QUICK REVIEW (MYOR)

MAYORA INDAH TBK.

November 16, 2020

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Recommendation

Recommendation : **BUY**

Fair Value : **IDR 2,970**

Current Price (13/11) : IDR 2,410

Company Description

PT Mayora Indah Tbk manufactures candies and cookies. Through its subsidiariews, the Company also manufactures food, coffee powder, instant coffee, and coca beans.

Company Update

Earnings Results : 3Q 2020

In Billions of IDR	Q3 2020	Q3 2019	%YoY	Q3 2020	Q2 2020	%QoQ
Revenue	**6,499**	**5,901**	**10.1%**	**6,499**	**5,703**	**14.0%**
- Cost of Revenue	4,587	4,065	12.8%	4,587	3,980	15.2%
Gross Profit	**1,912**	**1,835**	**4.1%**	**1,912**	**1,722**	**11.0%**
- Operating Expenses	1,212	1,278	-5.2%	1,212	1,236	-1.9%
Operating Income (Loss)	**699**	**557**	**25.5%**	**699**	**486**	**43.8%**
- Non-Operating (Income) Loss	103	144	-171.4%	103	524	-119.6%
Pretax Income (Loss), GAAP	**806**	**414**	**94.7%**	**806**	**37**	**2103.9%**
- Income Tax Expense (Benefit)	179	119	50.6%	179	49	263.3%
Net Income Avail to Common, GAAP	**618**	**289**	**114.2%**	**618**	**7**	**8629.4%**

Source: Bloomberg, MCS Research

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Company Update

Earnings Estimate : 4QE 2020

In Billions of IDR	Q4 2020 Est	Q4 2019	%YoY	Q4 2020 Est	Q3 2020	%QoQ
Revenue	**7,140**	**7,067**	**1.0%**	**7,140**	**6,499**	**9.9%**
- Cost of Revenue	4,878	4,603	6.0%	4,878	4,587	6.3%
Gross Profit	**2,263**	**2,464**	**-8.2%**	**2,263**	**1,912**	**18.4%**
- Operating Expenses	1,110	1,231	-9.9%	1,110	1,212	-8.5%
Operating Income (Loss)	**1,153**	**1,233**	**-6.5%**	**1,153**	**699**	**64.9%**
- Non-Operating (Income) Loss	186	35	423.3%	186	103	80.6%
Pretax Income (Loss), GAAP	**967**	**1,198**	**-19.3%**	**967**	**806**	**20.0%**
- Income Tax Expense (Benefit)	241	288	-16.3%	241	179	34.4%
Net Income Avail to Common, GAAP	**711**	**892**	**-20.2%**	**711**	**618**	**15.1%**

Source: Bloomberg, MCS Research

Mayora Indah (MYOR) Continues to Strengthen the Export Market

PT Mayora Indah Tbk (MYOR) sees great potential for the food and beverage business abroad. Therefore, the company continues to boost its export sales every year.

Several of Mayora's overseas food and beverage products and brands have succeeded in becoming market share leaders in their respective categories. According to Ricky Afrianto, Head of Global Marketing for MYOR, Kopiko candy products, for example, were able to rank first in the Philippines and Vietnam. Likewise with the Beng-Beng brand snack products and Energen sachets which are the market leaders in their categories in Thailand and the Philippines.

(Source: Kontan)

Mayora Indah (MYOR) continues to add new products

Food and beverage producer, PT Mayora Indah Tbk (MYOR) sees the Covid-19 pandemic as not an obstacle to business innovation. The company continues to diligently add new product portfolios this year.

Ricky Afrianto, MYOR's Head of Global Marketing said that the company from April to August has launched 10 new products alone. These products are of various types, for example, for the Mayora beverage, there is a Gallon variant of Le Minerale, in coffee drinks there is Tora Coffe and a line of biscuits there is Roma Malkist Cheese Sprinkle.

For gallon variant beverage products, Mayora claims to be able to be in the second position in the domestic market today. Ricky said that the company assessed that the domestic food and beverage market would recover quickly during this pandemic.

(Source: Kontan)

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Balanced Sheet : Annual

In Billions of IDR	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Assets										
+ Cash, Cash Equivalents & STI	477	325	1,340	1,860	713	1,682	1,543	2,202	2,496	2,982
+ Accounts & Notes Receiv	1,295	1,673	2,035	2,796	3,046	3,368	4,364	5,744	5,573	5,902
+ Inventories	498	1,336	1,499	1,456	1,967	1,763	2,124	1,825	3,352	2,791
+ Other ST Assets	415	761	440	317	783	641	709	903	1,228	1,101
Total Current Assets	**2,685**	**4,095**	**5,314**	**6,430**	**6,509**	**7,454**	**8,740**	**10,674**	**12,648**	**12,776**
+ Property, Plant & Equip, Net	1,490	2,038	2,858	3,276	3,585	3,771	3,859	3,989	4,258	4,675
+ LT Investments & Receivables	0	0	0	0	0	0	0	0	0	0
+ Other LT Assets	225	466	131	4	204	118	323	253	686	1,587
Total Noncurrent Assets	**1,714**	**2,505**	**2,989**	**3,280**	**3,789**	**3,888**	**4,183**	**4,242**	**4,944**	**6,262**
Total Assets	**4,399**	**6,600**	**8,303**	**9,710**	**10,298**	**11,343**	**12,922**	**14,916**	**17,592**	**19,038**
Liabilities & Shareholders' Equity										
+ Payables & Accruals	647	1,022	842	1,084	823	1,023	1,330	2,245	2,134	2,292
+ ST Debt	185	684	770	1,119	1,977	1,348	1,752	2,228	2,630	1,422
+ Other ST Liabilities	209	140	313	429	315	781	803	0	0	0
Total Current Liabilities	**1,040**	**1,846**	**1,924**	**2,632**	**3,114**	**3,151**	**3,884**	**4,474**	**4,765**	**3,714**
+ LT Debt	1,138	2,124	2,567	2,504	2,376	2,211	2,074	2,226	3,377	4,386
+ Other LT Liabilities	180	205	743	635	731	786	699	862	907	1,025
Total Noncurrent Liabilities	**1,319**	**2,329**	**3,310**	**3,139**	**3,107**	**2,997**	**2,773**	**3,088**	**4,285**	**5,412**
Total Liabilities	**2,359**	**4,175**	**5,235**	**5,771**	**6,221**	**6,148**	**6,657**	**7,562**	**9,049**	**9,126**
+ Preferred Equity and Hybrid Capital	0	0	0	0	0	0	0	0	0	0
+ Share Capital & APIC	448	448	448	448	448	448	448	448	448	448
- Treasury Stock	0	0	0	0	0	0	0	0	0	0
+ Retained Earnings	1,544	1,915	2,545	3,411	3,540	4,633	5,675	6,744	7,901	9,231
+ Other Equity	0	1	1	6	3	3	2	5	6	4
Equity Before Minority Interest	1,991	2,363	2,992	3,852	3,984	5,077	6,121	7,186	8,343	9,674
+ Minority/Non Controlling Interest	49	61	76	86	93	117	144	168	200	238
Total Equity	**2,040**	**2,425**	**3,068**	**3,939**	**4,077**	**5,194**	**6,265**	**7,354**	**8,543**	**9,912**
Total Liabilities & Equity	**4,399**	**6,600**	**8,303**	**9,710**	**10,298**	**11,343**	**12,922**	**14,916**	**17,592**	**19,038**

Source: Bloomberg, MCS Research

Balanced Sheet : Quarter

In Billions of IDR	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Total Assets										
+ Cash, Cash Equivalents & STI	2,156	1,972	2,496	2,323	2,049	2,103	2,982	3,655	3,448	3,313
+ Accounts & Notes Receiv	5,296	6,305	5,573	5,821	5,547	5,616	5,902	5,210	4,234	4,954
+ Inventories	3,350	3,614	3,352	2,939	3,189	3,374	2,791	2,877	2,866	3,059
+ Other ST Assets	1,222	1,441	1,228	1,211	1,336	1,177	1,101	1,192	1,236	972
Total Current Assets	**12,024**	**13,332**	**12,648**	**12,294**	**12,122**	**12,270**	**12,776**	**12,933**	**11,785**	**12,297**
+ Property, Plant & Equip, Net	3,992	4,047	4,258	4,279	4,300	4,425	4,675	6,016	6,062	6,026
+ LT Investments & Receivables	0	0	0	0	0	0	0	0	0	0
+ Other LT Assets	500	640	686	826	1,261	1,503	1,587	526	504	679
Total Noncurrent Assets	**4,493**	**4,686**	**4,944**	**5,105**	**5,560**	**5,928**	**6,262**	**6,541**	**6,566**	**6,705**
Total Assets	**16,517**	**18,018**	**17,592**	**17,399**	**17,682**	**18,198**	**19,038**	**19,475**	**18,351**	**19,003**
Liabilities & Shareholders' Equity										
+ Payables & Accruals	1,678	2,165	2,134	2,032	2,097	2,265	2,292	2,546	2,078	2,458
+ ST Debt	3,059	2,522	2,630	2,165	1,118	2,072	1,422	960	660	690
+ Other ST Liabilities	200	0	0	0	0	0	0	0	0	0
Total Current Liabilities	**4,937**	**4,688**	**4,765**	**4,197**	**3,216**	**4,337**	**3,714**	**3,506**	**2,738**	**3,148**
+ LT Debt	2,972	4,522	3,377	3,234	4,106	3,829	4,386	4,058	3,668	3,921
+ Other LT Liabilities	1,118	947	907	942	982	1,020	1,025	1,063	1,083	1,120
Total Noncurrent Liabilities	**4,090**	**5,469**	**4,285**	**4,176**	**5,088**	**4,849**	**5,412**	**5,121**	**4,752**	**5,042**
Total Liabilities	**9,027**	**10,157**	**9,049**	**8,374**	**8,303**	**9,186**	**9,126**	**8,628**	**7,489**	**8,189**
+ Preferred Equity and Hybrid Capital	0	0	0	0	0	0	0	0	0	0
+ Share Capital & APIC	448	448	448	448	448	448	448	448	448	448
- Treasury Stock	0	0	0	0	0	0	0	0	0	0
+ Retained Earnings	6,876	7,240	7,901	8,367	8,708	8,348	9,231	10,151	10,158	10,117
+ Other Equity	8	10	6	3	3	2	4	7	5	7
Equity Before Minority Interest	7,315	7,678	8,343	8,811	9,152	8,794	9,674	10,591	10,600	10,557
+ Minority/Non Controlling Interest	175	184	200	214	226	219	238	256	261	256
Total Equity	**7,490**	**7,861**	**8,543**	**9,025**	**9,379**	**9,012**	**9,912**	**10,847**	**10,862**	**10,813**
Total Liabilities & Equity	**16,517**	**18,018**	**17,592**	**17,399**	**17,682**	**18,198**	**19,038**	**19,475**	**18,351**	**19,003**

Source: Bloomberg, MCS Research

Profit & Loss : Annual

In Billions of IDR	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Est	FY 2021 Est
Revenue	**10,511**	**12,018**	**14,169**	**14,819**	**18,350**	**20,817**	**24,061**	**25,027**	**24,721**	**26,606**
- Cost of Revenue	8,165	9,096	11,634	10,620	13,450	15,842	17,664	17,109	17,168	18,789
Gross Profit	**2,346**	**2,922**	**2,535**	**4,198**	**4,900**	**4,975**	**6,397**	**7,917**	**7,553**	**7,817**
+ Other Operating Income	0	0	0	0	0	0	0	0	0	0
- Operating Expenses	1,189	1,616	1,644	2,336	2,585	2,514	3,769	4,745	4,485	4,563
Operating Income (Loss)	**1,157**	**1,305**	**891**	**1,863**	**2,315**	**2,461**	**2,628**	**3,172**	**3,069**	**3,254**
- Non-Operating (Income) Loss	197	51	362	222	470	277	248	470	71	327
Pretax Income (Loss), Adjusted	**960**	**1,356**	**529**	**1,640**	**1,846**	**2,184**	**2,380**	**2,702**	**2,998**	**2,928**
- Abnormal Losses (Gains)	0	3	2	1	2	3	2	2	5	3
Pretax Income (Loss), GAAP	**960**	**1,356**	**529**	**1,640**	**1,846**	**2,187**	**2,382**	**2,704**	**3,003**	**2,931**
- Income Tax Expense (Benefit)	215	298	120	390	457	556	622	665	687	716
Income (Loss) from Cont Ops	**744**	**1,058**	**410**	**1,250**	**1,389**	**1,631**	**1,760**	**2,039**	**2,316**	**2,215**
- Net Extraordinary Losses (Gains)	0	0	0	0	0	0	0	0	0	0
Income (Loss) Incl. MI	**744**	**1,058**	**410**	**1,250**	**1,389**	**1,631**	**1,760**	**2,039**	**2,316**	**2,215**
- Minority Interest	15	17	6	30	34	37	44	52	48	52
Net Income, GAAP	**730**	**1,042**	**403**	**1,220**	**1,355**	**1,594**	**1,716**	**1,988**	**2,268**	**2,163**
- Preferred Dividends	0	0	0	0	0	0	0	0	0	0
- Other Adjustments	0	0	0	0	0	0	0	0	0	0
Net Income Avail to Common, GAAP	**730**	**1,042**	**403**	**1,220**	**1,355**	**1,594**	**1,716**	**1,988**	**2,268**	**2,163**

Source: Bloomberg, MCS Research

Profit & Loss : Quarter

In Billions of IDR	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020 Est	Q1 2021 Est
Revenue	**6,711**	**6,014**	**6,045**	**5,901**	**7,067**	**5,380**	**5,703**	**6,499**	**7,140**	**6,195**
- Cost of Revenue	4,812	4,265	4,176	4,065	4,603	3,723	3,980	4,587	4,878	4,295
Gross Profit	**1,899**	**1,749**	**1,869**	**1,835**	**2,464**	**1,657**	**1,722**	**1,912**	**2,263**	**1,900**
+ Other Operating Income	0	0	0	0	0	0	0	0	0	0
- Operating Expenses	764	945	1,291	1,278	1,231	927	1,236	1,212	1,110	1,110
Operating Income (Loss)	**1,135**	**804**	**578**	**557**	**1,233**	**730**	**486**	**699**	**1,153**	**790**
- Non-Operating (Income) Loss	260	156	134	144	35	536	524	103	186	80
Pretax Income (Loss), Adjusted	**875**	**648**	**444**	**413**	**1,198**	**1,266**	**38**	**802**	**967**	**709**
- Abnormal Losses (Gains)	1	0	0	1	1	0	1	4	0	0
Pretax Income (Loss), GAAP	**874**	**648**	**444**	**414**	**1,198**	**1,266**	**37**	**806**	**967**	**709**
- Income Tax Expense (Benefit)	242	168	90	119	288	316	49	179	241	171
Income (Loss) from Cont Ops	**632**	**480**	**354**	**295**	**910**	**950**	**13**	**627**	**727**	**538**
- Net Extraordinary Losses (Gains)	0	0	0	0	0	0	0	0	0	0
Income (Loss) Incl. MI	**632**	**480**	**354**	**295**	**910**	**950**	**13**	**627**	**727**	**538**
- Minority Interest	16	14	12	7	19	18	6	9	15	13
Net Income, GAAP	**616**	**466**	**341**	**289**	**892**	**931**	**7**	**618**	**711**	**526**
- Preferred Dividends	0	0	0	0	0	0	0	0	0	0
- Other Adjustments	0	0	0	0	0	0	0	0	0	0
Net Income Avail to Common, GAAP	**616**	**466**	**341**	**289**	**892**	**931**	**7**	**618**	**711**	**526**

Source: Bloomberg, MCS Research

Cash Flow : Annual

In Billions of IDR	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Cash from Operating Activities										
+ Net Income	484	471	730	1,042	403	1,220	1,355	1,594	1,716	1,988
+ Depreciation & Amortization	171	198	272	364	411	469	515	539	549	588
+ Non-Cash Items	407	1,269	153	394	1,644	665	1,195	822	1,760	780
Cash from Operating Activities	**248**	**600**	**849**	**1,012**	**830**	**2,354**	**674**	**1,312**	**506**	**3,356**
Cash from Investing Activities										
+ Change in Fixed & Intang	390	942	717	635	841	549	762	556	1,237	1,895
+ Net Change in LT Investment	0	0	0	0	0	0	0	0	0	0
+ Net Cash From Acq & Div	0	0	0	0	0	0	0	0	0	0
+ Other Investing Activities	8	5	1	0	7	8	1	7	6	2
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0	0
Cash from Investing Activities	**382**	**937**	**718**	**635**	**848**	**558**	**761**	**563**	**1,243**	**1,898**
Cash from Financing Activities										
+ Dividends Paid	85	100	100	183	206	149	275	470	604	648
+ Cash From (Repayment) Debt	374	1,490	21	319	727	796	264	629	1,560	547
+ Cash (Repurchase) of Equity	0	0	0	0	0	0	0	0	0	0
+ Other Financing Activities	5	0	1,004	8	9	118	41	262	14	764
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0	0
Cash from Financing Activities	**284**	**1,391**	**883**	**144**	**530**	**827**	**52**	**102**	**941**	**865**
Net Changes in Cash	**151**	**147**	**1,014**	**521**	**1,148**	**969**	**139**	**659**	**294**	**486**

Source: Bloomberg, MCS Research

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Cash Flow : Quarter

In Billions of IDR	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Cash from Operating Activities										
+ Net Income	267	364	616	466	341	289	892	931	7	618
+ Depreciation & Amortization	140	138	133	145	145	147	151	155	177	196
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0	0
Cash from Operating Activities	**368**	**483**	**1,954**	**761**	**502**	**548**	**1,546**	**1,484**	**1,013**	**503**
Cash from Investing Activities										
+ Change in Fixed & Intang	312	322	404	303	598	510	485	428	204	321
+ Net Change in LT Investment	0	0	0	0	0	0	0	0	0	0
+ Net Cash From Acq & Div	0	0	0	0	0	0	0	0	0	0
+ Other Investing Activities	6	0	0	0	0	0	2	0	0	9
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0	0
Cash from Investing Activities	**318**	**322**	**404**	**303**	**597**	**510**	**488**	**429**	**204**	**329**
Cash from Financing Activities										
+ Dividends Paid	617	0	0	0	0	663	0	0	0	685
+ Cash From (Repayment) Debt	1,309	613	1,029	609	175	675	657	791	688	286
+ Cash (Repurchase) of Equity	0	0	0	0	0	0	0	0	0	0
+ Other Financing Activities	0	0	1	0	0	0	750	0	0	0
+ Net Cash From Disc Ops	0	0	0	0	0	0	0	0	0	0
Cash from Financing Activities	**693**	**613**	**1,030**	**609**	**175**	**12**	**93**	**791**	**688**	**399**
Net Changes in Cash	**65**	**184**	**524**	**173**	**274**	**53**	**879**	**673**	**206**	**136**

Source: Bloomberg, MCS Research

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Valuation

MYOR IJ Equity | Export | Settings | Equity Relative Valuation

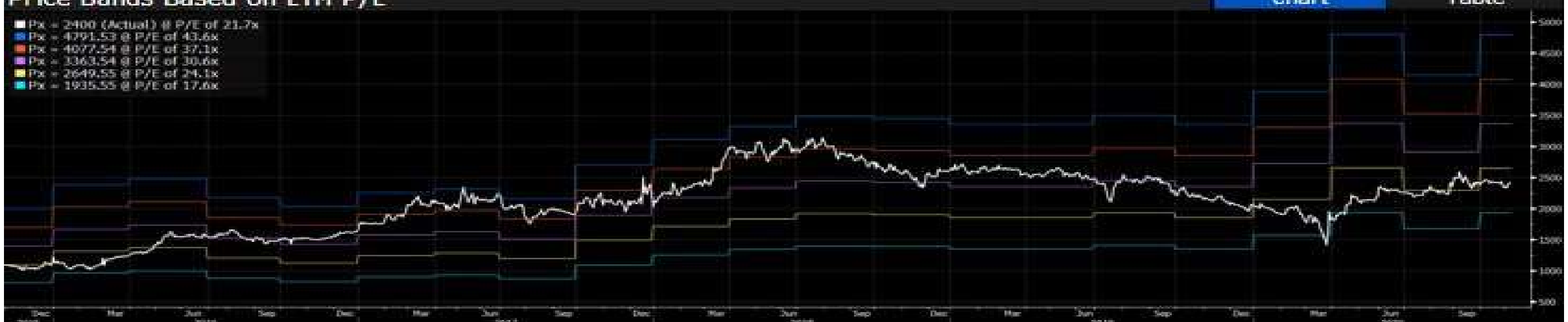
Comp Source BICS Best Fit (Algo) | Region Global | Mkt Cap > | Curr IDR

vs Comps | Group Dynamics | vs Self | Price Bands

3M 6M 1Yr 2Yr 5Yr 10Yr

	Valuation Metric Bands						12M Fwd Implied Price @		
Metric	Current	5Yr Avg	Band (x)	Avg+x	Avg-x	Est (IDR)	5Yr Avg	Avg+x	Avg-x
Current Price							2,380.00	2,380.00	2,380.00
LTM P/E	21.7x	30.6x	6.5	37.1x	24.1x	106.14	3,250.20	3,940.14	2,560.26
LTM P/BV	5.0x	6.5x	1.3	7.8x	5.2x	561.70	3,676.25	4,406.46	2,946.04
LTM P/CF	11.7x	54.9x	49.9	104.8x	5.0x	137.73	7,561.01	14,434	688.20
LTM P/S	2.2x	2.3x	0.4	2.7x	1.9x	1212.19	2,807.20	3,292.07	2,322.32

Price Bands Based On LTM P/E | Chart | Table



Source: Bloomberg

Valuation

PER	EPS	Value
30.6x	IDR 97	**IDR 2,970**

PT. Mega Capital Sekuritas

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