



Unilever

# PT Unilever Indonesia Tbk

FY 2023 Results

Earnings Call

February 7<sup>th</sup>, 2024





## Safe Harbour Statement

---

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

# PT Unilever Indonesia Tbk Earnings Call FY 2023

---

Benjie Yap  
Chief Executive Officer





## Unilever Indonesia CEO: First Impressions

### CEO, Unilever Indonesia

Jan 2024 - present

### CEO, Unilever Philippines GM B&W SEA

Jul 2022 - Dec 2023

### CEO, Unilever Philippines

Jan 2017 - Jun 2022

### VP Sales, Unilever Philippines

Jan 2016 - Feb 2017

### VP Foods and Home Care, Unilever Philippines

Oct 2009 - Dec 2012

### VP Home Care, Unilever Thailand

Oct 2009 - Dec 2012

### Various role in Unilever Foods, Home Care, R&D

1994 - Sep 2008

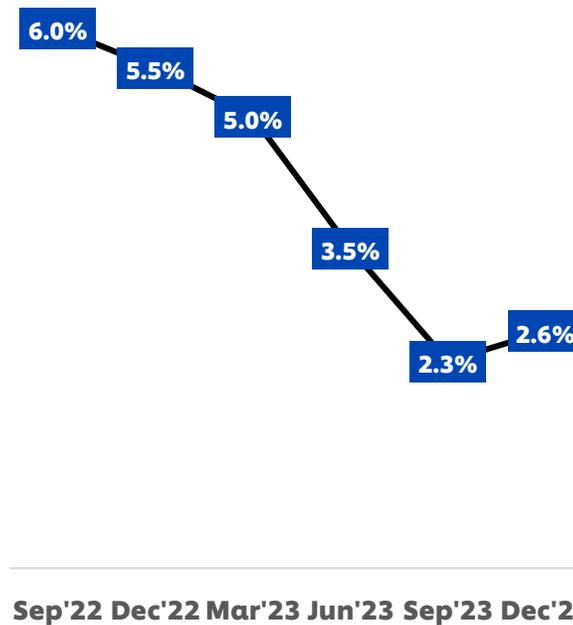


## Stable economic and inflation led to increase in FMCG spending and consumption

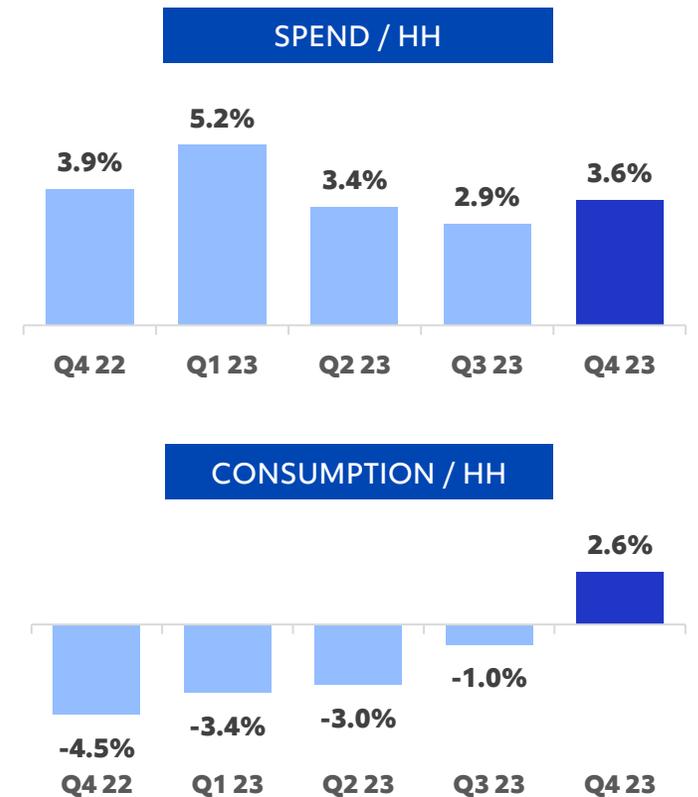
**GDP remains resilient at 5%**  
driven by domestic consumption



**Lower inflation at below 3%**



Household spending is increasing  
with **growth in consumption** in Q4'23



## UNILEVER INDONESIA : FY 2023 PERFORMANCE SUMMARY

**1**

Competitive volume growth until Oct'23.

**2**

Progress on portfolio expansion in all segments through innovation.

**3**

Gross Margin progression as result of cost saving initiatives and lower input costs.

**4**

Delivered cash surplus of IDR 1.0 trillion with zero bank loans at year end.

**5**

Nov & Dec'23 impacted from negative consumer sentiment towards multinational brands.

## Strengthen and Unlock The Core

Bigger & Better Innovations Offering Superior Benefits

**BARU Citra**  
**BODY SERUM**

**20x Niacinamide<sup>+</sup> + C Hyaluronic Acid<sup>\*</sup>**

Mencerahkan Kulitmu  
Seefektif Perawatan Wajah

\*dibanding produk Unilever sejenis lainnya

**Rexona**  
BERSAMA  
**Rexona**  
**HIJAB NATURAL**

72<sup>jam</sup> Keapangan Anti Gerah  
0% Alcohol Free  
Quick Dry Formula

**CLEAR** **BARU**

TEKNOLOGI ANTI KETOMBE TERBAIK<sup>\*</sup>

**SIKAT HABIS KETOMBE BASAH & KERING<sup>^</sup>**

DENGAN KEKUATAN 10X SUPER VITAMIN<sup>^</sup>

BUKTIKAN SEKARANG! **N<sup>o</sup>1**

^berdasarkan uji coba laboratorium Unilever Indonesia, Maret 2023

**50X MINERAL SUNSCREEN**

Vaseline<sup>®</sup>  
HEALTHY BRONZE<sup>®</sup>  
Daily Sun Refreshing  
SPF50<sup>+</sup>

cegah kusam, pigmentasi, dan penuaan dini

**100% LEBIH KUAT!**  
Lawan Kuman Berbahaya

**BARU** TUTUP ANTI LIMPAN  
GRATIS BOMBAKAR GUNTING DILINE **30% LEBIH LAMA**

**Lifebuoy**  
DENGAN MULTIVITAMIN ANTIBAKTERIAL ROTASIN

**100% LEBIH KUAT** LAWAN KUMAN BERBAHAYA

**N<sup>o</sup>1** DI DUNIA

**POND'S**  
SKIN INSTITUTE

**NEW**  
**BRIGHT MIRACLE NIASORCINOL<sup>™</sup>**  
ULTIMATE SKIN CLARITY FROM 3 DAYS

**MIRACLES HAPPEN**

**Molto**

**BAJU KESAYANGAN 10X LEBIH WANGI & AWET SEPerti BARU**

**BARU**

PERSEBUT KONSENTRAT EXTRA PARFLUOR  
PERSEBUT KONSENTRAT ULTRA PARFLUOR

Parfume + Protect

**10X LEBIH WANGI**  
**10X AWET**

**3X EFEKTIF** ANGKAT NODA\* BUNUH BAKTERI\*\*

**BARU**

**Rinso** Anti Noda<sup>®</sup> Putih  
**Rinso** Anti Noda<sup>®</sup> Merah

**BERANI KOTOR, DEMI KEBAIKAN.**

## Strengthen and Unlock The Core

Market Development and Unmissable Communications and Activations



## Play Full Portfolio by launching relevant innovations

### REACHING UP



### REACHING DOWN



## Build Execution Powerhouse

### We are **PREFERRED SUPPLIER in MT**



Unilever is #1 AGS Rank for  
**Beauty & Wellbeing, Personal  
Care, Home Care, Ice Cream**



Unilever is #2 AGS Rank for  
**Modern Trade**  
*(up from #5 in 2021 & 2022)*

### Partnership Program with Distributors

**Reduced Attrition Rate**

**Increased DT Profitability**

**Reduced Stock**

**Driving Digitalization**

**PT Unilever  
Indonesia Tbk  
Earnings Call  
FY 2023**

---

Vivek Agarwal  
Chief Finance Officer



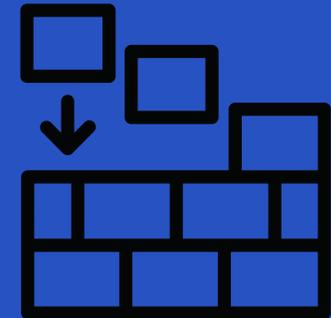
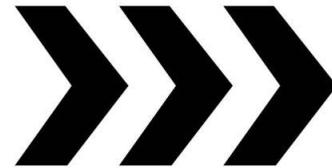
## Negative consumer sentiment toward multinational brands due to the geopolitical situation in the Middle East starting Nov '23





## Correct False Information

*Dispel the Hoax on Media and in Areas*



## Shift the Narrative, Rebuild Trust

## Win back Retailers

Massive #AntiHoax education to bring customer's trust back



## Win back mass Indonesian consumers

Halal reassurance in store, TVC, Digital



Win positive conversation in media



JK Ingatkan Masyarakat Bersikap Bijak Atas Seruan Boikot

Seri, 27 November 2023 / 11:44 WIB



Continue strengthening brand equity, sustaining BMI investment, innovations and communications

## Continuously create positive impact and contribute to the society



Clean Mosque Movement of 50K mosques & renovation of 90 small mosques with **Indonesian Mosque Council**



Gerakan Masjid Bersih Hadir Bersama Wipol & Sunlight, Kolaborasi Unilever & DMI ke-8

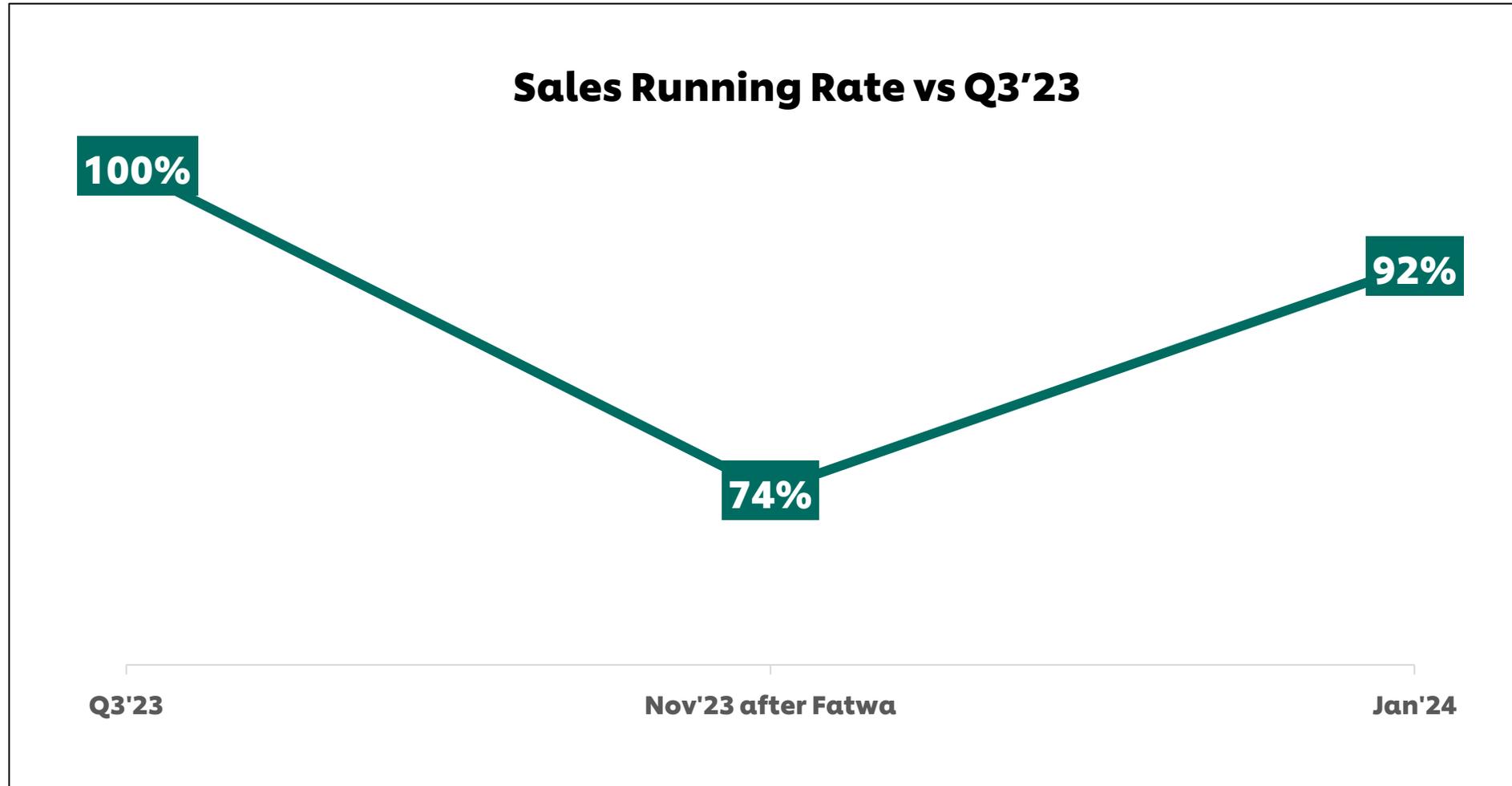


Collaboration on Health and Hygiene, Community Empowerment, and Environment with **Masjid Istiqlal**



Collaboration on Education, Entrepreneurships, and Women Protection with **PP Muhammadiyah**

## Key Channels Sales Progression



## Consumer Sentiment Impact in Nov & Dec 2023

**Domestic USG  
Q4'23**

**-15.3%**

UPG -2.4%, UVG -13.0%

**PBT %  
Q4'23**

**10.0%**

-59 bps vs LY

**Net Profit IDR  
Q4'23**

**612 bn (16/share)**

-18.7% vs LY



## FY 2023 Net Sales

### Domestic Sales Growth

**-5.2%**

UPG -1.1%, UVG -4.1%

### Total Sales Growth incl Export -6.3%

Export sales -30.8%,  
GM impact -0.2% only

## FY 2023 Gross Margin

**49.7%**

+346 bps vs LY

Protecting margin via  
cost saving initiatives

## FY 2023 Profit

### Profit Before Tax %

**16.1%**

-90 bps vs LY

### Net Profit

**IDR 4.8 T**

EPS 126 / share, -10.5% vs LY



# Unilever Indonesia FY 2023 Results

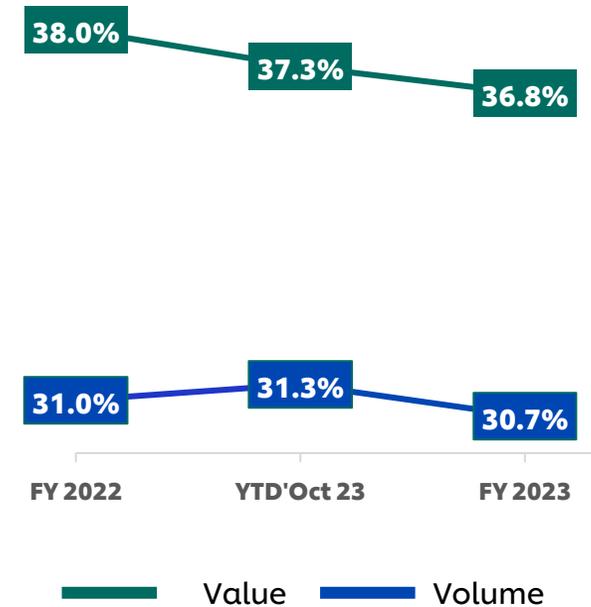
**Market share was impacted by consumer sentiment in Nov and Dec'23**

## Market Growth and ULI Growth FY 2023

Business Unit	VALUE		VOLUME	
	Market Growth	ULI Growth	Market Growth	ULI Growth
Personal Care	3.3%	2.9%	-1.4%	-1.0%
Nutrition*	1.8%	1.3%	-1.0%	0.0%
Home Care	0.8%	-2.9%	0.2%	0.0%
Beauty & Well-Being	5.0%	-3.1%	-0.3%	-6.0%
<b>Total exclude Ice Cream**</b>	<b>2.9%</b>	<b>-0.4%</b>	<b>-0.1%</b>	<b>-0.7%</b>

Rank based on sales contribution

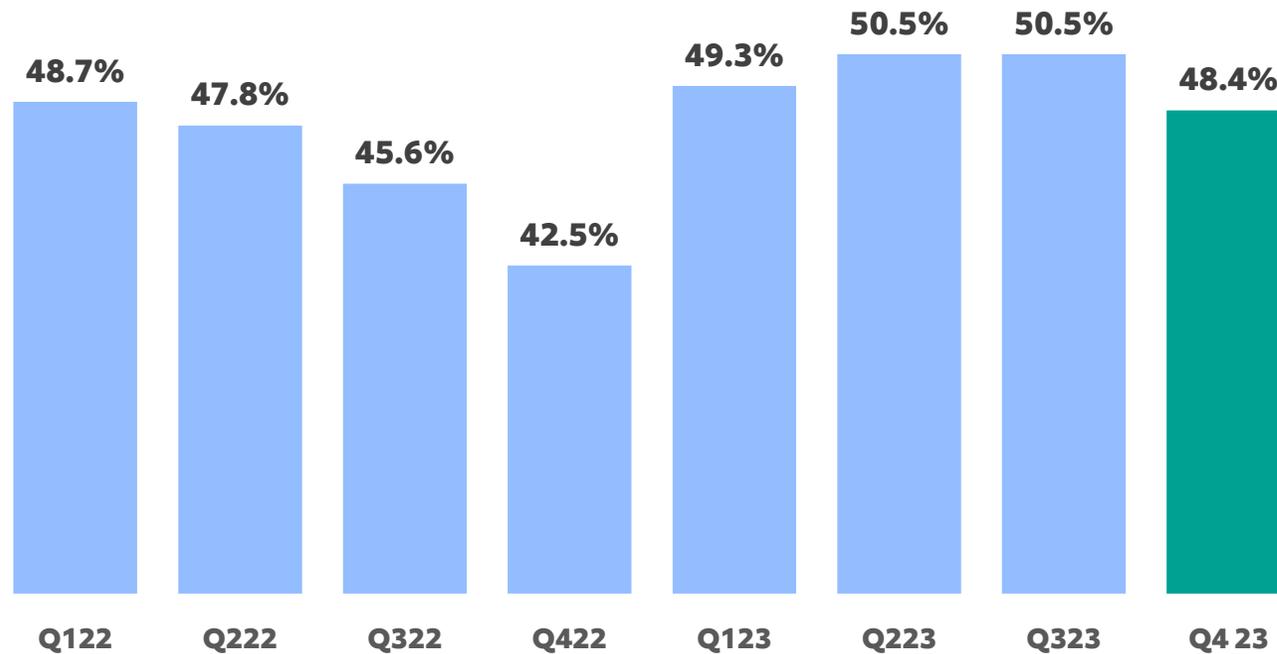
## Market Share FY 2023



\* Nutrition with Tea within Tea Bag only

\*\* Market data information for Ice Cream is not completed (only available for MT)

## Recovery in Gross Margin vs FY 2022

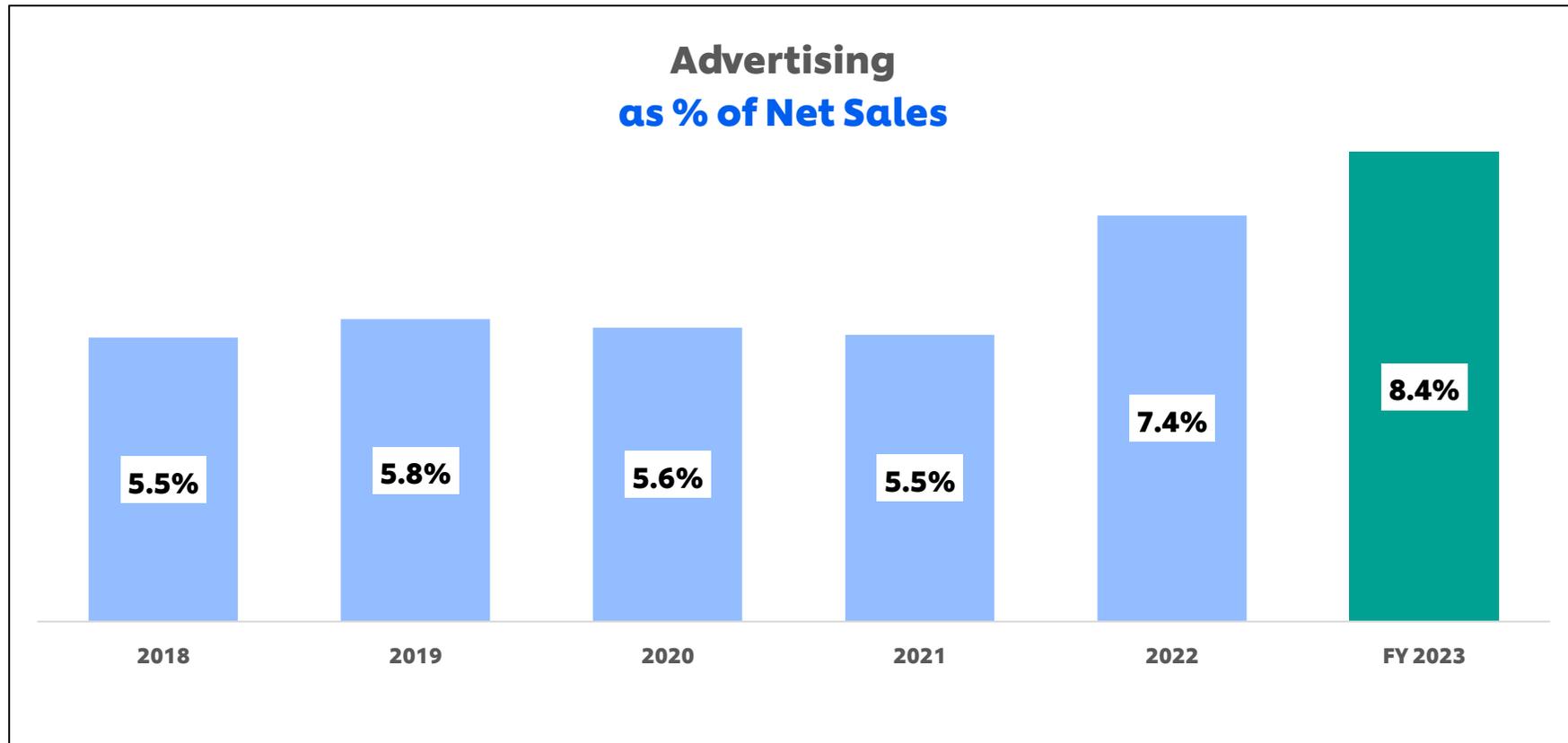


### Strong Saving Initiatives as key drivers of margin improvement

- Commodity price management
- Factory Automation and Cost Benchmarking
- Simplification and Digital acceleration
- Effectiveness of spends



## Increased level of investment behind the brands



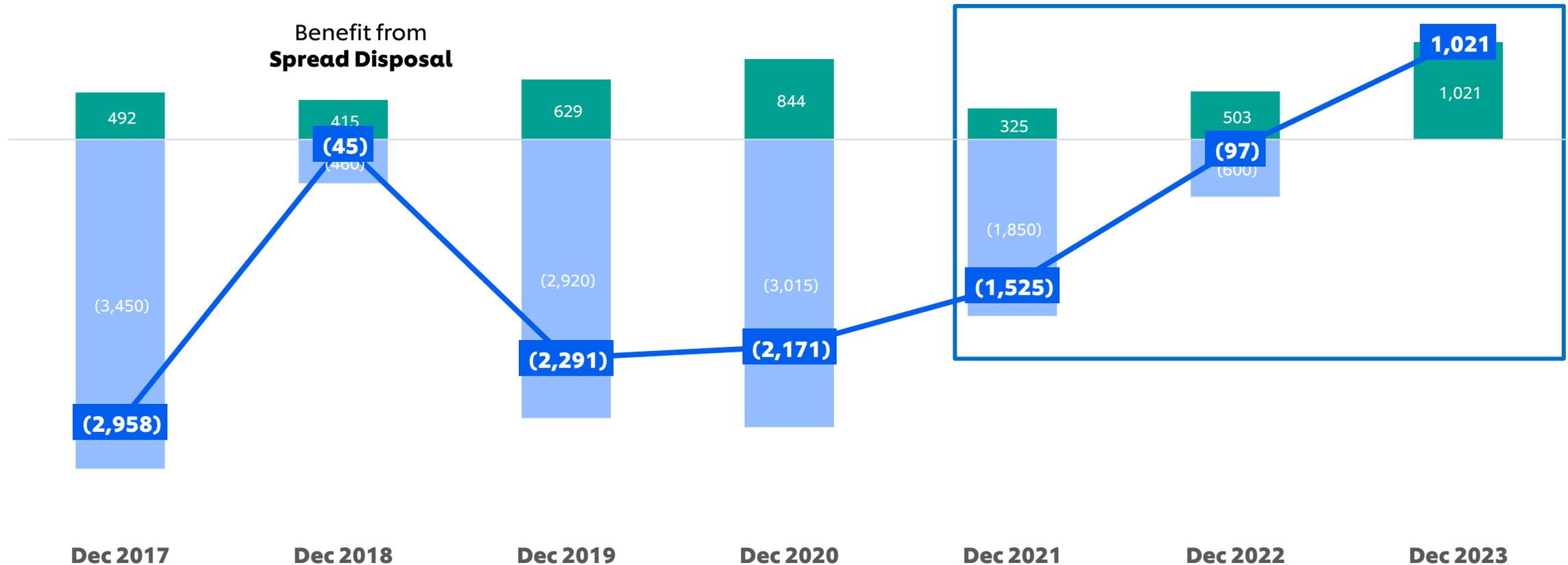


# Unilever Indonesia FY 2023 Results

## Net Cash Positive with zero bank loans by end of Dec'23

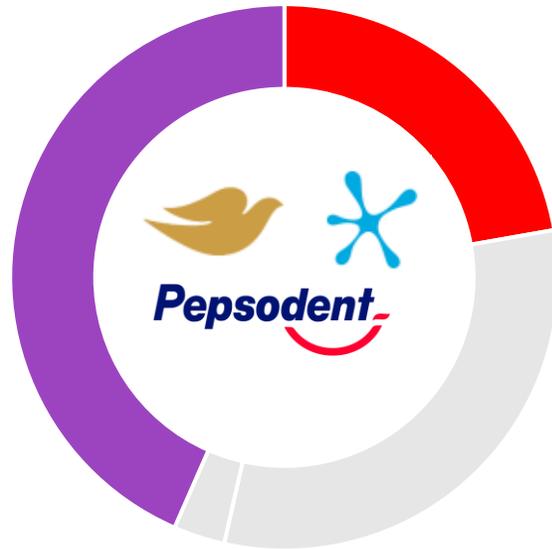
In IDR billion

Loan Bank Balance Net Cash / (Net Loan)



## 2023 Domestic Sales Growth by Division

### Home and Personal Care

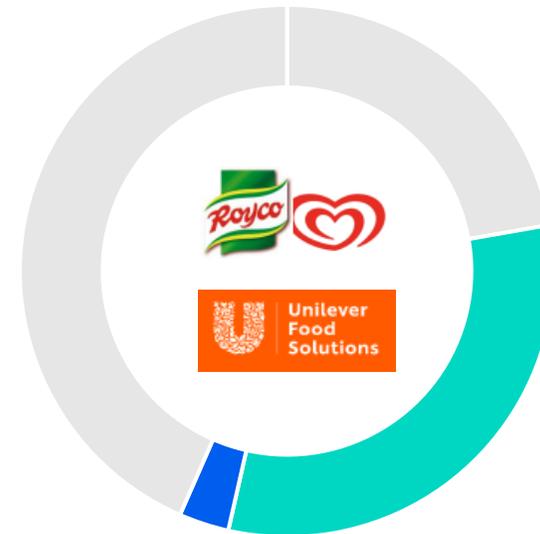


FY 2023 | -7.4%

Beauty & Personal Care  
FY 2023 | -7.0%

Home Care  
FY 2023 | -8.2%

### Food and Refreshment



FY 2023 | -1.0%

Foods & Refreshment  
FY 2023 | -1.7%

Unilever Food Solutions  
FY 2023 | 9.7%

## Beauty and Personal Care

### Result Highlights

- Maintained leadership in all categories in Beauty & Personal Care.
- POND'S Relaunch with new brightening technology Niasorcinol.
- CLEAR Relaunch as the first AD shampoo with Niacinamide.
- Vaseline remains #1 Body Care Brand.
- Total PC won the Longlife Achievement LPPOM MUI Awards 2023.



## Home Care

### Result Highlights

- Portfolio expansion:
  - 1st capsule detergent in Indonesia by Rinso.
  - Sunlight Extra Gentle with patented Rhamnoclean Technology.
  - Lifebuoy Dishwash in Value Segment.
- Rinso, Sunlight and Molto received Top Halal Award.
- Lifebuoy won Favorite Halal Brand in HPC Category by LPPOM-MUI.



## Food and Refreshment

### Result Highlights

- Maintained leadership in all categories in Food & Refreshment.
- High single digit growth in Unilever Food Solutions.
- Market Development through launching Bango Less Sugar and Bango Hitam Gurih.
- Royco became #1 Most Chosen Cooking Aid Brand.
- Bango won Top Halal Award 2023 in Soy Sauce Category.
- Wall's received Top Halal Award 2023 in Ice Cream Category.



# PT Unilever Indonesia Tbk Earnings Call FY 2023

---

Benjie Yap  
Chief Executive Officer



# UNILEVER INDONESIA : 2024 STRATEGIC THRUST



**Strengthen and Get More From the Core**

- Product superiority
- Market Development
- Bigger – Better Innovations



**Play Full Portfolio**

- Drive Premiumization
- Build Tier-2 portfolio in selected categories



**Execution Powerhouse**

- Win in Minimarket & eCommerce
- Future-Fit Distributive Trade



**Transformational Capabilities & Impact**

- Build back Gross Margin

**Sustainability at our Core**



## **2024 Priorities**

---

Recovery from year end consumer sentiment.

---

Strengthening competitiveness while protecting profitability.

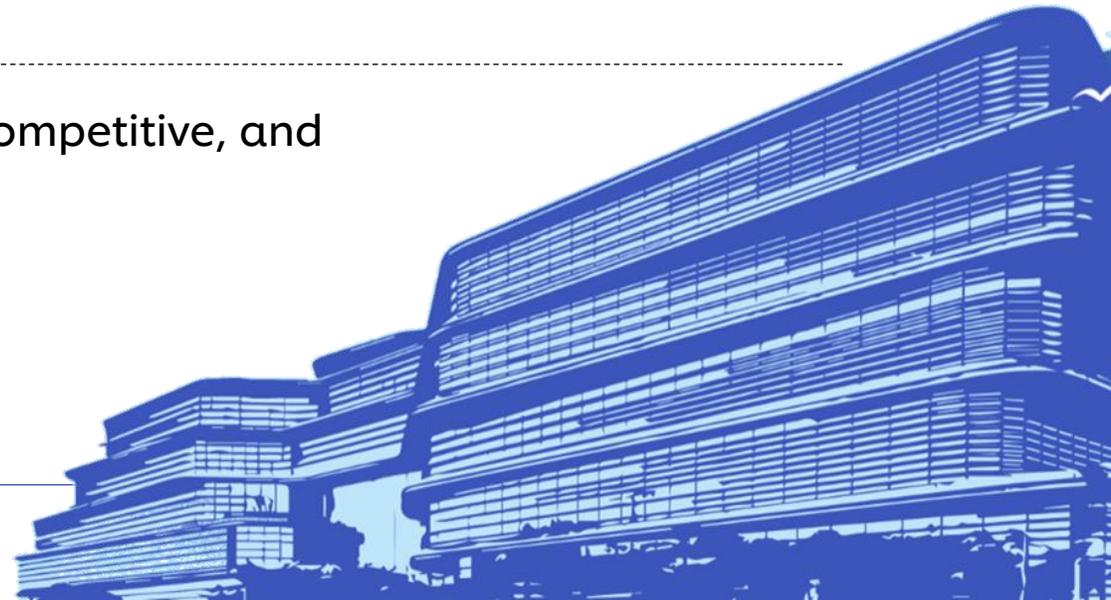
---

Accelerate Go-To-Market (GTM) Transformation and seamless execution.

---

Continue our strategic priorities for consistent, profitable, competitive, and responsible growth.

---





Unilever

Q&A

Session

---

Benjie Yap (CEO)

Vivek Agarwal (CFO)

