

**Abdul Azis Setyo W.**Equity Research Analyst  
[azis@kiwoom.co.id](mailto:azis@kiwoom.co.id)**Stock Rate**

Industry

**Hold**

Neutral

TP 12M  
vs. Last PriceIDR 12,350  
+12.27%**Stock Data**

Ticker Code

ICBP

Sub Sector

Food &amp; Beverage

Sector

Consumer Non-Cyclicals

Market Cap (IDR.Tn)

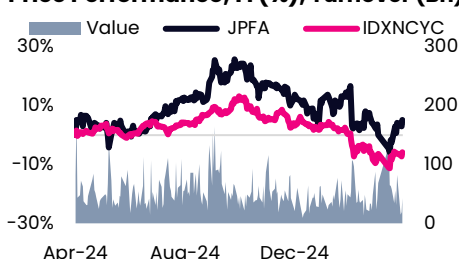
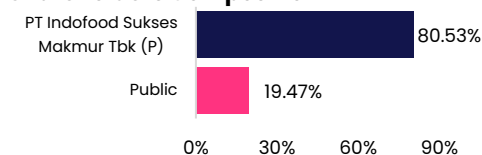
124.78

Shares Issued (Bn)

11.6

AVG 3M Turnover (Bn)

48.86

**Price (IDR)****Price Performance, 1Y(%), Turnover (Bn)****Shareholders Composition****ESG Rating**

Environmental

4.52

Social

4.80

Governance

3.78

Source : bloomberg

**PT Indofood Cbp Sukses Makmur Tbk (ICBP)**  
**ICBP: Uncertainty remains a key challenge.**

**Limited Performance Growth.** In FY2024, ICBP recorded revenue of IDR 72.59 trillion, growing by 6.9% y/y, while net income stood at IDR 7.08 trillion, reflecting a modest increase of 1.3% y/y. On a quarterly basis, 4Q24 performance showed a decline, with revenue at IDR 17.11 trillion (+3.1% y/y, -7.6% q/q), and net income registering a loss of IDR 1.07 trillion (vs. a loss of IDR 69.4 billion in 4Q23). The subdued net income growth in FY2024 was mainly attributed to increased expenses, particularly raw material costs, which rose by 8.45% y/y to IDR 36.90 trillion (vs. IDR 34.03 trillion in FY2023), along with a foreign exchange loss of IDR 2.11 trillion. This contributed to a significant increase in finance expenses in FY2024, reaching IDR 4.26 trillion (+110.18% y/y).

**Segment Performance Declined Quarterly.** From a segmental perspective, ICBP's 4Q24 sales performance was weaker compared to 3Q24. The noodles segment, which remains the primary revenue contributor, recorded sales of IDR 12.22 trillion (+5.4% y/y, -10.5% q/q), with volume up 3.2% y/y and ASP (average selling price) rising by 2.05% y/y. On a full-year basis, the noodles segment grew by 6.6% y/y to IDR 52.49 trillion. The dairy segment showed positive momentum, with 4Q24 revenue at IDR 2.37 trillion (+5.4% y/y, +10.5% q/q), and FY2024 performance up by 6.0% y/y.

**Stable Outlook for 2025 Performance.** We project ICBP's performance in 2025 to remain stable, with estimated revenue growth of +7.57% y/y and net income growth of +10.09% y/y. We continue to anticipate potential cost pressures, particularly from rupiah depreciation, which may lead to further forex losses. We expect blended volume to grow by 5.2% and blended ASP by 2.3%.

**Key Takeaways**

- o **Performance expectations remain steady;** we project ICBP to adopt a more conservative growth path, with sales rising +7.57% y/y and net income expanding 10.09% y/y. Additionally, we anticipate cost increases driven by currency volatility.
- o **ICBP has maintained stable margins,** with FY2024 GPM recorded at 37%, OPM at 22%, and NPM at 10%. We forecast a potential improvement in margins with GPM reaching 39%, OPM at 23%, while the NPM ratio remains stable at 10%.
- o **Positive Growth Expectations in Volume and ASP,** We anticipate moderate growth in sales volume of 5.2% and ASP of 2.3%.

**Recommendation "HOLD"**

Based on relative valuation (P/E) and forward outlook, we downgrade our recommendation to "Hold" for ICBP, with a revised target price of IDR 12,350 per share (previously IDR 14,900). This implies a forward P/E of 18.5x and a PBV of 1.1x. The current price (IDR 11,000) trades at an estimated P/E of 7.17x (vs. peer average of 14.45x) and PBV of 1.22x (vs. peer average of 2.34x). Downside risks include weakened consumer purchasing power, commodity price volatility, intense market competition, and exchange rate fluctuations.

**Financial Highlight**

(IDR Bn)	2023A	2024A	2025F	2026F	2027F
Revenue	67,910	72,597	78,091	83,942	90,235
Net Profit	6,991	7,079	7,793	8,647	9,252
EPS (Full IDR)	599	607	668	741	793
EBITDA Margin	24%	24%	25%	26%	26%
NPM	10.3%	9.8%	10.0%	10.3%	10.3%
ROE	11.3%	10.6%	10.7%	10.7%	10.3%
Dividend yield	1.9%	2.1%	2.2%	2.5%	2.6%
P/E (x)	17.6x	18.7x	18.5x	15.4x	14.4x
P/BV (x)	1.0x	1.1x	1.1x	0.9x	0.9x
EV/EBITDA (x)	11.9x	10.4x	9.9x	8.1x	7.2x

Source : Company &amp; Bloomberg

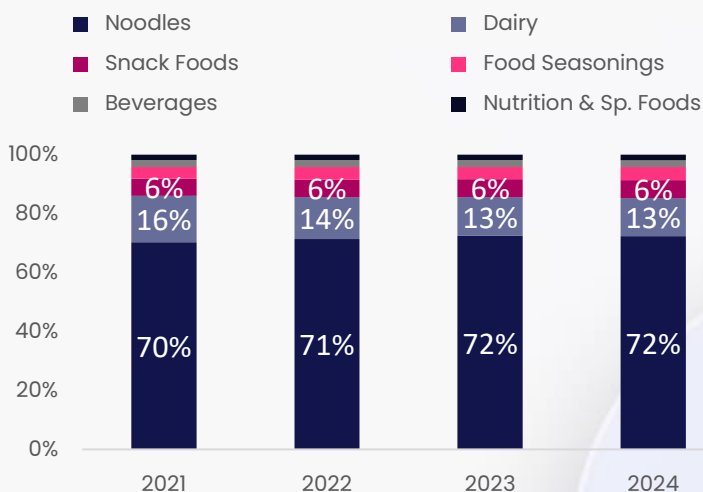
## Performance Review

IDR Bn	2023	2024	y/y	4Q23	3Q24	4Q24	y/y	q/q
<b>Revenue Segment</b>								
Noodles	49,221	52,485	6.6%	12,042	13,659	12,224	1.5%	-10.5%
Dairy	8,910	9,445	6.0%	2,254	2,150	2,376	5.4%	10.5%
Snack Foods	4,118	4,364	6.0%	984	1,153	1,027	4.4%	-11.0%
Food Seasonings	2,833	3,271	15.4%	590	759	748	26.8%	-1.4%
Beverages	1,609	1,674	4.1%	404	427	404	-0.2%	-5.5%
Nutrition & Sp. Foods	1,219	1,358	11.4%	329	377	333	1.2%	-11.8%
Local	47,623	50,026	5.0%	10,869	12,258	11,299	4.0%	-7.8%
Export	20,287	22,572	6.0%	5,733	6,267	5,812	1.4%	-7.3%
Middle East & Africa	16,157	17,359	7.4%	4,614	4,773	4,587	-0.6%	-3.9%
Others Asia	1,586	2,096	106.0%	395	571	516	30.4%	-9.6%
Others	2,544	3,116	22.5%	724	923	709	-2.0%	-23.2%
Revenue	67,910	72,597	6.9%	16,603	18,525	17,111	3.1%	-7.6%
Gross Profit	25,126	26,893	7.0%	6,521	6,661	6,249	-4.2%	-6.2%
Operating Profit	14,787	16,321	10.4%	3,590	3,769	3,873	7.9%	2.8%
EBITDA	15,959	17,573	10.1%	4,032	4,215	4,320	7.1%	2.5%
Net Income	6,991	7,079	1.3%	(69.44)	4,612	(1,070)	N/A	N/A
EPS (Full IDR)	599	607	1.3%	(5.95)	395	(92)	N/A	N/A
Asset	119,267	126,041	5.7%	34,109	35,535	34,666	1.6%	-2.4%
Liabilities	57,163	58,997	3.2%	19,942	19,046	18,094	-9.3%	-5.0%
Equity	62,104	67,044	8.0%	14,167	16,489	16,573	17.0%	0.5%
GPM %	37%	37%		39%	36%	37%		
OPM %	22%	22%		22%	20%	23%		
Ebitda Margin %	24%	24%		24%	23%	25%		
NPM %	10%	10%		0%	25%	-6%		
ROE %	11.26%	10.56%						
ROA %	5.86%	5.62%						

Source: Company &amp; KSI Research

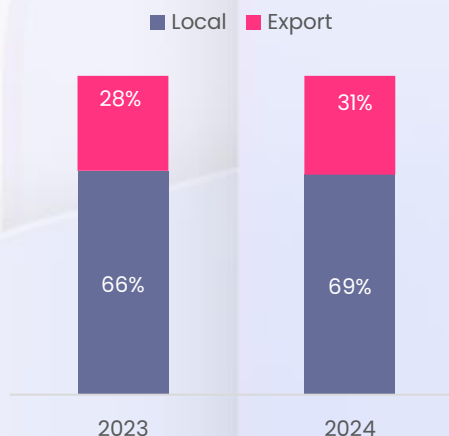
## ICBP Revenue Contribution by Segment &amp; Location

## Segment

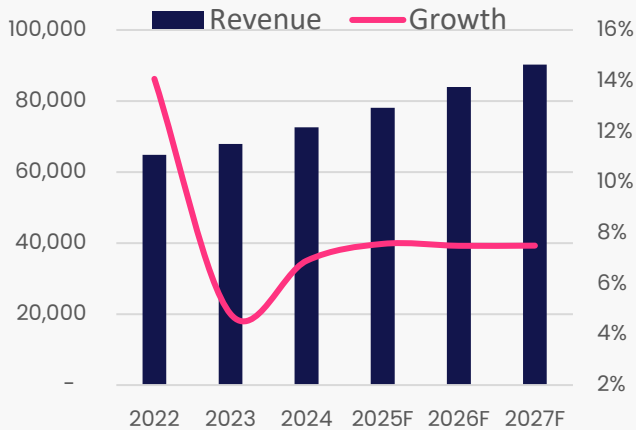


Source: Company, KSI Research, &amp; Bloomberg

## Location

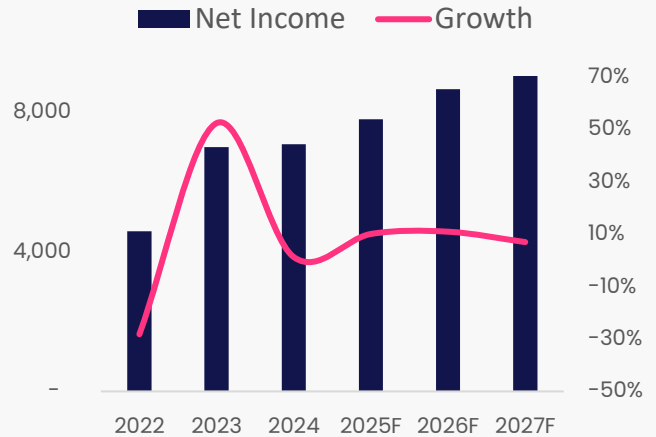


## Revenue vs Growth



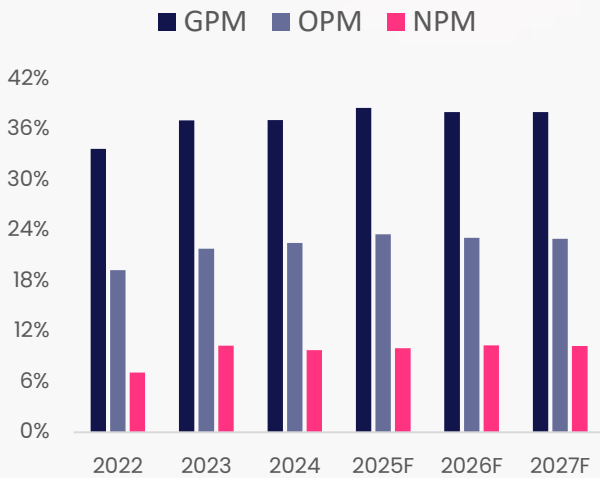
Source: Company &amp; KSI Research

## Net Income vs Growth



Source: Company &amp; KSI Research

## Margin



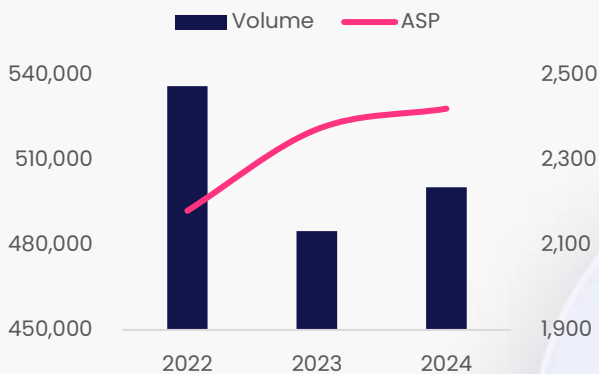
Source: Company &amp; KSI Research

## Leverage



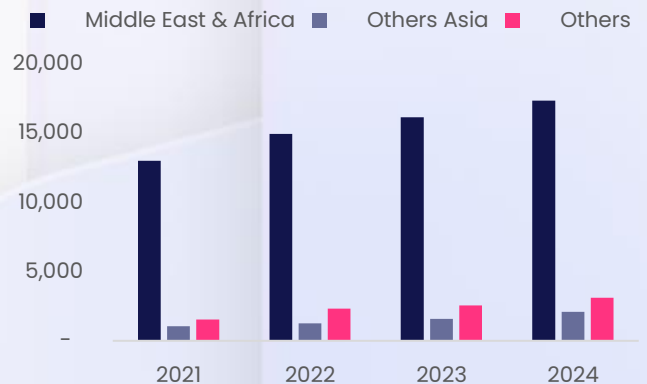
Source: Company &amp; KSI Research

## Noodle Volume vs ASP



Source: Company &amp; KSI Research

## Export Revenue



Source: Company &amp; KSI Research

## Valuation

We assign a "Hold" rating for ICBP. We calculate the fair value of ICBP using relative valuation methods (PE). We obtained a result that the fair value of ICBP is Rp 12,350 (rounded). The current fair value implements a P/E ratio of 18.5x and a PBV of 1.1x.

Multiple Valuation	Base Amount	Target Multiple	Value	Weight (%)	The Value of the firm
PE	7,793	18.5	137,553	100%	144,177
<b>Total Value (Bn)</b>					144.177
Share (Bn)					11.7
Target Price (IDR)					12,350
Current Price					11.000
<b>Potential Upside (%)</b>					12.27%

Source: KSI Research

Historical PBV 5Y



Historical PE 5Y



## Financial Exhibits

Year-end (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
<b>Revenue</b>	64,798	67,910	72,597	78,091	83,942	90,235
Costs of revenue	43,005	42,784	45,704	48,026	52,044	55,946
Gross profit	21,792	25,126	26,893	30,065	31,898	34,289
EBITDA	13,595	15,959	17,573	19,675	21,715	23,374
Operating profit	12,473	14,787	16,321	18,335	19,359	20,736
Income before tax	7,525	11,445	11,499	12,711	14,103	15,090
Tax expenses	1,803	2,980	2,686	2,969	3,294	3,525
Minority interests	1,135	1,475	1,734	1,948	2,162	2,313
<b>Net income</b>	<b>4,587</b>	<b>6,991</b>	<b>7,079</b>	<b>7,793</b>	<b>8,647</b>	<b>9,252</b>
<b>EPS</b>	<b>393</b>	<b>599</b>	<b>607</b>	<b>668</b>	<b>741</b>	<b>793</b>

## Balance Sheet

Year-end (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Cash and equivalents	15,741	19,353	25,293	32,810	40,452	41,484
Account receivables	6,876	7,198	8,412	9,048	9,726	10,455
Inventories	7,132	6,329	7,060	7,594	8,163	8,775
Fixed assets	14,725	14,949	15,504	16,130	17,380	18,780
Other assets	70,831	71,437	69,773	70,746	72,162	73,492
<b>Total assets</b>	<b>115,306</b>	<b>119,267</b>	<b>126,041</b>	<b>136,328</b>	<b>147,882</b>	<b>152,987</b>
S-T liabilities	1,393	683	614	713	736	811
Other S-T liabilities	8,641	9,782	10,311	12,080	13,131	14,107
L-T liabilities	44,605	43,299	45,002	47,288	49,587	44,913
Other L-T liabilities	3,194	3,400	3,070	3,226	3,496	3,758
<b>Total liabilities</b>	<b>57,833</b>	<b>57,163</b>	<b>58,997</b>	<b>63,308</b>	<b>66,950</b>	<b>63,590</b>
<b>Equity</b>	<b>57,473</b>	<b>62,104</b>	<b>67,044</b>	<b>73,020</b>	<b>80,932</b>	<b>89,397</b>
<b>BVPS</b>	<b>9,887</b>	<b>10,227</b>	<b>10,808</b>	<b>11,690</b>	<b>12,681</b>	<b>13,118</b>

## Cash Flows Statement

Year-end (IDR Bn)	2022A	2023A	2024A	2025F	2026F	2027F
Net Income	5,709	8,162	8,332	9,133	11,003	11,891
Depreciation	1,122	1,172	1,252	1,340	2,356	2,639
Change in working capital	(17,403)	(10,995)	(11,078)	(10,071)	(13,847)	(15,158)
<b>Operating cash flow</b>	<b>(10,572)</b>	<b>(1,660)</b>	<b>(1,494)</b>	<b>403</b>	<b>(488)</b>	<b>(629)</b>
Capital expenditure	(341)	(224)	(555)	(626)	(1,250)	(1,400)
Others	175	1,966	1,675	(678)	(1,101)	(992)
<b>Investing cash flow</b>	<b>(166)</b>	<b>1,742</b>	<b>1,120</b>	<b>(1,304)</b>	<b>(2,351)</b>	<b>(2,392)</b>
Dividend paid	(2,192)	(2,332)	(2,841)	(3,128)	(3,286)	(3,516)
Net change in debt	3,767	(1,306)	1,703	2,286	2,299	(4,674)
Others	4,526	7,169	7,451	9,260	11,467	12,243
<b>Financing cash flow</b>	<b>6,101</b>	<b>3,531</b>	<b>6,313</b>	<b>8,419</b>	<b>10,481</b>	<b>4,053</b>
Change in cash	(4,637)	3,612	5,939	7,518	7,642	1,032
Beginning cash flow	20,378	15,741	19,353	25,293	32,810	40,452
Ending cash flow	15,741	19,353	25,293	32,810	40,452	41,484

Source : Company, KSI Research &amp; Bloomberg

## Financial Ratio

Key Ratios	2022A	2023A	2024A	2025F	2026F	2027F
Revenue Growth (%)	14%	5%	7%	8%	7%	7%
Gross Profit Growth (%)	7%	15%	7%	12%	6%	7%
Operating Profit Growth (%)	7%	19%	10%	12%	6%	7%
EBITDA Growth (%)	6%	17%	10%	12%	10%	8%
Net Profit Growth (%)	-28%	52%	1%	10%	11%	7%
EPS Growth (%)	-28%	52%	1%	10%	11%	7%
Gross margin (%)	34%	37%	37%	39%	38%	38%
EBIT margin (%)	19%	22%	22%	23%	23%	23%
EBITDA margin (%)	21%	24%	24%	25%	26%	26%
Net margin (%)	7%	10%	10%	10%	10%	10%
ROE (%)	8%	11%	11%	11%	11%	10%
ROA (%)	4%	6%	6%	6%	6%	6%
Current ratio (x)	3.1x	3.5x	4.1x	4.2x	4.5x	4.4x
Quick ratio (x)	2.4x	2.8x	3.3x	3.5x	3.8x	3.7x
Receivable turn over (x)	9.4x	9.4x	8.6x	8.6x	8.6x	8.6x
AR turnover (days)	39	39	42	42	42	42
Inventory turnover (x)	6.0x	6.8x	6.5x	6.3x	6.4x	6.4x
Inventory Days	61	54	56	58	57	57
DER (x)	1.6x	1.4x	1.3x	1.3x	1.2x	1.1x
DAR (x)	0.5x	0.5x	0.5x	0.5x	0.5x	0.4x
Interest Coverage	5.8x	7.3x	7.6x	8.1x	7.9x	7.9x
Earning Yield (%)	3.8%	5.7%	5.3%	5.4%	6.5%	6.9%
Dividend Yield (%)	1.8%	1.9%	2.1%	2.2%	2.5%	2.6%
PE (x)	26.3x	17.6x	18.7x	18.5x	15.4x	14.4x
PBV (x)	1.0x	1.0x	1.1x	1.1x	0.9x	0.9x
P/Sales (x)	1.9x	1.8x	1.8x	1.8x	1.6x	1.5x
EV/Ebitda (x)	12.7x	11.9x	10.4x	9.9x	8.1x	7.2x

Source : Company, KSI Research &amp; Bloomberg

## Kiwoom Sekuritas Guide to Sector/Industry/Stock Ratings

### Sector/Industry

OVERWEIGHT : Sector & Industry Outlook has potential and good condition  
 NEUTRAL : Sector & Industry Outlook Stable or tend to be stagnant  
 UNDERWEIGHT : Sector & Industry Outlook has challenges and bad condition

### Stock

BUY	: Stock Performance > +15%	Over the next 12 month (excluding dividend)
TRADING BUY	: Stock Performance, range between +5% to +15%	Minor to Medium Term
HOLD	: Stock Performance, range between -10% to +15%	Over the next 12 month (excluding dividend)
SELL	: Stock Performance > -15%	Over the next 12 month (excluding dividend)
TRADING SELL	: Stock Performance, range between -5% to -15%	Minor to Medium Term
NOTE RATE	: Stock is not within regular research coverage	Over the next 12 month (excluding dividend)



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