inv. Cash Flow	1,258	2,825	1,342	1,845	1,821
<b>Investing Cash Flow</b>	<b>(155)</b>	<b>1,023</b>	<b>(1,799)</b>	<b>(715)</b>	<b>(841)</b>
Net change in debt	(2,016)	1,634	323	140	69
New Capital	713	(43)	(985)	461	472
Dividend payment	(3,226)	(3,705)	(3,752)	(5,377)	(6,381)
Other Fin. Cash Flow	(2,025)	(2,142)	(2,381)	(2,399)	(2,390)
<b>Financing Cash Flow</b>	<b>(6,554)</b>	<b>(4,256)</b>	<b>(6,794)</b>	<b>(7,175)</b>	<b>(8,231)</b>
<b>Net Change in Cash</b>	<b>3,613</b>	<b>4,549</b>	<b>4,201</b>	<b>6,186</b>	<b>6,289</b>
Cash - begin of the year	15,741	19,353	25,293	29,493	35,679
Cash - end of the year	19,353	25,293	29,493	35,679	41,969

**Exhibit 11. Key Ratio**

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
<b>Growth (%)</b>					
Sales	4.8	6.9	8.1	8.9	8.7
EBITDA	17.5	9.3	7.5	8.9	8.5
Operating profit	19.0	9.6	7.8	9.7	9.3
Net profit	52.4	1.3	43.3	18.7	11.9
Core profit growth	7.9	12.3	2.5	10.3	11.7
<b>Profitability (%)</b>					
Gross margin	37.0	37.0	36.8	37.0	37.0
EBITDA margin	23.8	24.3	24.2	24.2	24.2
Operating margin	21.8	22.3	22.2	22.4	22.5
Net margin	10.3	9.8	12.9	14.1	14.5
ROAA	6.0	5.8	7.8	8.8	9.2
ROAE	18.1	16.5	21.0	21.9	21.8
<b>Leverage</b>					
Net Gearing (x)	0.4	0.3	0.2	0.1	0.0
Interest Coverage (x)	7.3	7.6	7.3	8.0	8.8

Source: ICBP, BRIDS Estimates

# Buy

(Reinitiated)

## Mayora Indah (MYOR IJ)

### 2H25 Margin Recovery Prospect from Better Cost Structure and ASP Adjustment

Last Price (Rp)	2,160
Target Price (Rp)	2,800
Previous Target Price (Rp)	3,050
Upside/Downside	+29.6%

No. of Shares (mn)	22,359
Mkt Cap (Rpbn/US\$m)	48,295/2,970
Avg, Daily T/O (Rpbn/US\$m)	15.3/0.9
Free Float (%)	15.7

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

EPS Consensus (Rp)			
	2025F	2026F	2027F
BRIDS	143.3	164.4	186.8
Consensus	138.1	164.8	186.9
BRIDS/Cons (%)	3.8	(0.2)	(0.1)

- MYOR’s above-peers topline growth outlook remains intact; we forecast +12.3% yoy revenue growth in FY25F, driven by higher volume as well as ASP.
- Margin pressure may likely continue in 2Q25F as input costs remain elevated but we expect a recovery in 2H25 from better cost structure & ASP adj.
- Resume our coverage on MYOR (Buy rating and PE-based TP of Rp2,800) given its solid topline growth outlook despite some cost input headwinds.

#### Solid topline growth outlook remains intact

MYOR reported solid +12.6% yoy revenue growth in 1Q25, supported by ~5-6% volume growth and 7% ASP increase, reflecting the impact of price adjustments for chocolate products in Feb25. While domestic demand growth was driven by demand from led festivities, the export business also saw stronger shipments to key export destinations such as Malaysia, Thailand, and Philippines. The company indicates Apr25 sales run-rate remain in the double-digit growth, despite largely driven by exports. We forecast its topline growth of +12.3% yoy, in line with the company’s guidance of >10% growth.

#### Short-term margin pressure, but expect a recovery in 2H25

We expect MYOR’s margin to remain under pressure at 19.9-20.9% in 2Q25F. Prices for key raw materials’ prices, coffee and cocoa remain elevated at 17.0% and 1.3% ytd, while coconut oil (mainly used in biscuit and wafer production) has also seen an increase, rising over 20% ytd. While coconut oil accounted for <10% of total raw material costs, its recent price spikes have added incremental cost pressure, further straining short-term margins. The management anticipates a 1-2% qoq GPM decline in 2Q25F following the elevated input costs and seasonally softer demand post Lebaran. We expect a potential margin recovery in 2H25 from better seasonality, cost structure and ASP adjustment.

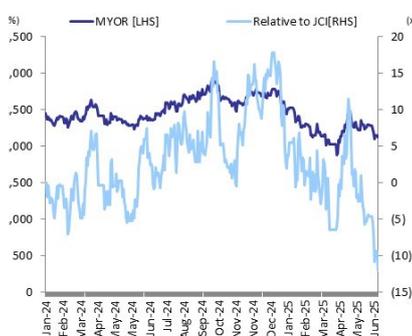
#### Cost structure adjustment and implementing selective price increases

As part of its cost structure adjustment initiatives, MYOR plans to reformulate some of its products, including selected coffee and confectionary, to lower its COGS by ~15%. For now, we expect MYOR’s FY25F GPM to be relatively flattish at 23.4%, still within the company’s guidance of 23-25% this year.

#### Resume our coverage with a Buy rating with PE-based TP of Rp2,800

We resume our coverage on MYOR with a Buy rating TP Rp2,800, implying PE multiple targets of 19.6x (-0.5SD of its 3-yr mean). MYOR trades at 15.1x FY25F PE (-1SD of its 3-yr mean) which we believe has yet to price in prospect of margin recovery. Key risk is weaker-than-expected purchasing power, significant jump in the key raw material’s prices.

#### MYOR relative to JCI Index



Source: Bloomberg

#### BRI Danareksa Sekuritas Analysts

**Christy Halim**

(62-21) 5091 4100 ext. 3512

christy.halim@brids.co.id

**Sabela Nur Amalina**

(62-21) 5091 4100 ext. 4202

sabela.amalina@brids.co.id

#### 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	5,594	6,350	6,965
EBITDA Growth (%)	56.4	(4.8)	14.6	13.5	9.7
Net Profit (Rpbn)	3,194	3,000	3,204	3,677	4,177
EPS (Rp)	142.8	134.2	143.3	164.4	186.8
EPS Growth (%)	64.4	(6.1)	6.8	14.8	13.6
BVPS (Rp)	672.6	752.3	841.6	948.3	1,068.8
DPS (Rp)	35.0	55.0	54.1	57.7	66.3
PER (x)	15.1	16.1	15.1	13.1	11.6
PBV (x)	3.2	2.9	2.6	2.3	2.0
Dividend yield (%)	1.6	2.5	2.5	2.7	3.1
EV/EBITDA	9.4	10.6	8.9	7.7	6.9

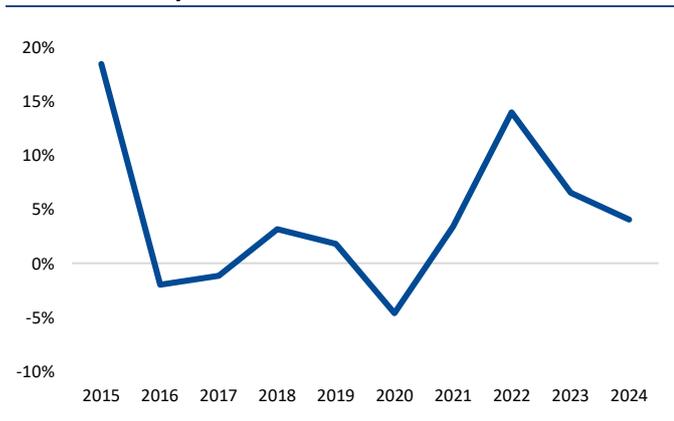
Source: MYOR, BRIDS Estimates

**Exhibit 1. MYOR’s Earnings Estimates Revision**

MYOR IJ (Rpbn)	Previous		New		Changes	
	2025F	2026F	2025F	2026F	2025	2026
Revenue	40,503	44,971	40,503	44,971	0.0%	0.0%
Gross profit	9,474	10,631	9,474	10,631	0.0%	0.0%
Operating profit	4,547	5,025	4,385	5,025	-3.6%	0.0%
Net profit	3,334	3,679	3,204	3,677	-3.9%	-0.1%
Core profit	3,271	3,679	3,141	3,677	-4.0%	-0.1%
Gross margin	23.4%	23.6%	23.4%	23.6%		
Opex/revenue	12.2%	12.5%	12.6%	12.5%		
Operating margin	11.2%	11.2%	10.8%	11.2%		
Net margin	8.2%	8.2%	7.9%	8.2%		
<b>Key assumptions</b>						
ASP growth	2.5%	1.3%	4.5%	1.3%		
Volume growth	8.8%	9.6%	7.5%	9.7%		
A&P/revenue	8.0%	8.0%	7.5%	7.4%		

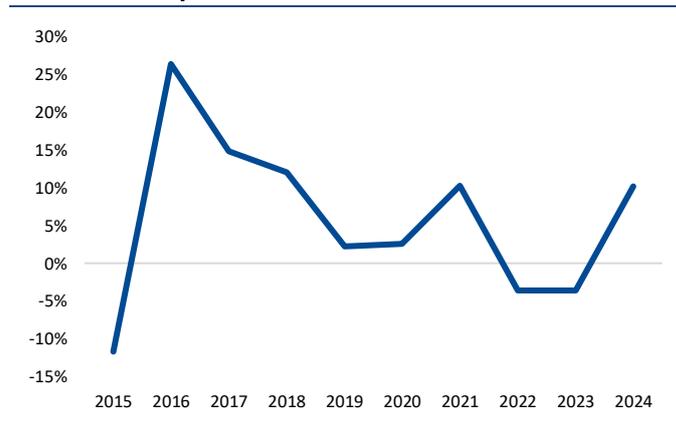
Source: BRIDS Estimates

**Exhibit 2. Yearly ASP Growth**



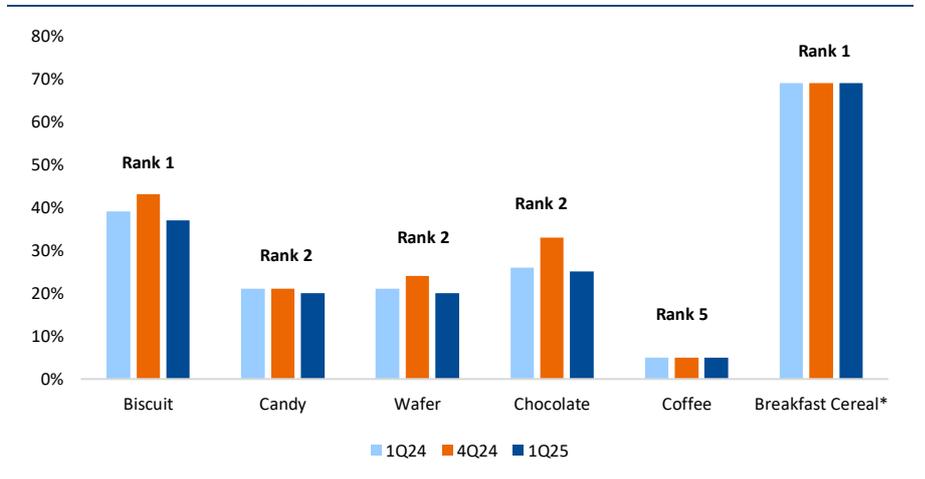
Source: Company

**Exhibit 3. Yearly Volume Growth**



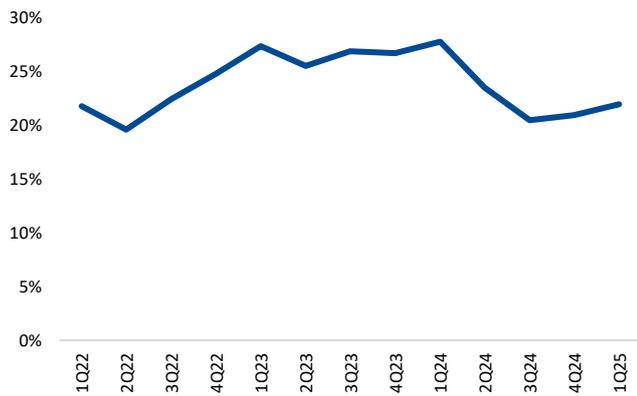
Source: Company

**Exhibit 4. Market Share 1Q25**



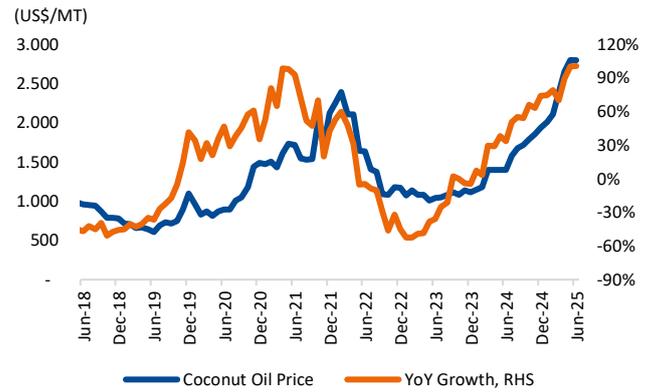
Source: Company

**Exhibit 5. Quarterly Gross Margin, 1Q22 – 1Q25**



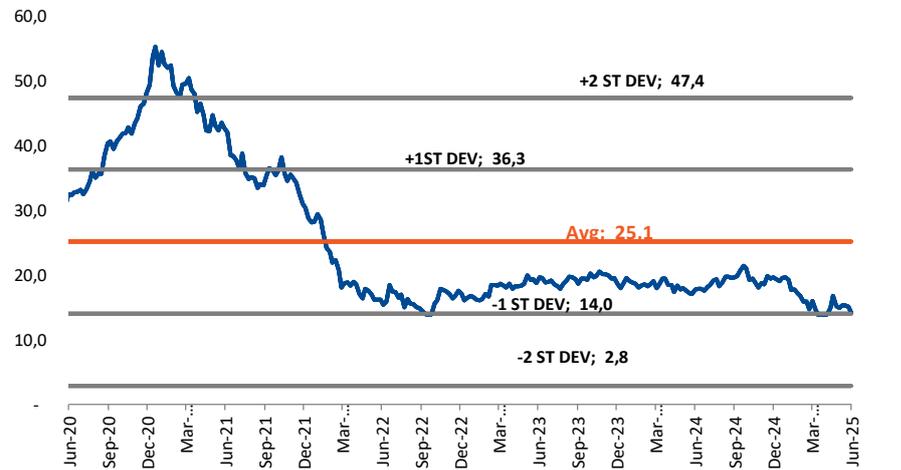
Source: Company, BRIDS

**Exhibit 6. Monthly Coconut Oil Price**



Source: Bloomberg

**Exhibit 7. MYOR PE Band**



Source: Bloomberg, BRIDS Estimates

**Exhibit 8. Income Statement**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
<b>Revenue</b>	<b>31,485</b>	<b>36,073</b>	<b>40,503</b>	<b>44,971</b>	<b>49,076</b>
COGS	(23,077)	(27,771)	(31,029)	(34,340)	(37,411)
<b>Gross profit</b>	<b>8,408</b>	<b>8,302</b>	<b>9,474</b>	<b>10,631</b>	<b>11,665</b>
<b>EBITDA</b>	<b>5,130</b>	<b>4,883</b>	<b>5,594</b>	<b>6,350</b>	<b>6,965</b>
<b>Oper. profit</b>	<b>4,299</b>	<b>3,915</b>	<b>4,385</b>	<b>5,025</b>	<b>5,596</b>
Interest income	85	151	164	156	167
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
<b>Pre-tax profit</b>	<b>4,094</b>	<b>3,881</b>	<b>4,149</b>	<b>4,758</b>	<b>5,400</b>
Income tax	(849)	(813)	(870)	(997)	(1,132)
Minority interest	(51)	(67)	(76)	(84)	(92)
<b>Net profit</b>	<b>3,194</b>	<b>3,000</b>	<b>3,204</b>	<b>3,677</b>	<b>4,177</b>
<b>Core Net Profit</b>	<b>3,341</b>	<b>2,852</b>	<b>3,125</b>	<b>3,677</b>	<b>4,177</b>

**Exhibit 9. Balance Sheet**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	4,157	4,601	4,909	5,305	4,755
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
<b>Total asset</b>	<b>23,870</b>	<b>29,729</b>	<b>30,585</b>	<b>32,891</b>	<b>34,816</b>
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
<b>Total Liabilities</b>	<b>8,588</b>	<b>12,626</b>	<b>11,452</b>	<b>11,338</b>	<b>10,534</b>
Shareholder's Funds	15,039	16,821	18,816	21,202	23,898
Minority interests	243	282	316	351	383
<b>Total Equity &amp; Liabilities</b>	<b>23,870</b>	<b>29,729</b>	<b>30,585</b>	<b>32,891</b>	<b>34,816</b>

**Exhibit 10. Cash Flow**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	3,194	3,000	3,204	3,677	4,177
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)	380	234	165
<b>Operating Cash Flow</b>	<b>5,483</b>	<b>8</b>	<b>4,718</b>	<b>4,108</b>	<b>4,673</b>
Capex	(2,442)	(2,006)	(1,637)	(1,577)	(2,316)
Others Inv. Cash Flow	161	151	164	156	167
<b>Investing Cash Flow</b>	<b>(2,281)</b>	<b>(1,855)</b>	<b>(1,473)</b>	<b>(1,421)</b>	<b>(2,149)</b>
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)	(1,291)	(1,481)
Other Fin. Cash Flow	(293)	(292)	(479)	(424)	(363)
<b>Financing Cash Flow</b>	<b>(2,308)</b>	<b>2,291</b>	<b>(2,938)</b>	<b>(2,291)</b>	<b>(3,074)</b>
<b>Net Change in Cash</b>	<b>894</b>	<b>444</b>	<b>308</b>	<b>396</b>	<b>(550)</b>
Cash - begin of the year	3,262	4,157	4,601	4,909	5,305
Cash - end of the year	4,157	4,601	4,909	5,305	4,755

**Exhibit 11. Key Ratio**

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
<b>Growth (%)</b>					
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
Core profit growth	99.5	(12.9)	9.0	17.0	13.6
<b>Profitability (%)</b>					
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
<b>Leverage</b>					
Net Gearing (x)	0.0	0.2	0.1	0.0	0.0
Interest Coverage (x)	14.2	9.2	9.2	11.9	15.4

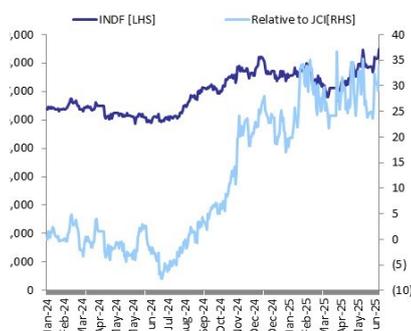
Source: MYOR, BRIDS Estimates

# Buy

(Reinitiated)

Last Price (Rp)	8,500
Target Price (Rp)	9,500
Previous Target Price (Rp)	8,800
Upside/Downside	+11.8%
No. of Shares (mn)	8,780
Mkt Cap (Rpbn/US\$mn)	74,634/4,590
Avg, Daily T/O (Rpbn/US\$mn)	64.5/4.0
Free Float (%)	49.9
Major Shareholder (%)	
FIRST PACIFIC COMPANY LIMITED	50.1
VANGUARD GROUP	1.6
EPS Consensus (Rp)	
	2025F 2026F 2027F
BRIDS	1,251.9 1,453.1 1,541.4
Consensus	1,298.6 1,467.8 1,606.2
BRIDS/Cons (%)	(3.6) (1.0) (4.0)

## INDF relative to JCI Index



Source: Bloomberg

### BRI Danareksa Sekuritas Analysts

**Christy Halim**

(62-21) 5091 4100 ext. 3512

christy.halim@brids.co.id

**Sabela Nur Amalina**

(62-21) 5091 4100 ext. 4202

sabela.amalina@brids.co.id

# Indofood Sukses Makmur (INDF IJ)

## Attractive Valuation Amid Steady Outlook from ICBP

- INDF's 1Q25 performance was supported by its agribusiness revenue, which balanced ICBP's stable and Bogasari's negative top line growth.
- We forecast INDF's revenue growth of +6.5% yoy, with ICBP the biggest contributor (+7.6%), followed by Bogasari, agribusiness and distribution.
- Resume our coverage on INDF with a Buy rating and SOTP-based TP of Rp9,500 given its constructive outlook. Currently, it trades at 6.8x PE FY25F.

### Resilient 1Q25 supported by its agribusiness division

INDF reported +9.4% qoq, +2.5% yoy revenue growth in 1Q25, with its strong agribusiness (+28.8% yoy) performance balancing the stable growth from ICBP. Bogasari, on the other hand, posted a negative revenue growth of -6.8% yoy partly due to a flattish global wheat price throughout the quarter. On the gross profit level, its GPM expanded by 40bps yoy, thanks to the higher CPO prices. It also maintained its opex-to-sales ratio at 14.7%, which enabled +5.5% yoy higher operating profit.

### ICBP remains the growth driver

We forecast INDF's revenue to grow by +6.5% yoy in FY25F, mainly driven by ICBP (+7.6% yoy) and followed by Bogasari (+5%), agribusiness (+4.6%), and distribution (+3.8%). We believe ICBP will remain as the growth driver for INDF and expect its 2Q25 performance to be partly supported by the noodles ASP adjustment in Feb25 that will be fully reflected in 2Q25. For Bogasari, we estimate +4.5% volume growth in FY25F with expectation of relatively flattish ASP adjustment. Meanwhile for agribusiness, we note CPO prices have declined by -17% ytd and -2% yoy. The soft oil prices and weak demand from China may continue to weigh on CPO price but the slower replanting process may help to support prices going forward. Our CPO price assumption is at MYR4,205/ton for FY25F (MYR4,264/ton in FY24). We project +3% vol growth with +4.6% rev growth in FY25F for the agribusiness division.

### Resume our coverage with a Buy rating TP Rp9,500

We are resuming our coverage on INDF with a Buy rating TP Rp9,500, based on SOTP. We remain constructive on the overall outlook, amid resilient ICBP's volume and continued recovery in agribusiness. Currently, INDF is trading at 6.8x PE FY25F with 46.5% discount to ICBP (vs. 2-yr average discount of 58.9%). Key risk to our view is slower-than-expected purchasing power which impact ICBP's growth and higher soft commodity prices than expected.

### Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	111,704	115,787	123,359	132,018	141,612
EBITDA (Rpbn)	23,063	26,304	27,420	30,061	31,446
EBITDA Growth (%)	5.1	14.1	4.2	9.6	4.6
Net Profit (Rpbn)	8,147	8,642	10,992	12,758	13,534
EPS (Rp)	927.9	984.2	1,251.9	1,453.1	1,541.4
EPS Growth (%)	28.1	6.1	27.2	16.1	6.1
BVPS (Rp)	6,741.5	7,415.8	8,390.4	9,489.3	10,618.8
DPS (Rp)	257.0	267.0	283.2	360.2	418.1
PER (x)	9.2	8.6	6.8	5.8	5.5
PBV (x)	1.3	1.1	1.0	0.9	0.8
Dividend yield (%)	3.0	3.1	3.3	4.2	4.9
EV/EBITDA	4.8	4.1	3.6	3.1	2.8

Source: INDF, BRIDS Estimates

**Exhibit 1. INDF SOTP Valuation**

Valuation SOTP	Stake	EBIT 2024	EV Rpbn	Effective valuation Rpbn	%	Method
ICBP	80.5%	140,426	140,426	113,043	79%	Based on BRIDS' TP of IDR14,000
Bogasari	100.0%	2,437	19,496	19,496	14%	8x EV/EBIT
Agribusiness	71.8%	7,617	7,617	5,469	4%	Market
Distribution	100.0%	496	5,213	5,213	4%	10.1x EV/EBIT
Net debt - holding Co				(25,254)		
<b>Total EV</b>				<b>117,967</b>		
Holding company disc	30%			(35,390)		
<b>Equity value (Rp bn)</b>				<b>82,577</b>		
<b>Target price per share (Rp)</b>				<b>9,500</b>		
Implied P/E - 2025				7.6		

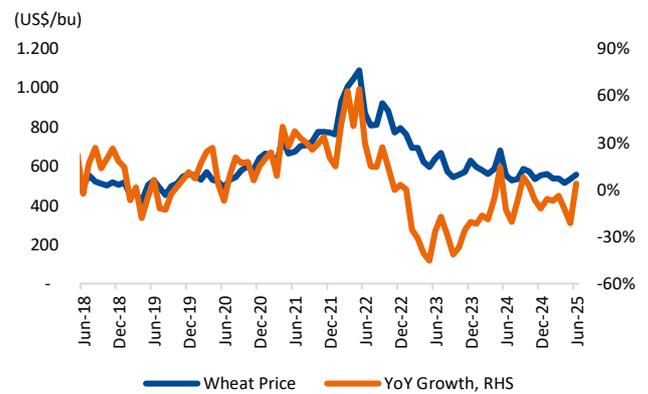
Source: BRIDS Estimates

**Exhibit 2. Monthly CPO Price**



Source: Bloomberg

**Exhibit 3. Monthly Wheat Price**



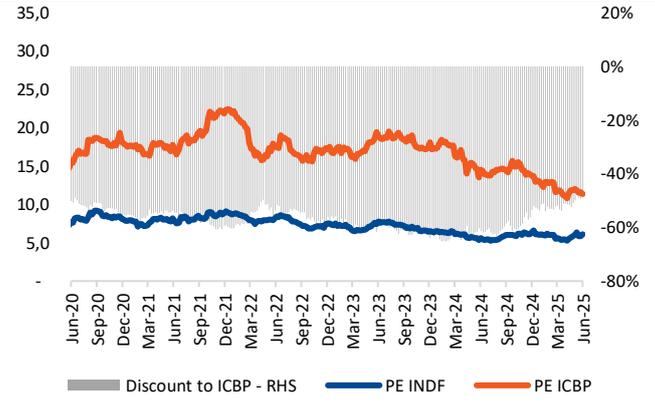
Source: Bloomberg

**Exhibit 4. INDF's PE Band**



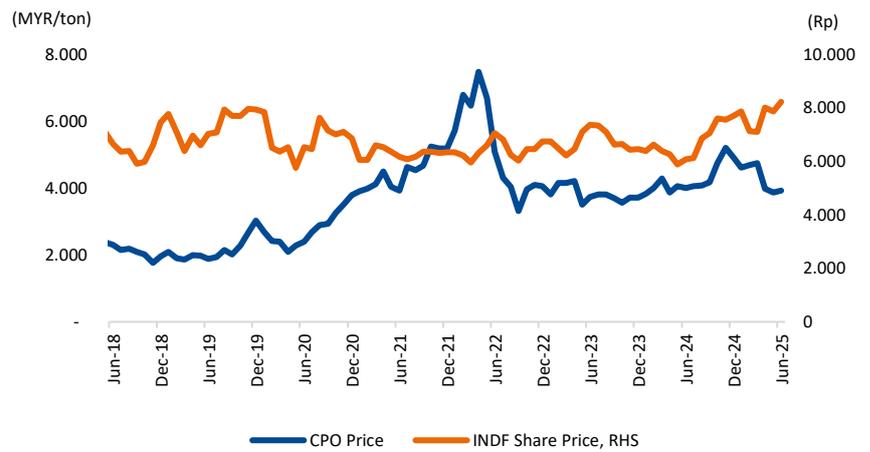
Source: Bloomberg, BRIDS Estimates

**Exhibit 5. INDF vs ICBP Valuation Discount**



Source: Bloomberg, BRIDS Estimates

**Exhibit 6. CPO Price and INDF's Share Price**



Source: Bloomberg

**Exhibit 7. Income Statement**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
<b>Revenue</b>	<b>111,704</b>	<b>115,787</b>	<b>123,359</b>	<b>132,018</b>	<b>141,612</b>
COGS	(75,653)	(75,650)	(81,221)	(86,167)	(93,362)
<b>Gross profit</b>	<b>36,050</b>	<b>40,137</b>	<b>42,137</b>	<b>45,850</b>	<b>48,251</b>
<b>EBITDA</b>	<b>23,063</b>	<b>26,304</b>	<b>27,420</b>	<b>30,061</b>	<b>31,446</b>
<b>Oper. profit</b>	<b>19,679</b>	<b>22,830</b>	<b>23,499</b>	<b>25,903</b>	<b>27,137</b>
Interest income	974	1,505	1,505	1,740	1,976
Interest expense	(3,499)	(3,804)	(3,902)	(3,853)	(3,877)
Forex Gain/(Loss)	791	(2,389)	(869)	0	0
Income From Assoc. Co's	(2,314)	(1,362)	0	0	0
Other Income (Expenses)	(15)	258	214	141	135
<b>Pre-tax profit</b>	<b>15,615</b>	<b>17,040</b>	<b>20,447</b>	<b>23,931</b>	<b>25,370</b>
Income tax	(4,122)	(3,962)	(5,076)	(6,222)	(6,596)
Minority interest	(3,347)	(4,436)	(4,379)	(4,951)	(5,240)
<b>Net profit</b>	<b>8,147</b>	<b>8,642</b>	<b>10,992</b>	<b>12,758</b>	<b>13,534</b>
<b>Core Net Profit</b>	<b>7,356</b>	<b>11,030</b>	<b>11,861</b>	<b>12,758</b>	<b>13,534</b>

**Exhibit 8. Balance Sheet**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	28,576	38,710	45,467	51,870	58,643
Receivables	8,674	10,017	9,974	10,725	11,527
Inventory	15,213	17,954	17,683	19,569	20,755
Other Curr. Asset	2,525	3,569	3,281	3,453	3,545
Fixed assets - Net	47,295	47,814	48,827	49,950	51,305
Other non-curr.asset	76,191	74,134	74,869	74,968	75,965
<b>Total asset</b>	<b>186,588</b>	<b>201,713</b>	<b>209,616</b>	<b>220,049</b>	<b>231,256</b>
ST Debt	18,266	21,573	20,951	20,951	20,951
Payables	6,885	7,412	7,560	8,094	8,864
Other Curr. Liabilities	7,764	8,109	7,731	8,171	8,837
Long Term Debt	46,307	49,373	49,707	49,707	49,707
Other LT. Liabilities	6,902	6,255	6,118	5,929	5,781
<b>Total Liabilities</b>	<b>86,123</b>	<b>92,722</b>	<b>92,067</b>	<b>92,852</b>	<b>94,141</b>
Shareholder's Funds	59,193	65,114	73,671	83,320	93,237
Minority interests	41,272	43,878	43,878	43,878	43,878
<b>Total Equity &amp; Liabilities</b>	<b>186,588</b>	<b>201,713</b>	<b>209,616</b>	<b>220,049</b>	<b>231,256</b>

**Exhibit 9. Cash Flow**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	8,147	8,642	10,992	12,758	13,534
Depreciation and Amort.	2,868	3,205	3,921	4,158	4,309
Change in Working Capital	1,793	(4,199)	1,008	(2,063)	(936)
Other Oper. Cash Flow	3,079	2,242	1,761	2,340	2,194
<b>Operating Cash Flow</b>	<b>15,887</b>	<b>9,889</b>	<b>17,683</b>	<b>17,193</b>	<b>19,101</b>
Capex	(2,753)	(3,724)	(4,934)	(5,281)	(5,664)
Others Inv. Cash Flow	(4,208)	2,161	770	1,641	979
<b>Investing Cash Flow</b>	<b>(6,961)</b>	<b>(1,563)</b>	<b>(4,164)</b>	<b>(3,640)</b>	<b>(4,686)</b>
Net change in debt	(1,582)	6,373	(288)	0	0
New Capital	951	2,229	52	53	55
Dividend payment	(2,257)	(2,344)	(2,487)	(3,163)	(3,671)
Other Fin. Cash Flow	(3,410)	(4,450)	(4,039)	(4,041)	(4,026)
<b>Financing Cash Flow</b>	<b>(6,296)</b>	<b>1,807</b>	<b>(6,762)</b>	<b>(7,151)</b>	<b>(7,642)</b>
<b>Net Change in Cash</b>	<b>2,630</b>	<b>10,134</b>	<b>6,757</b>	<b>6,402</b>	<b>6,773</b>
Cash - begin of the year	25,946	28,576	38,710	45,467	51,870
Cash - end of the year	28,576	38,710	45,467	51,870	58,643

**Exhibit 10. Key Ratio**

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
<b>Growth (%)</b>					
Sales	0.8	3.7	6.5	7.0	7.3
EBITDA	5.1	14.1	4.2	9.6	4.6
Operating profit	5.3	16.0	2.9	10.2	4.8
Net profit	28.1	6.1	27.2	16.1	6.1
Core profit growth	(13.5)	14.1	7.5	7.6	6.1
<b>Profitability (%)</b>					
Gross margin	32.3	34.7	34.2	34.7	34.1
EBITDA margin	20.6	22.7	22.2	22.8	22.2
Operating margin	17.6	19.7	19.0	19.6	19.2
Net margin	7.3	7.5	8.9	9.7	9.6
ROAA	4.4	4.5	5.3	5.9	6.0
ROAE	14.4	13.9	15.8	16.3	15.3
<b>Leverage</b>					
Net Gearing (x)	0.4	0.3	0.2	0.1	0.1
Interest Coverage (x)	5.6	6.0	6.0	6.7	7.0

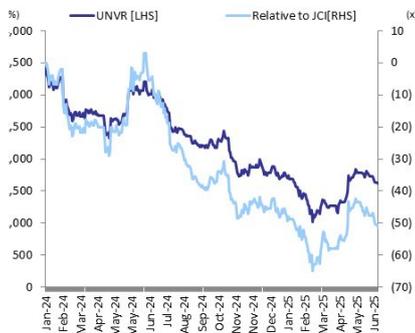
Source: INDF, BRIDS Estimates

# Sell

(Reinitiated)

Last Price (Rp)	1,615	
Target Price (Rp)	1,500	
Previous Target Price (Rp)	1,500	
Upside/Downside	-7.1%	
No. of Shares (mn)	38,150	
Mkt Cap (Rpbn/US\$m)	61,612/3,789	
Avg, Daily T/O (Rpbn/US\$m)	66.5/4.1	
Free Float (%)	15.0	
Major Shareholder (%)	Unilever Indonesia Holding B.V. 85.0	
EPS Consensus (Rp)	2025F	2026F 2027F
BRIDS	86.8	90.3 95.1
Consensus	94.4	99.0 104.6
BRIDS/Cons (%)	(8.1)	(8.8) (9.0)

## UNVR relative to JCI Index



Source: Bloomberg

### BRI Danareksa Sekuritas Analysts

#### Christy Halim

(62-21) 5091 4100 ext. 3512  
christy.halim@brids.co.id

#### Sabela Nur Amalina

(62-21) 5091 4100 ext. 4202  
sabela.amalina@brids.co.id

# Unilever Indonesia (UNVR IJ)

## Awaiting Volume Inflections

- UNVR is eyeing for improvement in 2H25 from revenue growth recovery and cost control.
- We think it is too early to turn positive given the soft seasonality post Ramadan and competition landscape remaining tight.
- Resume our coverage on UNVR with a Sell rating and DCF-based TP of Rp1,500 given its challenging outlook and demanding valuation.

### A still challenging 1Q25, persisting headwinds in 2Q25

Despite completing price harmonization and inventory stock reduction in 1Q25, UNVR's topline still declined by -6% yoy, driven by a -7.8% yoy drop in volume, indicating continued market share erosion. Its Home Personal Care (HPC) division dragged down overall performance (revenue growth -9.1% yoy) while Food & Refreshment (F&R) division was relatively flat (-0.8%). While the company is aiming for a turnaround in 2H25, supported by revenue recovery and cost management initiatives starting in 2Q25, we believe it is too early to turn optimistic. We believe the post-Ramadan seasonal slowdown and persistently intense competition, particularly in the HPC segment, pose continued headwinds.

### FY25 outlook remains muted

Amid still challenging operating environment, we forecast UNVR's revenue growth to be still in a negative territory of -4% (HPC division -5%, F&R -2%) with net profit growth of -1.7% yoy in FY25F. We remain cautious on the outlook and would prefer to see a few quarters of consistent positive volume growth before turning more optimistic. However, our rough calculation suggests there could be ~8% upside in FY25F earnings (implying +6% yoy) if operational efficiencies continue to improve in the coming quarters.

### Resume our coverage with a Sell rating TP Rp1,500!

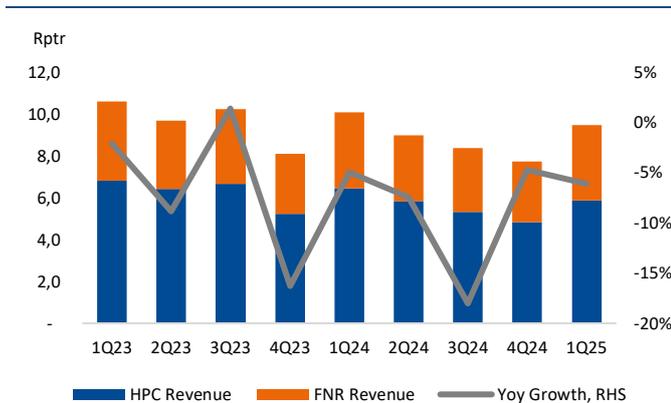
Given the challenging outlook, we resume our coverage on UNVR with a Sell rating and DCF-based TP of Rp1,500. We believe UNVR's current valuation at 18.6x FY25F PE also looks demanding given its still challenging earnings growth outlook. Upside risk to our view is better-than-expected revenue recovery and effective cost efficiency initiatives that can support topline growth.

### Key Financials

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
Revenue (Rpbn)	38,611	35,139	33,837	34,985	36,240
EBITDA (Rpbn)	7,015	5,123	5,142	5,311	5,508
EBITDA Growth (%)	(11.0)	(27.0)	0.4	3.3	3.7
Net Profit (Rpbn)	4,801	3,369	3,311	3,447	3,629
EPS (Rp)	125.8	88.3	86.8	90.3	95.1
EPS Growth (%)	(10.5)	(29.8)	(1.7)	4.1	5.3
BVPS (Rp)	88.6	56.3	68.1	81.6	95.9
DPS (Rp)	125.3	75.1	73.8	76.8	80.9
PER (x)	12.8	18.2	18.6	17.8	16.9
PBV (x)	18.2	28.6	23.7	19.7	16.8
Dividend yield (%)	7.8	4.7	4.6	4.8	5.0
EV/EBITDA	8.6	12.1	12.2	11.7	11.1

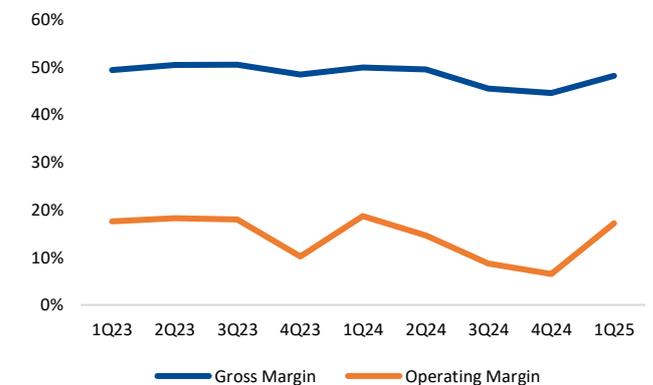
Source: UNVR, BRIDS Estimates

**Exhibit 1. Quarterly Revenue and YoY Growth, 1Q23 – 1Q25**



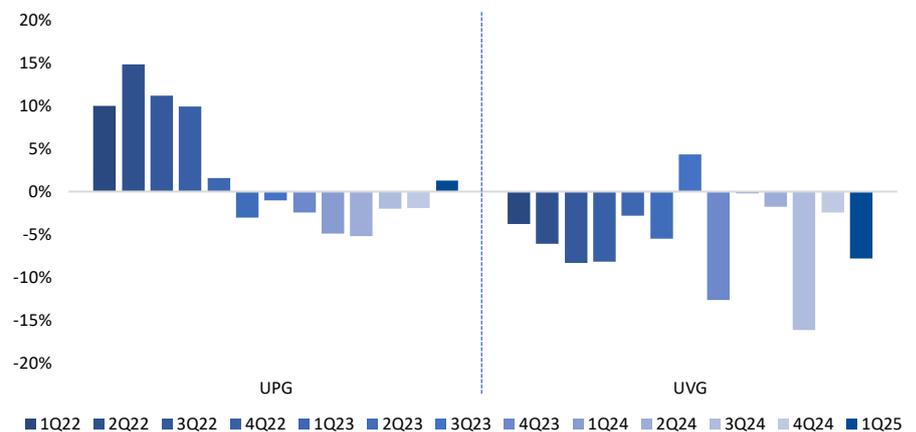
Source: Company, BRIDS

**Exhibit 2. Quarterly Gross and Operating Margin, 1Q23 – 1Q25**



Source: Company, BRIDS

**Exhibit 3. Quarterly Volume and ASP Growth**



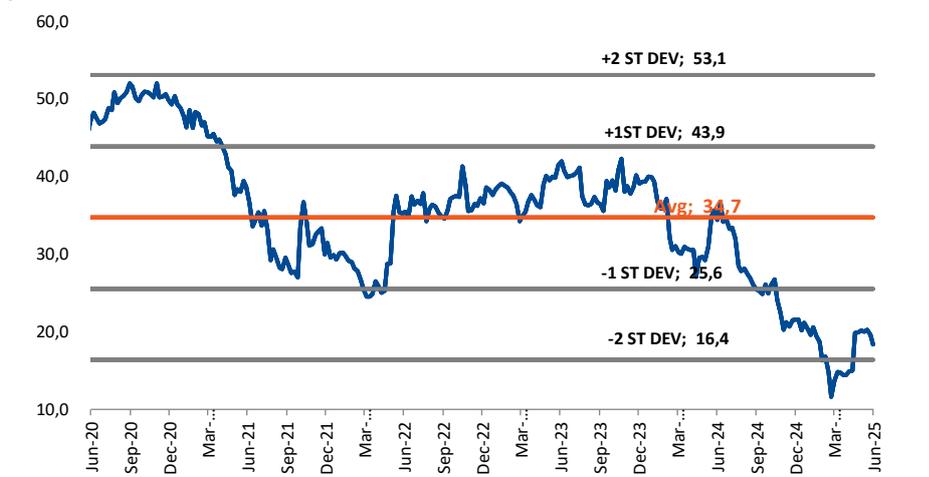
Source: Company, BRIDS

**Exhibit 4. Potential Earnings Upgrade**

UNVR (Rpbn)	FY24	FY25F	FY25 with Cost Control	Upward Revision
Revenue	35,139	33,837	33,837	0%
Gross profit	16,720	16,088	16,088	0%
Operating profit	4,415	4,357	4,695	8%
Net profit	3,369	3,311	3,575	8%
Yoy growth				
Revenue	-9%	-4%	-4%	
Net profit growth	-30%	-2%	6%	

Source: Company, BRIDS Estimates

**Exhibit 5. UNVR's PE Band**



Source: Bloomberg, BRIDS Estimates

**Exhibit 6. Income Statement**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
<b>Revenue</b>	<b>38,611</b>	<b>35,139</b>	<b>33,837</b>	<b>34,985</b>	<b>36,240</b>
COGS	(19,417)	(18,419)	(17,749)	(18,297)	(18,925)
<b>Gross profit</b>	<b>19,195</b>	<b>16,720</b>	<b>16,088</b>	<b>16,688</b>	<b>17,315</b>
<b>EBITDA</b>	<b>7,015</b>	<b>5,123</b>	<b>5,142</b>	<b>5,311</b>	<b>5,508</b>
<b>Oper. profit</b>	<b>6,279</b>	<b>4,415</b>	<b>4,357</b>	<b>4,525</b>	<b>4,725</b>
Interest income	29	18	15	20	17
Interest expense	(106)	(83)	(96)	(94)	(54)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	0	0	0	0	0
<b>Pre-tax profit</b>	<b>6,202</b>	<b>4,350</b>	<b>4,276</b>	<b>4,451</b>	<b>4,687</b>
Income tax	(1,401)	(982)	(965)	(1,004)	(1,058)
Minority interest	0	0	0	0	0
<b>Net profit</b>	<b>4,801</b>	<b>3,369</b>	<b>3,311</b>	<b>3,447</b>	<b>3,629</b>
<b>Core Net Profit</b>	<b>4,801</b>	<b>3,369</b>	<b>3,311</b>	<b>3,447</b>	<b>3,629</b>

**Exhibit 7. Balance Sheet**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Cash & cash equivalent	1,021	671	700	769	638
Receivables	2,598	2,065	2,225	2,498	2,872
Inventory	2,422	2,506	2,452	2,614	2,523
Other Curr. Asset	100	39	37	38	40
Fixed assets - Net	9,978	9,781	9,840	9,704	9,597
Other non-curr.asset	545	984	966	988	1,013
<b>Total asset</b>	<b>16,664</b>	<b>16,046</b>	<b>16,221</b>	<b>16,612</b>	<b>16,682</b>
ST Debt	0	1,450	1,900	1,400	500
Payables	4,064	3,983	4,138	4,390	4,380
Other Curr. Liabilities	4,421	4,025	3,883	3,728	4,050
Long Term Debt	0	0	0	0	0
Other LT. Liabilities	4,798	4,439	3,703	3,980	4,094
<b>Total Liabilities</b>	<b>13,283</b>	<b>13,897</b>	<b>13,624</b>	<b>13,498</b>	<b>13,024</b>
Shareholder's Funds	3,381	2,149	2,597	3,114	3,658
Minority interests	0	0	0	0	0
<b>Total Equity &amp; Liabilities</b>	<b>16,664</b>	<b>16,046</b>	<b>16,221</b>	<b>16,612</b>	<b>16,682</b>

**Exhibit 8. Cash Flow**

Year to 31 Dec (Rpbn)	2023A	2024A	2025F	2026F	2027F
Net income	4,801	3,369	3,311	3,447	3,629
Depreciation and Amort.	783	721	798	799	797
Change in Working Capital	1,252	154	183	71	(205)
Other Oper. Cash Flow	275	(864)	(909)	(77)	364
<b>Operating Cash Flow</b>	<b>7,112</b>	<b>3,380</b>	<b>3,383</b>	<b>4,240</b>	<b>4,585</b>
Capex	(1,086)	(996)	(958)	(801)	(826)
Others Inv. Cash Flow	76	81	12	16	13
<b>Investing Cash Flow</b>	<b>(1,010)</b>	<b>(915)</b>	<b>(946)</b>	<b>(785)</b>	<b>(813)</b>
Net change in debt	(600)	1,450	450	(500)	(900)
New Capital	0	0	0	0	0
Dividend payment	(5,112)	(4,502)	(2,863)	(2,930)	(3,085)
Other Fin. Cash Flow	128	238	(96)	(94)	(54)
<b>Financing Cash Flow</b>	<b>(5,584)</b>	<b>(2,814)</b>	<b>(2,509)</b>	<b>(3,524)</b>	<b>(4,039)</b>
<b>Net Change in Cash</b>	<b>518</b>	<b>(349)</b>	<b>(72)</b>	<b>(69)</b>	<b>(267)</b>
Cash - begin of the year	503	1,021	671	700	769
Cash - end of the year	1,021	671	700	769	638

**Exhibit 9. Key Ratio**

Year to 31 Dec	2023A	2024A	2025F	2026F	2027F
<b>Growth (%)</b>					
Sales	(6.3)	(9.0)	(3.7)	3.4	3.6
EBITDA	(11.0)	(27.0)	0.4	3.3	3.7
Operating profit	(11.2)	(29.7)	(1.3)	3.9	4.4
Net profit	(10.5)	(29.8)	(1.7)	4.1	5.3
<b>Profitability (%)</b>					
Gross margin	49.7	47.6	47.5	47.7	47.8
EBITDA margin	18.2	14.6	15.2	15.2	15.2
Operating margin	16.3	12.6	12.9	12.9	13.0
Net margin	12.4	9.6	9.8	9.9	10.0
ROAA	27.4	20.6	20.5	21.0	21.8
ROAE	130.1	121.8	139.5	120.7	107.2
<b>Leverage</b>					
Net Gearing (x)	(0.3)	0.4	0.5	0.2	0.0
Interest Coverage (x)	59.3	53.2	45.5	48.0	87.0

Source: UNVR, BRIDS Estimates

**BRI Danareksa Equity Research Team**

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Telco, Technology	<a href="mailto:erindra.krisnawan@brids.co.id">erindra.krisnawan@brids.co.id</a>
Timothy Wijaya	Metal, Coal, and Oil & Gas	<a href="mailto:timothy.wijaya@brids.co.id">timothy.wijaya@brids.co.id</a>
Victor Stefano	Banks, Poultry	<a href="mailto:victor.stefano@brids.co.id">victor.stefano@brids.co.id</a>
Ismail Fakhri Suweleh	Healthcare, Property, Cement, Tollroad	<a href="mailto:ismail.suweleh@brids.co.id">ismail.suweleh@brids.co.id</a>
Christy Halim	Consumer, Retailers	<a href="mailto:christy.halim@brids.co.id">christy.halim@brids.co.id</a>
Kafi Ananta Azhari	Research Associate, Co-coverage (Telco, Technology)	<a href="mailto:kafi.azhari@brids.co.id">kafi.azhari@brids.co.id</a>
Ni Putu Wilastita Muthia Sofi	Research Associate	<a href="mailto:wilastita.sofi@brids.co.id">wilastita.sofi@brids.co.id</a>
Naura Reyhan Muchlis	Research Associate	<a href="mailto:naura.muchlis@brids.co.id">naura.muchlis@brids.co.id</a>
Sabela Nur Amalina	Research Associate	<a href="mailto:sabela.amalina@brids.co.id">sabela.amalina@brids.co.id</a>

**BRI Danareksa Economic Research Team**

Helmy Kristanto	Chief Economist, Macro Strategy	<a href="mailto:helmy.kristanto@brids.co.id">helmy.kristanto@brids.co.id</a>
Dr. Telisa Aulia Falianty	Senior Advisor	<a href="mailto:telisa.falianty@brids.co.id">telisa.falianty@brids.co.id</a>
Kefas Sidauruk	Economist	<a href="mailto:kefas.sidauruk@brids.co.id">kefas.sidauruk@brids.co.id</a>

**BRI Danareksa Institutional Equity Sales Team**

Yofi Lasini	Head of Institutional Sales and Dealing	<a href="mailto:yofi.lasini@brids.co.id">yofi.lasini@brids.co.id</a>
Novrita Endah Putrianti	Institutional Sales Unit Head	<a href="mailto:novrita.putrianti@brids.co.id">novrita.putrianti@brids.co.id</a>
Ehrliech Suhartono	Institutional Sales Associate	<a href="mailto:ehrliech@brids.co.id">ehrliech@brids.co.id</a>
Adeline Solaiman	Institutional Sales Associate	<a href="mailto:adeline.solaiman@brids.co.id">adeline.solaiman@brids.co.id</a>
Andreas Kenny	Institutional Sales Associate	<a href="mailto:andreas.kenny@brids.co.id">andreas.kenny@brids.co.id</a>
Jason Joseph	Institutional Sales Associate	<a href="mailto:jason.joseph@brids.co.id">jason.joseph@brids.co.id</a>

**BRI Danareksa Sales Traders**

Mitcha Sondakh	Head of Sales Trader	<a href="mailto:mitcha.sondakh@brids.co.id">mitcha.sondakh@brids.co.id</a>
Suryanti Salim	Sales Trader	<a href="mailto:suryanti.salim@brids.co.id">suryanti.salim@brids.co.id</a>

**INVESTMENT RATING**

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

**Disclaimer**

The information contained in this report has been taken from sources which we deem reliable. However, none of PT BRI Danareksa Sekuritas and/or its affiliated and/or their respective employees and/or agents makes any representation or warrant (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of PT BRI Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitations for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as results of acting in reliance upon the whole or any part of the contents of this report and neither PT BRI Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or mis-statements, negligent or otherwise, in the report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The information contained in the report is not to be taken as any recommendation made by PT BRI Danareksa Sekuritas or any other person to enter into any agreement with regard to any investment mentioned in this document. This report is prepared for general circulation. It does not have regards to the specific person who may receive this report. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice.